

Unemployment Benefits: Information and Records Federal Employees Will Need

The following information is an excerpt from a longer article at [The Century Foundation](#), ***Mass Federal Layoffs Present Unprecedented Unemployment Insurance Challenges*** March 5, 2025 — Andrew Stettner and Laura Valle Gutierrez

Timely Unemployment Benefits Are Vital for Families and Regional Economies

Unemployment Insurance (UI) benefits are the first and best lifeline to prevent hardship for impacted workers, their families, and their regional economies. Even if federal workers are involved in individual or collective challenges [appeals or lawsuits] to their terminations, workers in need of support should apply for benefits as soon as they are off of federal payrolls. Federal employees have earned the right to these benefits and are entitled to that support in the same way any involuntarily unemployed worker is.

Unfortunately, many federal workers could struggle to get timely access to UI benefits when their paychecks suddenly stop. Federal employees are covered by [Unemployment Compensation for Federal Employees \(UCFE\)](#),⁶ a program operated by the states but separate from the standard federal–state unemployment insurance system. As UCFE is run separately from the larger system, it does not use the automated systems developed to regularly collect wage records and automatically communicate with private-sector employers to verify information. Instead, UCFE depends on a cumbersome wage request system between federal agencies and states that is structurally less resilient than the system for standard UI—and this lack of resilience may be amplified if federal HR departments are unresponsive. Moreover, the controversial methods that federal agencies are currently using to cut the workforce will complicate eligibility decisions by state agencies and could lead to further delays. UCFE (and UCX, the counterpart for ex-military service members) will be especially confusing for many federal workers who have not typically faced unemployment and may be filing for the first time as they navigate the personal stress of a sudden layoff.

Even if laid off workers manage to collect UCFE benefits, state policies will mean those benefits will fall far short of replacing their prior income. Our analysis finds that maximum state UI benefits represent, on average, just 39 percent of prior salaries of federal workers. This immediate reduction in spending power will erode the savings of federal employees, squeezing their ability to provide basics such as food, housing, transportation, medicine, and education to themselves and their families at a time of rising prices. Furthermore, federal layoffs could suck billions of dollars out of local economies as restaurants, grocery stores, and more lose out as families are forced to cut back on expenses.

10 Things Federal Workers Should Know About Unemployment Compensation for Federal Employees (UCFE):

- 1. File in your last duty station, and that state will determine your benefit amount.** Your SF-50 will list your official duty station. File for UCFE benefits in that state. Use the [Service Locator](#) to find out how to file on-line or by phone.¹⁰
- 2. File with your SF-50 and SF-8, but don't wait.** The SF-8 provides the correct mailing address for the federal agency, which the state will use to mail documents verifying employment and other reasons. Your final SF-50 provides wage and separation information the state may need to determine your weekly benefit amount. However, don't wait to file benefits until you get these forms. File as soon as you stop receiving a paycheck and you can send additional information later. States may back-date your claim but they are not required to.
- 3. File for UI even if you are challenging your termination.** Many terminated workers are challenging their separation. As soon as the federal paycheck stops, workers should file for unemployment benefits while their appeal is pending. If workers are successful and receive back pay, they can pay back the state for any unemployment benefits received (which would represent an interest free loan).
- 4. Don't panic if you get a \$0 monetary determination.** Unemployment compensation for federal employees works differently than regular UI for private sector employees. Private employers report wages each quarter for all employees into state databases that are accessed when their laid off workers apply. States must request data from your federal agency by mail to the point of contact indicated on your SF8. So workers have \$0 wages when you first apply if you only worked in the federal government.
- 5. The process may take twenty-one days or more.** Most UI claims are paid within fourteen to twenty-one days from when they are filed. Individuals who resigned their position, or were terminated for performance, could experience a longer delay as the issue is investigated and it is determined whether an individual is eligible for UI benefits.
- 6. Your home agency must verify your wage.** The process for UCFE is less automated than regular UI, which can make the process longer. Federal agencies processing incoming claims from state UI agencies are at a high level of stress in 2025 which may also contribute to delays.
- 7. If your claim is delayed, request a wage affidavit.** Your former employer (federal agency) must verify your employment, and reason for separation. If they don't

respond within twelve days, the state can have you fill out an ES-935, a Claimant's Affidavit of Federal Civilian Service, Wages and Reason for Separation, to move your claim along. If your claim is delayed, call your agency and request they process your claim with an affidavit.

8. **Check your portal, email and mail frequently—you may need to respond to requests for information.** Recently separated federal employees are reporting multiple requests for information from state agencies. Don't fret. States need to collect information to verify that your separation is covered under state law, and to ensure that you (and not a criminal impostor) is filing. Check frequently for forms you can fill at home, or requirements to come in person to a local office.
9. **Certify and report your work search while you wait.** Unemployment benefits are only payable for weeks that you have certified that you are unemployed and looking for work. Certification should be done each week, including while you are waiting for benefits. Look on line or in the state's portal for directions to "File Weekly Certification." You will have to continue certifying for the duration of your claim, and follow rules to document work search efforts (screenshots of online applications are a great place to start). In most states there is a one-week waiting period. This means that you will not receive payment for the week under which your initial certification was filed.
10. **Rules limit how much extra earnings you can receive while collecting UCFE.** You may pick up contract or freelance work while looking for something permanent, but this will affect your UI benefits. Freelance or consulting work is considered employment for UI purposes. Individuals earning more than their weekly benefit amount as a consultant (or in any part-time work) are unlikely to be eligible. Report any earnings after you are laid off to the state on a weekly basis, and your eligibility will be determined under partial benefit rules. If you do freelance work one week but not the next, you may be able to collect benefits for those weeks you are fully unemployed.