

Montana to Launch Return-to-Work Bonuses, Return to Pre-pandemic Unemployment Program to Address Workforce Shortage

HELENA, Mont. – Governor Greg Gianforte today announced two measures to address the state’s severe workforce shortage and incentivize Montanans to reenter the labor force.

The State of Montana will launch a return-to-work bonus program, utilizing federal funds authorized by the American Rescue Plan Act. Return-to-work bonuses will be paid to unemployed individuals who rejoin the labor force and accept and maintain steady employment for at least one month.

The governor also announced the State of Montana will end its participation in federal pandemic-related unemployment benefit programs and transition to pre-pandemic unemployment insurance (UI) eligibility and benefits by the end of June.

“Montana is open for business again, but I hear from too many employers throughout our state who can’t find workers. Nearly every sector in our economy faces a labor shortage,” Gov. Gianforte said.

“Incentives matter,” Gov. Gianforte continued, “and the vast expansion of federal unemployment benefits is now doing more harm than good. We need to incentivize Montanans to reenter the workforce. Our return-to-work bonus and the return to pre-pandemic unemployment programs will help get more Montanans back to work.”

Across Montana, employers struggle to find workers, particularly in the health care, construction, manufacturing, and hospitality and leisure industries.

Returning to pre-pandemic unemployment eligibility and offering return-to-work incentives will encourage workers to reenter the workforce and help ease a critical labor shortage across Montana.

“Montana’s unemployment rate is at just 3.8% – near pre-pandemic lows – and statewide there are record numbers of new job postings each week. But today, despite an influx of new residents into Montana over the last year, our labor force is some 10,000 workers smaller than it was before the pandemic,” Commissioner of Labor and Industry Laurie Esau said. “Our labor shortage doesn’t just affect employers and business owners. Employees who are forced to work longer shifts, serve more customers or clients, and take on more duties have been paying the price.”

Montana will be the first state in the nation to fully opt out of the federal unemployment benefit programs enacted since the start of the COVID-19 pandemic.

Requirements that unemployment insurance claimants actively seek work and be “able and available” for work will be reinstated effective June 27, as well.

Specifically, Montana’s Department of Labor & Industry announced the following changes to the unemployment insurance (UI) program:

- Starting June 27, 2021, claimants who have exhausted their traditional UI benefits but had continued to receive them through the federal Pandemic Emergency Unemployment Compensation program will no longer be eligible for UI payments.
- Beginning June 27, 2021 Montana will no longer be issuing supplemental \$300 weekly payments to claimants under the Federal Pandemic Unemployment Compensation (FPUC) program.
- Beginning June 27, 2021, Montana will no longer participate in the federal Pandemic Unemployment Assistance (PUA) program. PUA presently provides benefits to the self-employed, the underemployed, independent contractors, and individuals who have been unable to work due to health or COVID-19 affected reasons.
- Starting June 27, 2021, Montana will no longer participate in the Mixed Earner Unemployment Compensation (MEUC) program, which offers supplemental payments to individuals who had both traditional W-2 income as well as self-employment income.
- Requirements that claimants be able to work, available for work, and actively seeking work in order to be considered eligible for benefits will be reinstated effective June 27, 2021. These requirements had previously been suspended under emergency rule-making authority in March of last year. More information about work-search and “able & available” requirements [is available in the UI Claimants handbook](#).

Unemployment insurance claimants will be receiving information soon about how these changes affect them individually. Until then, claimants with questions about their future eligibility are encouraged to visit [MontanaWorks.gov](https://montanaworks.gov) or contact the Department of Labor & Industry at 406-444-2545. Claimants receiving Pandemic Unemployment Assistance (PUA) should contact 406-444-3382.

The Return-to-Work Bonus initiative will offer \$1,200 payments to individuals receiving unemployment benefits as of May 4, 2021, who subsequently accept employment and complete at least four paid weeks of work. Individuals eligible for the bonus will be contacted by the Department of Labor and Industry and informed of their eligibility, as well as more information about how to ensure they receive the payment after they complete four weeks of employment.