



## **What to Expect from the New Unemployment Insurance Law** *For Unemployment Insurance Recipients*

The Indiana General Assembly passed a new law making several changes to unemployment insurance. These changes will take place in phases. They are detailed below in order of when they take effect.

### **NO CHANGES TO CURRENTLY UNEMPLOYED HOOSIERS**

Those currently receiving unemployment benefits will continue to receive the same weekly benefit amount. The new law will not affect your eligibility or benefits.

### **Changes to Eligibility – July 1, 2011**

On or after July 1, 2011, the following individuals who become unemployed will not be eligible for benefits:

- People who work on an on-call or as-needed basis (*when they are offered work for the week*)
- Individuals receiving vacation pay
- Workers employed at a business during a planned short-term shutdown
- Employees of head start programs who are on planned breaks such as summer vacation.

### **Changes to Eligibility – October 1, 2011**

On or after October 1, 2011, employees who accept payment in exchange for voluntarily resigning or retiring are no longer eligible for unemployment insurance.

### **Changes to Severance Pay – October 1, 2011**

Beginning October 1, 2011, any amount received in severance pay will be deducted from weekly unemployment insurance benefits.

- For example: If someone is eligible for \$300 a week in UI benefits and receives \$200 a week in severance pay, the severance pay will be deducted from their weekly UI benefit. They will collect \$200 in severance pay and \$100 in UI benefits.

### **New Tax Withholding Options - January 1, 2012**

Beginning January 1, 2012, individuals may choose to have state and local taxes withheld from their weekly unemployment insurance benefits.

### **Changes to Benefit Calculation – July 1, 2012**

New claims filed on or after July 1, 2012 will be calculated based on annual income. The maximum weekly benefit amount will remain \$390.