

UNEMPLOYMENT COMPENSATION FOR EX-SERVICEMEMBERS
(UCX) PROGRAM QUESTIONS AND ANSWERS

I. Taking an Initial UCX Claim

1. **Question:** When an initial claim appears to be based on a claimant's military service, what steps are necessary to take the claim?

Answer: Since many states now take claims remotely by telephone and Internet, a claimant should be asked to provide information from his/her copy of the DD 214 on the branch of service (Air Force, Army, Coast Guard, Marine Corps, Navy, or Commissioned Corps of the National Oceanic and Atmospheric Administration {NOAA}), dates of service, and separation information.

When a UCX claim is taken the state must send an automated "request" to the Federal Claims Control Center (FCCC) to request wage and separation information. This request begins the process that will determine if the claimant has "Federal military service" for UCX purposes. If so, the claimant may use the Federal military service and wages to determine UCX eligibility.

2. **Question:** What is the Federal Claims Control Center (FCCC)?

Answer: The FCCC was established by the U.S. Department of Labor (USDOL) to be the official source of military wage and separation information to determine UCX entitlement. It maintains the Department's copy of the DD 214 and/or DD 215 for UCX purposes. The FCCC also maintains a system of "claims control records" for program integrity purposes.

3. **Question:** After the UCX claim is taken, may the state immediately establish the UCX claim based on the claimant's information about his/her "Federal military service?"

Answer: No. The state must wait for a response from the FCCC to determine if the claimant has "Federal military service" that may be used to establish a UCX claim. The FCCC will respond with the necessary information or it will advise the state that there is no record on file at the FCCC. If there is no record at the FCCC, the FCCC will contact the appropriate branch of the military to request a copy of the claimant's DD 214. If this occurs, the state workforce agency (SWA) should begin the affidavit process (Refer to Section V of these questions and answers.)

4. Question: What are a DD 214 and a DD 215?

Answer: A DD 214 is a military form issued to all military personnel upon separation from periods of active duty. The DD 214 contains information about how long the claimant served in the military, why he/she separated from the service, etc. The DD 214 copy usually given to the ex-servicemember is called "member copy 4." A DD 215 is a military form used to revise or correct a previously issued DD 214.

II. Federal Military Service/First Full Term

1. Question: How does the state determine if an individual has "Federal military service" for UCX purposes?

Answer: SWAs will use the information provided in the response record from the FCCC or information from the individual if it was necessary to take an affidavit (see Section V of these questions and answers) to determine if the individual has met the UCX requirements with respect to the type of service, the nature of separation, and the term of service. To find eligibility, the state must determine whether the ex-servicemember:

- Performed active service in the Armed Forces (Air Force, Army, Coast Guard, Marine Corps, Navy), or the Commissioned Corps of NOAA and was discharged or released after completing the first full term of service which the individual initially agreed to serve; **or**
- Performed full-time active duty in the Army or Air National Guard or performed duty in a reserve component of the Armed Forces for a continuous period of 90 days or more.

Note: If the individual did not complete a first full term of service (or serve a continuous period of 90 days, if a member of the Army or Air National Guard or if a member of a reserve component of the Armed Forces), the narrative reason for separation from the military must be one of the "acceptable" narrative reasons issued by the USDOL for the servicemember to meet the UCX requirements. (Also see Section III, question #3.) The language of the narrative reason must exactly match the language provided on the USDOL "acceptable" list of reasons in order for the ex-servicemember to use his/her military wages to establish a claim. (See Attachment 2 for the list of narrative reasons. Also reference: 5 U.S.C. 8521 for "Federal military service" and ET Handbook No. 384, Chapter II and Appendix D for the criteria used to make UCX eligibility determinations.)

If one of the above conditions has been met, the ex-servicemember must have also:

- Separated “under honorable conditions,” and if an officer, did not resign for the good of the service.

2. Question: How does the state determine that an individual has completed a full term of military service?

Answer: In most cases, when the individual has completed a “full term of service,” it is clearly annotated as “Expiration Term of Enlistment” (ETE) or as “Expiration Term of Service” (ETS) on the FCCC response record or on the DD 214.

The Army and Air Force consistently make the annotations “Expiration Term of Enlistment” (ETE) or “Expiration Term of Service” (ETS) on the DD 214 and these annotations confirm the full term of service has been met. However, the Marine Corps, Navy and Coast Guard do not consistently make such entries on the DD 214.

If the records do not clearly indicate that the individual has completed a full term of service and the claimant alleges to have done so, the state must use the ETA Form 843 (Request for Military Document and Information) to verify the term of service with the appropriate military branch. (See ET Handbook 384, Chapter II.)

If the individual performed full-time active duty in the Air or Army National Guard or performed active duty in a reserve component of the Armed Forces, the period of service shown must equal 90 continuous days or more to qualify as a full term of “Federal military service;” otherwise, such service is not “Federal military service” for UCX purposes.

To determine the term of service for commissioned officers of NOAA, information from the FCCC response or NOAA Form 56-16 is used in lieu of a DD 214.

Note: On October 1, 2003, the Department of Defense implemented a National Call to Service (NCS) program that authorized service branches to offer a 15-month enlistment term, as long as the servicemember enlisted in a national service program or in a reserve component of the Armed Forces. Prior to this, the military branches had active duty enlistment commitments of two, four and six years.

3. Question: Are there times when an individual’s period of active duty is sufficient to qualify as “Federal military service,” but the individual has not completed a “full term of service?”

Answer: Yes. Individuals discharged or released under honorable conditions before completing their first full term of active service will have “Federal military service,” if separated for any of the following reasons:

- (a) for the convenience of the government under an early release program,
- (b) because of medical disqualification, pregnancy, parenthood, or service-incurred injury or disability,
- (c) because of hardship, or
- (d) because of personality disorder or inaptitude, but only if the service was continuous for 365 days or more.

In such cases, one of the reasons listed above will be shown as the narrative reason for separation on the DD 214 and on the FCCC response record. The list of the acceptable narrative reasons for separation is used for all branches of service. (See Attachment #2 or ET Handbook No. 384, Appendix D, for the list of narrative reasons.)

4. **Question:** When it is determined that an individual has previously completed a “full term of service,” what criteria must be applied to a subsequent period of service to determine if it is “Federal military service?”

Answer: Except for periods of active duty in a reserve status for a continuous period of less than 90 days, any subsequent period of service, whether it immediately follows the first full term of active service or not, is sufficient to qualify as “Federal military service,” provided the individual’s separation was under honorable conditions. (Refer to 5 U.S.C. 8521(a), as amended, and ET Handbook No. 384, Chapter II.1.a and 2.a.)

5. **Question:** May an individual who has previously established a UCX benefit year qualify for a subsequent UCX benefit year?

Answer: Yes. There is no limit to the number of UCX claims that an individual may establish if there is “Federal military service” in the base period of the claim.

6. **Question:** When an individual, upon completion of the first full term of service, is honorably discharged (or if an officer, did not resign for the good of the service) and is then discharged from a subsequent period of service under other than honorable conditions (or, if an officer, resigned for the good of the service), may a benefit year be established using the first full term of service?

Answer: Yes. When an individual has completed a first full term of service and is discharged under qualifying conditions, the subsequent non-qualifying narrative reason for separation is not considered in determining the individual’s eligibility. (Refer to ET Handbook No. 384, Chapter II.2.a. and see question # 7 below.)

7. **Question:** When the conditions in question 6 above exist, may the wages from the period of service subsequent to the qualifying discharge be used in the monetary determination?

Answer: No. Wages attributable to the period of service from which the non-qualifying discharge applies may not be used in the monetary determination because it is not considered "Federal military service." However, this subsequent non-qualifying separation does not preclude the use of base period UCX wages attributable to the period of service up to the qualifying discharge. (Refer to ET Handbook No. 384, Chapter II.2.a.)

III. Character of Service/Narrative Reason for Separation

1. **Question:** How does the state determine if the individual's character of service is under honorable conditions?

Answer: The state will review the response record from the FCCC (or the information shown in Item 24 of the DD 214). When the character of service is shown as "Honorable" or "Under Honorable Conditions (General)," the individual's character of service is treated as honorable for UCX purposes. In addition, when the character of service is shown as "Entry Level Separation" and the period of service is less than 180 days, this individual's character of service is also treated as honorable for UCX purposes. (Refer to ET Handbook No. 384, Chapter II.3.)

2. **Question:** What action must the state take when the narrative reason for separation from the FCCC response record or DD 214 is not on the approved list?

Answer: If the narrative reason for separation is not on the list of acceptable reasons, the individual's military service is not "Federal military service" for UCX purposes, and a determination must be issued accordingly. If the language of the narrative reason does not exactly match the language of an acceptable reason, no wages from this period of service may be used in the monetary determination. (Refer to ET Handbook No. 384, Chapter II.2.)

3. **Question:** What actions must the state take if the narrative reason for separation shown on the FCCC response record or DD 214 appears to be incomplete or otherwise is unclear?

Answer: The state must send a UCX Request for Military Information, Form ETA 843, to the appropriate branch of the military service requesting clarification.

Note: It is important to remember that the state is responsible for making UCX determinations based on information provided by the branch of service. The

military service is not responsible for determining whether the ex-servicemember is eligible for UCX under 5 U.S.C. 8521(a)(1). Therefore, when a Form ETA 843 is used to obtain clarification of the narrative reason for separation, the state must ask specific and complete questions and attach a copy of the FCCC response record (or a copy of the DD 214) to the request. (Refer to ET Handbook No. 384, Chapter II.3 and 4.)

- 4. Question:** What action must the state take if the narrative reason for separation shown on the individual's FCCC response record or the DD 214 is complete, but the individual disagrees with the reason stated?

Answer: The state must advise the individual that the UCX law provides that the relevant findings of the branch of service must be accepted by the state as "final and conclusive" for determining UCX entitlement, but the individual may initiate a request for change with the branch of service. If the branch of service changes or corrects the information provided on the original DD 214, it is done using a DD 215. (See Handbook 384, Chapter VI.2. for a copy of DD Form 215.)

Note: At the request of the individual, the state may complete and send a UCX Request for Military Information, Form ETA 843, together with any supporting material provided by the claimant, to the appropriate branch of service to request a DD 215 (correction of the military finding). (Refer to ET Handbook No. 384, Chapter II.4; and 20 CFR 614.22(a).)

IV. Assignment of Federal Military Service & Wages

- 1. Question:** What does "wage assignment" mean?

Answer: Wage assignment means that a state has been designated jurisdiction over the use of "Federal military service" and wages for UCX purposes. All "Federal military service" and wages, including lag period service and wages, must be assigned to the state in which the first claim is filed in accordance with 5 U.S.C. 8522. (The "first claim" is defined as the first claim for unemployment compensation that is filed after separation from the latest period of "Federal military service" which establishes a benefit year.) When "Federal military service" is assigned to a particular state, it means the state may use the military wages earned for UCX purposes, including transferring the wages to another state for a combined wage claim. (See UIPL No. 5-97 for more information about wage assignment.)

- 2. Question:** The rules for wage assignment indicate that all military wages are assigned with the "first claim" that establishes a benefit year. Does this mean the first claim filed under the UCX program or the first claim filed under any state or Federal program that establishes a benefit year?

Answer: It means the first claim of any type that establishes a benefit year. (Refer to 20 CFR 614.2(i).)

3. **Question:** May “Federal military service” and wages be assigned to more than one state?

Answer: No, except as noted in question number 1 above. Wages may be transferred to another state and reassigned for use on a combined wage claim in accordance with 20 CFR 616 (see Section VII regarding a type 3 request).

4. **Question:** If an individual has an unacceptable narrative reason for separation from the military or if the individual did not have 90 days of consecutive full-time service in the Air or Army National Guard or in a reserve component of the Armed Forces and the military wages are unusable, does this determination affect the use of the non-military base period wages to establish an unemployment claim?

Answer: No. Non-military base period wages may be used on a claim. Additionally, if the reason for separation from the non-military employment (on which such base period wages were based) was to enter the military, it must not be used as a basis to deny the claimant. (Refer to ET Handbook No. 384, Chapter IV.7.)

V. Affidavit to Establish UCX Eligibility

1. **Question:** When the FCCC does not have a DD 214 on file for a claimant, may the state establish the UCX claim based on the claimant’s copy of the DD 214?

Answer: Yes. When the FCCC response indicates that there is no DD 214 on file for the claimant, the state may determine UCX eligibility under an affidavit process using a copy (other than copy 1) of the claimant’s DD 214. The state must make re-determinations, as needed, if conflicting information is later received from the military.

Note: The FCCC will still contact the branch of service for the official USDOL copy of the DD 214, even if an affidavit is used to find UCX eligibility. (See Section VII, question # 7.)

2. **Question:** Besides the DD 214, what other documents may the state use to establish a UCX claim?

Answer: When the state receives a response record from the FCCC indicating that there is no DD 214 on file and the individual does not have the DD 214, member copy 4, the state may use the individual’s “orders to report,” “orders of release,” earning and leave statements, and/or W-2 form(s) as the basis of the individual’s affidavit to establish a claim. The state may also use any DD 214 copy (other than

copy 1) as the basis to take the affidavit for the UCX claim. If the individual has no evidence of military service, the state must complete ETA Form 843 to request information from the military. (Refer to ET Handbook No. 384, Chapter II.1.).

- 3. Question:** Is USDOL approval necessary before a state may use the individual's orders to report, orders of release and/or other wage documents as the basis of an affidavit to establish a UCX claim?

Answer: No. However, in all cases, the state must have sent a request for the individual's military service and wages to the FCCC and the state must make any necessary re-determinations if conflicting information is received later.

VI. Application of Pension Reduction Provision

- 1. Question:** Are military pensions considered deductible income for the UCX program?

Answer: Federal retirement payments and annuities for the UCX program are to be treated the same as other retirement payments and annuities under the state unemployment compensation law. Laws regarding treatment of retirement pay vary from state to state. (Refer to ET Handbook 384, Chapter IV.3 and UIPL No. 22-87, including Changes 1 and 2.)

VII. Federal Claims Control Center (FCCC)

- 1. Question:** Does the FCCC respond to each request or record sent by the states?

Answer: Yes. Every request received by the FCCC generates a response to the requesting state.

- 2. Question:** What are the types of record requests sent to the FCCC from the states?

Answer: There are six types of record requests used for the UCX program. See the following page for a description of the six record types.

Note: The FCCC also maintains claims control records for the Unemployment Compensation for Federal Employees (UCFE) program.

This chart describes the six record types:

UCFE/UCX RECORD TYPES		
Type of Record	Event	When to Use
Type 1 – Initial Request for Wage & Separation Information	Claim Filed	Each time a UCFE/UCX claim is filed.
Type 2 – UCFE or UCX or Joint Claim Control	Benefit Year Established	Each time a benefit year is established using UCFE, UCX, or a combination of both types of wages.
Type 3 – Wage Assignment Only	Benefit Year Established - Lag Period Wages	When a UI benefit year is established which causes the assignment of lag period UCX or UCFE wages. When a benefit year is established under another state’s law which causes a wage assignment in your state.
Type 4 – Cancellation of Type 2 Claim Control	Cancellation of Control Record	When a benefit year that caused an assignment is canceled.
Type 5 – Cancellation of Type 3 Wage Assignment Only Control	Benefit Year Cancelled using Lag Wages	When a benefit year that caused an assignment is canceled.
Type 6 – Cancellation of UCX Pending Record	Withdrawal of UCX Claim or Erroneous Information Caused Pending Record	When a UCX claim is withdrawn or canceled, or when erroneous information (e.g. incorrect separation date on the Type 1 record) caused an erroneous pending record to be created.

3. Question: When a claim has both military service and Federal civilian employment in the base period, is the state required to send two (2) Type 1 requests (identifying one as “UCX” and the other as “UCFE”) to the FCCC?

Answer: Yes. The state must send a Type 1 request for each Federal program type. The FCCC will respond to each request.

4. Question: Why does the state have to send separate Type 1 requests identifying the program type as UCX or UCFE when a joint claim is filed?

Answer: Currently, the FCCC system is not programmed to process a Type 1 “joint” request. Therefore, when there are UCFE and UCX wages in the base period and/or lag period of the claim, the state must send a Type 1 request for each Federal program type.

5. Question: When claimants have multiple Federal military separations after the beginning date of their base period, must the state send one (1) Type 1 request to the

FCCC or does the state send a separate Type 1 request for each separation?

Answer: The state will send only one (1) Type 1 request to the FCCC showing the most recent separation date, except as noted below. The FCCC will respond with wage and separation information for all the DD 214s on file that have a separation date on or after the base period beginning date. The electronic response record can provide wage and separation information for up to two (2) DD 214s. If there are more than two (2) DD 214s, the FCCC will fax copies of all DD 214s on file to the state for its use in determining the claimant's eligibility.

Note: Because only the most recent separation date is provided on the Type 1 request, the FCCC is unable to identify missing DD 214s with prior separation dates. If the claimant has more than one military separation after the beginning date of the base period and not all DD 214s are on file, a pending record can be created only for the separation date that is shown on the Type 1 request.

If the missing DD 214 is for a separation not shown on the original Type 1 request, the state must send another Type 1 request showing the separation date of the missing DD 214 in order for the FCCC to create a pending record. The FCCC will generate a request for the DD 214 to the military branch.

6. **Question:** If a claim shows separations from different branches of service in the base period, does the state send a separate Type 1 request for each branch of service?

Answer: No. See response to #4 above.

7. **Question:** Does the state send a Type 6 request record to cancel the pending record at the FCCC when the state establishes a benefit year based on an affidavit?

Answer: No. The FCCC must still contact the branch of service to obtain the official USDOL copy of the DD 214. Upon receipt of the DD 214, the FCCC will forward an "amended" response to the state providing the requested information from the DD 214. The information on the affidavit (i.e., the information provided by the claimant) must then be validated against the response (information) from the FCCC.

8. **Question:** Once a claim is established based on an affidavit, what action must the state take when there is a discrepancy between the DD 214 information received from the FCCC and the information shown on the DD 214 or other information provided by the claimant?

Answer: The FCCC is the official source of wage and separation information; therefore, the FCCC information must be used by the state to make UCX determinations. If the claimant disagrees with the information from the FCCC, the state may request a copy of the DD 214 from the FCCC to verify the information. This can be done by sending a request, via e-mail, to: ui.support@acs-inc.com. The

state must also advise the claimant that it is the responsibility of the claimant to contact the military branch of service to request any correction(s) to the DD 214.

Note: At the request of the individual, the state may complete and send a Form ETA 843 (UCX Request for Military Information), together with any supporting material provided by the claimant, to the appropriate branch of service to request a DD 215 (correction of the military finding). (Refer to ET Handbook No. 384, Chapter II.4; and, 20 CFR 614.22(a).)

VIII. Interstate/Combined-Wage

1. **Question:** When a claimant (who is located in State A) has the option of filing either a UCX claim or a combined-wage claim against State A, or an interstate claim against another state (State B) - and the claimant chooses to file the interstate claim based on his/her prior state covered employment in State B - is State B required to notify State A that a "first claim" has been established (which causes the Federal military wages to be assignable to State A)?

Answer: No, there is no requirement for the liable state (State B) to notify the state in which the claimant was/is located (State A) that a "first claim" has been established that causes Federal military wages to be assignable to State A.

2. **Question:** Using the example in question #1 above, when an interstate "first claim" is filed by an ex-servicemember based on employment in State B, does State B send a Type 1 request to the FCCC?

Answer: No. In this case, although this is a "first claim," the UCX wages are not assignable to or being used by the liable state (State B) for the interstate claim.

3. **Question:** When a state establishes a valid "first claim" that has lag period military wages what, if any, record(s) does the state need to send to the FCCC to assign the wages?

Answer: The state will send a Type 3 request to assign the wages to the state. Please see the following example:

Example: A state establishes a valid "first claim" that has lag period military wages.

A claimant had state-covered employment in State A from July 2004 through June 30, 2005, and "Federal military service" from July 5, 2005, through October 7, 2005 and files a claim during the 4th quarter of 2005. See following chart:

BASE PERIOD				LAG PERIOD	
3 RD QTR 04	4 TH QTR 04	1 ST QTR 05	2 ND QTR 05	3 RD QTR 05	4 TH QTR 05
State UI Wages	State UI Wages	State UI Wage	State UI Wages	Federal Military Wages	Federal Military Wages

Upon separation from the military, the claimant files an intrastate initial claim in State A. The claim is based on state-covered wages in the base period (July 1, 2004, through June 30, 2005). When State A establishes the “first claim,” it causes lag period Federal military wages to be assignable to State A. (The wages are assigned even though no military wages are used to establish the claim since this was the first claim filed after separation from military employment.)

Note: State A transmits a Type 1 request when the new claim is filed and transmits a Type 3 request to assign the wages. A Type 2 control record is not sent because military wages were not used to establish the benefit year.

IX. Miscellaneous

- 1. Question:** If an ex-servicemember has two military separations after the beginning of the base period with different pay grades (i.e., E4 and E5), which pay grade is used to determine the individual’s wages?

Answer: The calculation of the individual’s wages is based on the pay grade held at the time of the most recent separation. This pay grade may be higher or lower than the pay grade held at the time of the first separation. It also may be a pay grade that covers a period of service that only falls in the lag period. However, the most recent pay grade is used to calculate wages for the entire period of service occurring from the beginning of the base period through the separation date. (Refer to ET Handbook No. 384, Chapter IV 2.a. and 20 CFR 614.12(b).)

- 2. Question:** How is an individual’s military service as a member of the National Guard or reserve components identified on the FCCC response record and the DD 214?

Answer: The entry shown below for the appropriate branch of service should appear on the FCCC response record or on the individual’s DD 214:

Army:	ARNGUS or USAR
Air Force:	ANGUS or USAFR
Navy:	USNR
Marines:	USMCR
Coast Guard:	USCGR

3. **Question:** If questions come up that cannot be resolved at the state level, where should states direct their questions?

Answer: If questions cannot be resolved at the state level even after checking ET Handbook 384 (Second Edition), state staff may contact the USDOL Regional Federal Program Coordinator for assistance.

4. **Question:** Why is DD 214 information provided by the different military branches sometimes provided differently?

Answer: Each branch of service operates independently. USDOL will continue to communicate the need for consistency in its discussions with Department of Defense staff.

5. **Question:** If UCX claimants fail to contact their last employer to exercise their employment rights under the Uniform Services Employment and Reemployment Rights Act of 1994 (USERRA), how must states adjudicate any resulting issue(s)?

Answer: The state should conduct appropriate fact-finding to determine if the claimant is able and available for work and to determine if the claimant has refused suitable work as defined by state law. (UCX claimants are subject to the same able and available requirements of state law as regular unemployment claimants, including any work search requirements).

6. **Question:** When individuals file an initial claim or reopen a claim after a military discharge and they plan to return to full-time employment in the near future with a pre-service employer, does the state have to take any special action(s)?

Answer: The action required depends on the unemployment insurance (UI) law of the individual state. Some states waive the work search requirement if claimants are job-attached and other states require a work search regardless of job attachment. Individuals filing UCX claims are subject to the same work search requirements as those under the state UI law and the state must adjudicate any issue(s) as it would on any other claim.