

FACT SHEET: Pay and Benefits Information for Employees Affected by the Lapse in Appropriations

This information covers pay and benefits matters that may be important to employees if the lapse in appropriations continues past payroll processing deadlines. Payroll deadlines vary from agency to agency, so the actual timing of when an employee’s pay and benefits may be impacted will vary.

This information is only for employees who are:

- Furloughed (a type of nonpay status), or
- “Excepted” from furlough (i.e., continuing to work and earn pay, but their pay is delayed until appropriations are authorized).

Employees who are “exempt” from the lapse in appropriations (e.g., because they are not paid from annually appropriated funds) are not impacted.

NOTE: Previously TSA/DHS used the terms ‘exempt’ to refer to employees who are ‘excepted’ and ‘exempt (e.g., fee-funded). Please note that moving forward, the term ‘excepted’ is used to described employees whose positions are funded by the lapsed appropriation but are excepted from the work restrictions under the Antideficiency Act and continue to work. With the exception of a small group of exempt (fee-funded) employees, TSA employees who continue to work are ‘excepted’ employees.

With the enactment of the Government’s Fair Treatment Act of 2019, previously provided guidance on pay and leave accrual are updated based on conversation with OPM/DHS on what is to be expected (as interim updates)—however, we are waiting for OPM to issue the implementation guidance.

Topic	What you should know
Pay	<p>Furloughed employees: You cannot receive pay during a lapse in appropriations if you are furloughed. Subject to the Government’s Fair Treatment Act of 2019 which provides retroactive pay, you will receive retroactive pay for furlough hours.</p> <p>Excepted employees: You are entitled to be paid for hours worked, but you cannot receive pay until funding is provided.</p>
	<p>Any leave you had previously scheduled during the lapse period is cancelled, so you won’t be charged leave. In addition, per OPM guidance, if you had properly scheduled “use-or-lose” annual leave that you weren’t able to use because of the lapse in appropriations, that leave must be restored to you. Your agency will provide instructions on any action you may need to take.</p>

<p>Annual and Sick Leave Accrual</p>	<p>Subject to the Government’s Fair Treatment Act of 2019 which provides retroactive pay – previously provided guidance <i>“Furloughed employees: You won’t accrue annual and sick leave during the furlough once you’ve been in a nonpay status for 80 hours (for full-time employees with a regular 80-hour biweekly tour of duty). Congress may, however, authorize retroactive accrual of leave” will be revised.</i></p> <p>Retroactive accrual of leave is authorized. However, we will wait for OPM’s implementation guidance before updating the guidance.</p> <p>Excepted employees: You will continue to accrue leave, but accrued leave will not be available for use until funding is provided.</p>
<p>Retirement</p>	<p>No retirement deductions will be made if you aren’t receiving pay. Generally a period of nonpay status will have no effect on an employee’s retirement-creditable service or high-3 average pay unless the nonpay status is for more than 6 months during the calendar year.</p>
<p>Allotments from Pay</p>	<p>Since no allotments can be made if you’re not receiving pay, you may want to review your allotments to determine whether you’ll need to make alternative arrangements (e.g., if you are using allotments to pay loans, alimony, etc.)</p>
<p>Unemployment Compensation</p>	<p>Furloughed employees are eligible to apply for unemployment benefits, but <i>excepted</i> employees working on a full-time basis are generally not eligible. Employees who wish to file should do so with the Unemployment Office for the state where the employee worked (i.e., last official duty station prior to furlough).</p> <p>Please be advised, however, if Congress authorizes retroactive pay for furloughed employees, you would be required to pay back any unemployment benefits you received, in accordance with State law. For more information see https://www.opm.gov/policy-data-oversight/pay-leave/furlough-guidance/#url=Unemployment-Insurance-Resources and the U.S. Department of Labor’s Unemployment Compensation for Federal Employees website, https://oui.doleta.gov/unemploy/unemcomp.asp.</p> <p>Also see the updated FAQ below</p>
<p>Federal Employees Health Benefits (FEHB)</p>	<p>FEHB coverage continues even if you don’t receive a paycheck. Your share of premiums will accumulate and be withheld later when the lapse ends and employees can be paid.</p>

Flexible Spending Account (FSAFEDS)	<p>Your FSAFEDS payroll deductions stop when you don't receive pay. You remain enrolled in FSAFEDS, but you can't be reimbursed for eligible health care claims until you return to pay status and your payroll deductions can be made. Payroll deductions will be subsequently collected to match your annual election amount.</p> <p>Eligible dependent care expenses incurred during the lapse in appropriations may be reimbursed up to whatever balance is in your dependent care account—as long as the expense incurred allows you (or your spouse, if married) to work, look for work, or attend school full-time.</p>
Federal Long Term Care Insurance	Your coverage will continue. However, if you usually pay your premiums
Program (FLTCIP)	through payroll deduction, and the lapse period is less than three consecutive pay periods, your accumulated premiums will be withheld when the lapse ends and employees can be paid. Otherwise, Long Term Care Partners will begin to bill you directly for premium payments. You must pay those bills on a timely basis in order to continue your coverage.
Federal Employees' Group Life Insurance (FEGLI)	Coverage continues for up to 12 consecutive months of nonpay status, but premiums are collected only for pay periods for which you receive pay.
Federal Employees Dental and Vision Insurance Program (FEDVIP)	Your coverage will continue. However, if the lapse period is less than three consecutive pay periods, your premiums will accumulate and be withheld later when the lapse ends. If you do not receive pay for three consecutive pay periods, BENEFEDS will begin to bill you directly for premium payments. You must pay those bills on a timely basis in order to continue your coverage.
Qualifying Life Event	Generally, new enrollments or changes in enrollment due to a Qualifying Life Event do not take effect until the employee has been back in pay status for any part of the prior pay period. The exception is for a new enrollment or change in enrollment due to the birth or addition of a child, which is effective on the first day of the pay period in which the child is born or becomes an eligible family member. There is no requirement to be in pay status in order for an enrollment or change in enrollment due to birth or addition of a child to become effective.
Thrift Savings Plan (TSP)	<p>The Thrift Savings Plan (TSP) issued an announcement on January 18, 2019, which included information about the impact of the furlough on TSP loans.</p> <p>Note: If loan payments were up to date prior to the furlough,</p>

	<p>outstanding loans and missing one or two payments will not be immediately affected.</p> <p>At the end of each quarter, loans that are behind more than 2.5 payments are identified. The next time loans that are at least 2.5 payments behind will be identified at the end of March 2019. At that time, those affected will be notified and will have until the end of June 2019 to make up missed payments.</p> <p>As more information is available, the Thrift Board will provide additional guidance. The full announcement is available at this link.</p> <p>For information on the effect of a furlough on your Thrift Savings Plan contributions, loans, and investments, please refer to https://www.tsp.gov/index.html.</p>
Childcare Subsidy Program	<p>Employees enrolled in their agency child care subsidy program should contact their agency HR office for information about payments.</p>
Employee Assistance Programs	<p>Employee Assistance Program (EAP) services can be helpful in providing confidential counseling with experienced, licensed counselors, and many EAPs can provide access to legal and financial consultation services. Contact your agency's EAP office to determine what services might be available to you.</p>
Other Considerations	<p>Some mortgage, loan, credit and utility providers have indicated that customers may qualify for alternative arrangements. Please contact your providers for more information.</p>
Transit Benefits	<p>Transit and parking benefits are not affected by the current lapse in appropriations. For those who use a GO!card, your card is funded and will continue to function as normal. Don't forget that funds are replenished on the 23rd of each month.</p>
HQ parking	<p>During the partial shutdown, parking passes are not required. HQ employees may park without a parking pass similar to how it would work on weekends.</p> <p>Payments received for January parking are automatically credited towards the February fees. If you have made payment for multiple months in advance, payments will be pushed forward accordingly.</p> <p>No payment should be made for February. When government resumes normal business, employees should plan for March payments, skip February.</p>

Note: This guidance should not be considered time and attendance instructions. Guidance on documenting time and attendance will be provided by each agency and payroll provider.

Unemployment Insurance Information

1. During an extended period of furlough, will States waive the requirement that a Federal employee must be actively searching for other employment in order to be eligible to receive unemployment benefits?

The administration of the unemployment insurance program is a Federal-State partnership. Federal law provides broad authority for the program, but each State administers its own unemployment insurance program, including Unemployment Compensation for Federal Employees (UCFE), according to its State law. States have the flexibility to establish certain eligibility provisions, including those related to work search. Each State has its own work search provisions, which may include waiver authority in some circumstances.

To date, Virginia, Maryland, and the District of Columbia have indicated that they will waive the requirement for Federal employees to look for work in order to receive unemployment compensation.

2. Where should an employee file a claim for unemployment benefits?

An employee should file a claim in the State where he or she had his or her last official duty station.

If a claimant's last official station was not within one of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico or the Virgin Islands, the claimant's Federal civilian service and wages will be assigned to the State, as defined by 30 CFR 609.2(M), where he/she resides (including the District of Columbia, the Commonwealth of Puerto Rico, or the Virgin Islands) at the time he/she files his/her first claim, provided he/she is personally present in a State, when he/she files the first claim.

Per the U.S. Department of Labor, according to ET Handbook No. 391, *Unemployment Compensation for Federal Employees (UCFE) Instructions for State Agencies*, Chapter 5, page V-8, section 7(b).

3. If an employee doesn't have access to his or her most recent SF-50 during the furlough, will other forms of documentation be accepted in order to file an Unemployment Insurance claim?

Yes. States will accept other documentation, such as Leave and Earnings Statements and a W-2 form. Federal agencies do not report wages to States like other employers do. Therefore, documentation is necessary to establish the claim.

4. Are employees who are performing excepted work eligible for unemployment compensation?

If employees are performing excepted work on an intermittent basis, they may qualify for unemployment compensation. However, employees performing excepted work on a full-time basis are generally not eligible for unemployment compensation.

5. If retroactive pay is granted, how will employees go about repaying unemployment insurance benefits received?

Employees are expected to repay the unemployment insurance benefits as directed by the applicable State unemployment office.

6. If a furloughed employee has filed an unemployment claim and enters on duty at an agency that is not subject to a funding lapse, what obligations does the gaining (funded) agency have?

The impact is on the losing agency as the last employer, not the gaining agency. The employee receives a form each week during which he or she receives benefits that asks if the employee has worked. Once the employee responds yes, the benefits stop.