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Unemployment Insurance Act[1]

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Amended by the following acts

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26.09.2001	RT I 2001, 82, 488	01.01.2002
15.05.2002	RT I 2002, 44, 284	01.07.2002
12.06.2002	RT I 2002, 57, 357	01.08.2002
19.06.2002	RT I 2002, 61, 375	01.08.2002
22.10.2002	RT I 2002, 89, 511	01.11.2002
18.12.2002	RT I 2002, 111, 663	01.01.2003
22.01.2003	RT I 2003, 17, 95	01.01.2004
17.12.2003	RT I 2003, 88, 591	01.01.2004
15.06.2005	RT I 2005, 39, 308	01.01.2006
28.09.2005	RT I 2005, 54, 430	01.01.2006
12.10.2005	RT I 2005, 57, 451	18.11.2005
10.05.2006	RT I 2006, 26, 193	01.01.2007
14.06.2006	RT I 2006, 31, 236	01.01.2007
24.01.2007	RT I 2007, 12, 66	01.01.2008
15.02.2007	RT I 2007, 24, 127	01.01.2008
24.10.2007	RT I 2007, 59, 381	26.11.2007
22.10.2008	RT I 2008, 48, 264	01.02.2009
03.12.2008	RT I 2008, 53, 295	01.01.2009
04.12.2008	RT I 2008, 58, 323	01.01.2009
10.12.2008	RT I 2008, 59, 330	01.01.2009
17.12.2008	RT I 2009, 5, 35	01.07.2009
28.01.2009	RT I 2009, 11, 67	14.02.2009
28.01.2009	RT I 2009, 11, 67	01.05.2009
18.06.2009	RT I 2009, 36, 234	01.07.2009, partially 01.01.2013 - partial entry into force repealed [RT I, 25.05.2012, 24]
07.04.2010	RT I 2010, 18, 97	16.05.2010
22.04.2010	RT I 2010, 22, 108	01.01.2011, enters into force on the date which has been determined in the Decision of the Council of the European Union regarding the abrogation of the derogation established in respect of the Republic of Estonia on the basis provided for in Article 140 (2) of the Treaty on the Functioning of the European Union, Council Decision 2010/416/EU of 13.07.2010 (OJ L 196, 28.07.2010, pp. 24-26).
20.10.2010	RT I, 18.11.2010, 1	01.01.2011
08.12.2010	RT I, 21.12.2010, 2	01.01.2011
10.02.2011	RT I, 03.03.2011, 2	01.05.2011

07.12.2011	RT I, 23.12.2011, 2	24.12.2011, partially 1.01.2012 and 1.02.2012
08.05.2012	RT I, 25.05.2012, 24	04.06.2012
13.06.2012	RT I, 06.07.2012, 1	01.04.2013
10.10.2012	RT I, 25.10.2012, 1	01.12.2012
14.03.2013	RT I, 26.03.2013, 1	01.04.2013, partially27.03.2013
15.05.2013	RT I, 01.06.2013, 1	01.07.2013
20.06.2013	RT I, 06.07.2013, 2	16.07.2013
12.12.2013	RT I, 22.12.2013, 4	01.01.2014
11.12.2013	RT I, 23.12.2013, 1	01.01.2014, partially01.01.2015 and 01.01.2020
19.02.2014	RT I, 13.03.2014, 2	23.03.2014, partially01.01.2015, 01.01.2017 and 01.01.2019
27.03.2014	RT I, 16.04.2014, 5	01.05.2014
26.03.2014	RT I, 16.04.2014, 3	01.07.2014
19.06.2014	RT I, 29.06.2014, 109	01.07.2014, the titles of ministers replaced on the basis of subsection 107^3 (4) of the Government of the Republic Act.
19.11.2014	RT I, 13.12.2014, 1	01.01.2016, date of entry into force changed to 01.07.2016 [RT I, 17.12.2015, 1]
25.11.2015	RT I, 17.12.2015, 1	20.12.2015, partially01.01.2016 and 01.07.2016
08.02.2017	RT I, 21.02.2017, 1	01.04.2017
11.05.2017	RT I, 12.05.2017, 8	11.05.2017 - Judgment of Constitutional Review Chamber of Supreme Court declares clause 6 (5) 4) of the Labour Market Services and Benefits Act and clause 6 (1) 1) of the Unemployment Insurance Act to be in conflict with the Constitution and repeals said clauses to the extent that they exclude the payment of unemployment insurance benefits to insured persons specified in subsection 3 (1) of the Unemployment Insurance Act, who would have the right to receive unemployment insurance benefits pursuant to § 6 of the Unemployment Insurance Act, solely on the basis that the person is a member of the management board of a company, a procurator, a partner authorised to represent a general or limited partnership, the director of a branch of a foreign company or manager of another permanent establishment of a non-resident.
19.06.2017	RT I, 07.07.2017, 2	01.01.2018
18.04.2018	RT I, 04.05.2018, 1	14.05.2018
19.12.2018	RT I, 10.01.2019, 2	20.01.2019
13.02.2019	RT I, 04.03.2019, 1	01.07.2020 - enters into force on 1 January of the year following the year of making the decision by the European Commission pursuant to Article 4(3) or Article 9(3) of Council Regulation (EU) 2015/1589 laying down detailed rules for the application of Article 108 of the Treaty on the Functioning of the European Union. If the European Commission makes the decision after 1 October of a calendar year, then enters into force on 1 January of the second year following the year of making the decision by the

		European Commission; entry into force changed [RT I, 28.02.2020, 2]
20.02.2019	RT I, 13.03.2019, 2	15.03.2019
18.02.2020	RT I, 28.02.2020, 2	01.07.2020
15.04.2020	RT I, 21.04.2020, 1	22.04.2020

Chapter 1
GENERAL PROVISIONS

§ 1. Scope of application of Act

(1) This Act regulates the conditions and procedure for the grant and payment of benefits upon unemployment, lay-offs and insolvency of employers, the organisation of unemployment insurance and participation in the financing of labour market services and benefits, except unemployment allowance.
[RT I, 21.12.2010, 2 - entry into force 01.01.2011]

(2) This Act establishes a legal person in public law, the Estonian Unemployment Insurance Fund (hereinafter *unemployment insurance fund*) who shall perform the obligations arising from this Act, the Labour Market Services and Benefits Act, the Work Ability Allowance Act and other legislation.
[RT I, 13.12.2014, 1 - entry into force 01.07.2016 (entry into force changed - RT I, 17.12.2015, 1)]

(3) The provisions of the Administrative Procedure Act apply to administrative proceedings prescribed in this Act, taking account of the specifications provided for in this Act.
[RT I 2002, 61, 375 - entry into force 01.08.2002]

(4) This Act applies in the cases provided for in an international agreement with the specifications arising from the international agreement.
[RT I, 01.06.2013, 1 - entry into force 01.07.2013]

§ 2. Definition of unemployment insurance

Unemployment insurance is a type of compulsory insurance the purpose of which is to provide labour market services, pay labour market benefits, except unemployment allowance, provide, upon unemployment, partial compensation for the lost income to insured persons for the time of the search for work, compensation of the expenses related to the termination of employment contracts to employees and service relationships to officials in the case of lay-offs, and the protection of the claims of the employees upon insolvency of employers.
[RT I, 06.07.2012, 1 - entry into force 01.04.2013]

§ 3. Insured person and insure

(1) For the purposes of this Act, an insured person is an employee, an official, a natural person providing services on the basis of a contract under the law of obligations, a Public Conciliator, a member of a rural municipality or city government, a rural municipality or city district elder, a non-working spouse accompanying an official on a long-term assignment abroad, and a non-working spouse accompanying an official serving in a foreign mission of the Republic of Estonia who have paid the unemployment insurance premiums on the bases and pursuant to the procedure provided for in this Act.
[RT I, 26.03.2013, 1 - entry into force 01.04.2013]

(1^1) An employee who is a crew member of a ship specified in subsection 13 (5) or (6) of the Income Tax Act is an insured person if the employee is a citizen of an EEA country or the Swiss Confederation or a person who lawfully resides in these countries or a person with regard to whom the provisions of an international agreement entered into by the Republic of Estonia concerning unemployment benefits apply.
[RT I, 28.02.2020, 2 - entry into force 01.07.2020]

(2) For the purposes of this Act, an insured person is not a person who:
1) is a sole proprietor;
2) is a notary, bailiff or another independent person engaging in a profession in public law, or a creative person engaged in a liberal profession within the meaning of § 3 of the Creative Persons and Artistic Associations Act who, for the purposes of taxation, is deemed to be a sole proprietor;
[RT I, 23.12.2013, 1 - entry into force 01.01.2014]
3) is a member of the management or controlling body of a legal person within the meaning of § 9 of the Income Tax Act to whom the Employment Contracts Act does not extend;
[RT I 2009, 5, 35 - entry into force 01.07.2009]

4) is the President of the Republic, a member of the *Riigikogu*, a member of the Government of the Republic, Auditor General, Legal Chancellor, a judge and a member of a local government council;
[RT I, 06.07.2012, 1 - entry into force 01.04.2013]
5) has reached the pensionable age provided in § 7 of the State Pension Insurance Act (hereinafter *pensionable age*) or a person receiving the early retirement pension provided in § 9 of the State Pension Insurance Act;
[RT I 2010, 18, 97 - entry into force 16.05.2010]
6) is a service provider or seller of goods within the meaning of the Simplified Business Income Taxation Act.
[RT I, 07.07.2017, 2 - entry into force 01.01.2018]

(3) Insurer of unemployment insurance is unemployment insurance fund.
[RT I 2006, 31, 236 - entry into force 01.01.2007]

§ 4. Unemployment insurance premium and payer of unemployment insurance premium

(1) An unemployment insurance premium is a type of compulsory insurance payment for the purpose of financing unemployment insurance which is paid by:
1) insured persons;
2) employers.

(2) For the purposes of this Act, the following are employers:
1) resident legal persons within the meaning of subsection 6 (2) of the Income Tax Act;
2) state and local government agencies;
3) employers who are natural persons and who make payments specified in subsection 40 (1) of this Act to insured persons;
4) non-residents having a permanent establishment or operating as employers in Estonia, within the meaning of the Income Tax Act, who make payments specified in subsection 40 (1) of this Act to insured persons.
[RT I 2002, 44, 284 - entry into force 01.07.2002]
5) operators within the meaning of the Seafarers Employment Act.
[RT I, 04.03.2019, 1 - entry into force 01.07.2020, entry into force changed [RT I, 28.02.2020, 2]]

§ 5. Types of benefit

This Act provides for the following benefits:
1) unemployment insurance benefit;
2) benefit upon lay-offs;
[RT I 2009, 5, 35 - entry into force 01.07.2009]
3) benefit upon insolvency of the employer.

Chapter 2
UNEMPLOYMENT INSURANCE BENEFIT

§ 6. Right to receive unemployment insurance benefit

(1) Insured persons have the right to receive unemployment insurance benefits if:
1) they are registered as unemployed pursuant to § 6 of the Labour Market Services and Benefits Act, and
[RT I, 12.05.2017, 8 - entry into force 11.05.2017 - Judgment of Constitutional Review Chamber of Supreme Court declares clause 6 (5) 4) of the Labour Market Services and Benefits Act and clause 6 (1) 1) of the Unemployment Insurance Act to be in conflict with the Constitution and repeals said clauses to the extent that they exclude the payment of unemployment insurance benefits to insured persons specified in subsection 3 (1) of the Unemployment Insurance Act, who would have the right to receive unemployment insurance benefits pursuant to § 6 of the Unemployment Insurance Act, solely on the basis that the person is a member of the management board of a company, a procurator, a partner authorised to represent a general or limited partnership, the director of a branch of a foreign company or manager of another permanent establishment of a non-resident.]
2) their unemployment insurance period is at least 12 months during the 36 months prior to registration as unemployed.

(2) An insured person does not have the right to receive an unemployment insurance benefit if the person's last employment or service relationship terminated:
1) upon cancellation of the contract of employment at the initiative of the employee or termination of the service relationship at the initiative of the official, except upon termination of the employment relationship on the bases specified in subsections 37 (5), 91 (2) and 107 (2) of the Employment Contracts Act;
[RT I, 06.07.2012, 1 - entry into force 01.04.2013]
2) for the reasons specified in clauses 88 (1) 3)-8) of the Employment Contracts Act or by release from service for a disciplinary offence on the basis of § 94 of the Public Service Act;
[RT I, 06.07.2012, 1 - entry into force 01.04.2013]
3) by agreement of the parties.
[RT I 2009, 36, 234 - entry into force 01.07.2009]

(3) An insured person who has received unemployment allowance based on the Labour Market Services and Benefits Act has the right to receive unemployment insurance benefit if, after the termination of the payment of

the unemployment allowance, the person has been engaged in public service or provided a service based on a contract under the law of obligations, and the person complies with the other terms and conditions for receipt of unemployment insurance benefit provided by this Act.
[RT I 2006, 31, 236 - entry into force 01.01.2007]

(4) An insured person whose last employment or service relationship was cancelled due to a lay-off or who cancelled his or her contract of employment based on subsection 37 (5) of the Employment Contracts Act and who conforms to the requirements of subsection (1) of this section shall have the right to an unemployment insurance benefit if:
1) the employment with that employer or service in case of an official had lasted from five to ten years - 30 calendar days after the date of termination of the employment or service relationship;
2) the employment with that employer or service in case of an official had lasted more than ten years - 60 calendar days after the date of termination of the employment or service relationship.
[RT I 2009, 36, 234 - entry into force 01.07.2009]

(5) For an insured person who used a pregnancy leave, maternity leave, adoptive parents leave or parental leave during the 36 months specified in clause (1) 2) of this section, the 36 months period shall be extended by the time spent on leave if there is no information in the unemployment insurance database concerning the person's unemployment insurance period.
[RT I 2009, 36, 234 - entry into force 01.07.2009]

§ 7. Unemployment insurance period

(1) Unemployment insurance period (hereinafter *insurance period)*is a period:
1) for which an insured person receives remuneration for working or for engagement in public service or remuneration as a Public Conciliator, a member of a rural municipality or city government, a rural municipality or city district elder, or receives a spouse allowance prescribed in § 46 of the Public Service Act or § 67 of the Foreign Service Act, if an unemployment insurance premium is required to be withheld from such payments pursuant to the procedure provided by this Act;
2) during which an insured person receives remuneration for provision of a service on the basis of a contract under the law of obligations, if an unemployment insurance premium has been withheld from such payments pursuant to the procedure provided by this Act.
[RT I, 16.04.2014, 3 - entry into force 01.07.2014]

(2) An insurance period shall be calculated in months and years. One month of insurance period shall be calculated for one calendar month regardless of the basis for the insurance period. Each 12 months of an insurance period shall be calculated as one year of the insurance period.
[RT I, 16.04.2014, 3 - entry into force 01.07.2014]

(2^1) One month of insurance period shall be calculated regardless of the number of days worked in that month:
1) for each calendar month of the period specified in clause (1) 1) of this section;
2) in the case provided for in clause (1) 2) of this section, for each calendar month during which the insured person received remuneration from which unemployment insurance premium has been withheld.
[RT I, 16.04.2014, 3 - entry into force 01.07.2014]

(2^2) The period during which a person used pregnancy leave and maternity leave, adoptive parents leave, parental leave, holiday without pay granted by agreement of the parties, was temporarily incapacitated for work within the meaning of the Health Insurance Act or was in compulsory military service or alternative service, except for the period during which the insurance period is accumulated by the person on the basis of subsection (1) or (2) of this section, shall not be calculated as insurance period.
[RT I, 16.04.2014, 3 - entry into force 01.07.2014]

(3) The calculation of an insurance period shall be terminated and the insurance period is deemed to be zero as of the date when an unemployment insurance benefit is granted to an insured person pursuant to this Act. The calculation of the insurance period shall begin again when the insured person recommences work.

(4) Calculation of an insurance period shall be based on the data in the unemployment insurance database which:
1) in the case provided for in clause (1) 1) of this section, are entered in the database based on the data in the register provided for in § 251 of the Taxation Act submitted by the Tax and Customs Board;
2) in the case provided for in clause (1) 2) of this section, are entered in the database based on the data in the register provided for in § 17 of the Taxation Act submitted by the Tax and Customs Board.
[RT I, 16.04.2014, 3 - entry into force 01.07.2014]

§ 8. Conditions for payment of unemployment insurance benefit

(1) An insured person has the right to receive an unemployment insurance benefit during the whole period when he or she is registered as unemployed, but not longer than:
1) 180 calendar days if the insurance period of the insured person is shorter than 5 years;
2) 270 calendar days if the insurance period of the insured person is 5-10 years;
3) 360 calendar days if the insurance period of the insured person is 10 years or longer.
[RT I, 16.04.2014, 3 - entry into force 01.07.2014]

(2) If the payment of unemployment insurance benefit granted to a person is terminated before the end of the period of payment of the benefit specified in the decision on grant of unemployment insurance benefit, the person has the right to receive unemployment insurance benefit, if the person:
1) is re-registered as unemployed within 12 months as of the date on which the person's insurance period was deemed to be zero which resulted in the person's right to receive unemployment insurance benefit pursuant to the provisions of subsection 7 (3) of this Act,
2) has worked on the basis of a contract of employment, has been engaged in public service or in compulsory military service, alternative service or reserve service, or has provided a service based on a contract under the law of obligations after termination of the person's registration as unemployed, and
[RT I, 06.07.2013, 2 - entry into force 16.07.2013]
3) complies with the other terms for receipt of unemployment insurance benefit provided by this Act, except for the insurance period requirement specified in clause 6 (1) 2) of this Act.

(3) In the case specified in subsection (2) of this section, the payment of unemployment insurance benefit for two or more periods of the person's registration as unemployed shall not continue longer than for the number of days provided in clauses (1) 1)-3) of this section.
[RT I 2006, 31, 236 - entry into force 01.01.2007]

§ 9. Amount of unemployment insurance benefit

(1) The amount of an insured person's unemployment insurance benefit per calendar day shall be calculated on the basis of the average remuneration of the insured person per calendar day during nine months based on the information in the unemployment insurance database. The average remuneration of the insured person per calendar day shall be calculated on the basis of the payments made to the insured person during the nine months of employment prior to the last three months of employment from which unemployment insurance premiums have been withheld. The months during which, based on the data in the unemployment insurance database, an insured person has been paid remuneration are deemed to be the months of work for such person. In calculation of this amount, the payments specified in subsection 40 (2) of this Act shall not be taken into account.
[RT I, 16.04.2014, 3 - entry into force 01.07.2014]

(1^1) If the insured person last worked in Estonia for less than 12 months before becoming unemployed and prior to that worked outside of Estonia in another EEA country or the Swiss Confederation, the average remuneration of that person per calendar day shall be calculated on the basis of payments made to that person in Estonia during the nine months of employment prior to the last three months of employment from which unemployment insurance premiums have been withheld. The months during which, based on the data in the unemployment insurance database, the insured person has been paid remuneration and the months entered in the database on the basis of data submitted by a competent authority of another EEA country or the Swiss Confederation are deemed to be the months of work for such person.
[RT I, 03.03.2011, 2 - entry into force 01.05.2011]

(2) In calculation of the average remuneration per calendar day, the total amount of remuneration specified in subsections (1) or (1^1) of this section shall be divided by 270.
[RT I, 03.03.2011, 2 - entry into force 01.05.2011]

(3) If the average remuneration per calendar day of an insured person calculated on the basis of subsections (1)-(2) of this section is higher than three times the average remuneration per calendar day in Estonia during the calendar year before the date of commencement of the calculation of the benefit, then the benefit shall be calculated based on such amount.
[RT I, 03.03.2011, 2 - entry into force 01.05.2011]

(4) The amount of unemployment insurance benefit per calendar day shall be the following percentage of the remuneration per calendar day, calculated based on subsections (1)-(3) of this section:
1) 50 per cent for the period of 1 to 100 calendar days;
2) 40 per cent for the period of 101 to 360 calendar days.

(5) If the amount of the insured person's unemployment insurance benefit per calendar day calculated on the basis of this section is less than 50 % of the minimum wage rate per calendar day calculated on the basis of the minimum monthly wage rate established on the basis of subsection 29 (5) of the Employment Contracts Act for the previous calendar year, the amount of the unemployment insurance benefit per calendar day shall be equal to 50 % of the above. The minimum wage rate per calendar day shall be calculated by dividing the minimum monthly wage rate by 30.
[RT I 2009, 36, 234 - entry into force 01.07.2009]

(6) The procedure for calculation of the average remuneration per calendar day in Estonia shall be established by a regulation of the Government of the Republic.

(7) The amount of unemployment insurance benefit shall not be recalculated at the turn of calendar year.
[RT I 2009, 5, 35 - entry into force 01.07.2009]

§ 10. Application for unemployment insurance benefit

(1) In order to apply for an unemployment insurance benefit, an insured person shall submit an application to the unemployment insurance fund. The list of information to be entered in the application and the list of documents to be appended to the application shall be established by a regulation of the minister responsible for the area.
[RT I 2009, 11, 67 - entry into force 01.05.2009]

(2) [Repealed - RT I 2009, 11, 67 - entry into force 01.05.2009]

(3) [Repealed - RT I 2009, 11, 67 - entry into force 01.05.2009]

§ 11. Grant of unemployment insurance benefit

(1) The unemployment insurance fund shall make a decision on the grant of or refusal to grant an unemployment insurance benefit (hereinafter *decision*) within 14 calendar days after the date of submission of an application for an unemployment insurance benefit and documents appended thereto to the unemployment insurance fund.
[RT I 2009, 11, 67 - entry into force 01.05.2009]

(2) A decision shall set out:
1) the date on which the decision was made;
2) the bases for the grant of or refusal to grant an unemployment insurance benefit and the reasons for refusal to grant;
3) upon grant of an unemployment insurance benefit, the period of payment of the benefit pursuant to subsection 8 (1) of this Act and the amount of the unemployment insurance benefit;
4) changes in the amount of the unemployment insurance benefit pursuant to clause 9 (4) 2) of this Act;
5) the procedure and term for contestation of the decision.

(3) [Repealed - RT I 2009, 11, 67 - entry into force 01.05.2009]

(4) The decision specified in subsection (1) of this section shall be delivered to the insured person by electronic means, by sending an unregistered letter or at the local department of the unemployment insurance fund.
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]

(5) Upon grant of an unemployment insurance benefit, the unemployment insurance benefit shall be calculated as of the eighth day after submission of an application for the unemployment insurance benefit and documents appended thereto to the unemployment insurance fund, but not earlier than as of the eighth day of registration of the person as unemployed. If the right to receive unemployment insurance benefit arises from subsection 8 (2) of this Act, the unemployment insurance benefit shall be calculated as of the day of submission of an application for the unemployment insurance benefit and documents appended thereto to the unemployment insurance fund, but not earlier than as of the day of registration of the person as unemployed.
[RT I, 03.03.2011, 2 - entry into force 01.05.2011]

(6) Upon grant of unemployment insurance benefit in the cases specified in subsection 6 (4) of this Act, the benefit shall be calculated beginning from the date of expiry of the term specified in the same subsection, unless the application for the grant of the benefit is submitted after the expiry of such term. If the application for the grant of the benefit is submitted after the expiry of the term specified in subsection 6 (4) of this Act, the benefit shall be calculated according to subsection (5) of this section.
[RT I 2009, 5, 35 - entry into force 01.07.2009]

§ 12. Payment of unemployment insurance benefit

[RT I 2002, 111, 663 - entry into force 01.01.2003]

(1) The unemployment insurance fund shall pay unemployment insurance benefits to insured persons monthly by the 10th day of the given calendar month for the previous calendar month.
[RT I 2002, 111, 663 - entry into force 01.01.2003]

(2) Unemployment insurance benefit shall not be paid if the registration of an insured person as unemployed is terminated earlier than eight days after submission of an application for an unemployment insurance benefit

to the unemployment insurance fund unless the right to receive unemployment insurance benefit arises from subsection 8 (2) of this Act.
[RT I, 03.03.2011, 2 - entry into force 01.05.2011]

(3) As requested by the insured person, an unemployment insurance benefit shall be paid:
1) to the bank account of an insured person in Estonia at the expense of the payer, or
2) to the account of the insured person in a bank in a foreign state at the expense of the recipient, unless otherwise provided by an international agreement, or
[RT I, 16.04.2014, 5 - entry into force 01.05.2014]
3) on the basis of an electronic application, a notarially authenticated application or a written application prepared at the unemployment insurance fund of the insured person to the bank account of another person in Estonia at the expense of the payer.
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]

§ 12[1]. Suspension and continuation of payment of unemployment insurance benefits

[Repealed - RT I, 16.04.2014, 5 - entry into force 01.05.2014]

§ 13. Termination of payment of unemployment insurance benefit

(1) The payment of an unemployment insurance benefit shall be terminated before the end of a period specified in clauses 8 (1) 1)-3) of this Act:
1) as of the date following the date of termination of the registration as unemployed if the registration as unemployed of the unemployed person is terminated on the basis of clauses 7 (1) 1), 3), 4) or 7)-9) of the Labour Market Services and Benefits Act;
2) as of the date following the date on which the circumstances which affect the person's right to receive the benefit arise if the insured person refuses, without good reason, to comply with the Individual Action Plan provided in § 10 of the Labour Market Services and Benefits Act or the suitable employment provided in subsections 12 (3) and (4) of the same Act;
3) as of the date following the date of the person's failure to appear for the visit if the insured person fails to appear for a visit at the unemployment insurance fund at the time appointed to him or her without good reason;
[RT I 2009, 11, 67 - entry into force 01.05.2009]
4) as of the final date of the end of the period for search for work in another EEA country or the Swiss Confederation if the insured person does not return to Estonia before the end of the period permitted for search for work;
[RT I, 03.03.2011, 2 - entry into force 01.05.2011]
5) as of the date of submission of the application if the insured person submits a written application to this effect.

(2) [Repealed - RT I 2009, 11, 67 - entry into force 01.05.2009]

(3) A decision on termination of payment of unemployment insurance benefit shall be made by the unemployment insurance fund.
[RT I 2009, 11, 67 - entry into force 01.05.2009]

(4) The unemployment insurance fund shall deliver the decision specified in subsection (3) of this section to the insured person by electronic means or by sending an unregistered letter.
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]

§ 14. Notification obligation

(1) An insured person is required to promptly inform the unemployment insurance fund of all circumstances which bring about extinguishment of the right to receive unemployment insurance benefit.
[RT I 2009, 11, 67 - entry into force 01.05.2009]

(2) [Repealed - RT I 2009, 11, 67 - entry into force 01.05.2009]

Chapter 2[1]
INSURANCE BENEFIT IN CASE OF LAY-OFFS

[RT I 2009, 5, 35 - entry into force 01.07.2009]

§ 14[1]. Right to insurance benefit upon lay-offs

Employees whose employment relationship with the employer lasted for at least five years and whose employment contract was cancelled due to a lay-off or who cancelled their employment contract based on subsection 37 (5) of the Employment Contracts Act and officials who were employed in the service for at least five years and whose service relationship was terminated based on § 90 of the Public Service Act have the right to an insurance benefit in the case of lay-offs.
[RT I, 06.07.2012, 1 - entry into force 01.04.2013]

§ 14[2]. Amount of insurance benefit in case of lay-offs

(1) An insurance benefit shall be paid to an employee whose employment relationship with an employer or to an official whose employment in the service has lasted for:
1) five to ten years - in the amount of one month's average salary or wages;
2) over ten years - in the amount of two months' average salary or wages.
[RT I 2009, 36, 234 - entry into force 01.07.2009]

(1[1]) If the employee was a person specified in subsection 3 (11) of this Act on whose remuneration an unemployment insurance premium was paid on the amount specified in clause 2 (4) 8) of the Social Tax Act, a benefit upon lay-off shall be calculated on the basis of the remuneration on which the unemployment insurance premium was paid.
[RT I, 04.03.2019, 1 - entry into force 01.07.2020, entry into force changed [RT I, 28.02.2020, 2]]

(2) The amount of the benefit specified in subsection (1) of this section shall be calculated, based on the data in the unemployment insurance database, from the employee's or official's average salary or wages for one calendar day during a period of nine months. The employee's or official's average salary or wages for one calendar day shall be calculated by dividing the total amount of remuneration paid by the employer during the nine months preceding the final three months of work to such employee or official by the factor 270. In calculation of this amount, the payments specified in subsection 40 (2) of this Act shall not be taken into account. In the case of an employee or official who, during the period before the last three months of work, has been paid a salary or wages for a shorter time than for nine months, the basis for calculation shall be the total of the sums actually paid to that person divided by the number of months of work multiplied by the factor 30. The months during which, based on the data in the unemployment insurance database, an employee or official has been paid remuneration are deemed to be the months of work for such person.
[RT I, 06.07.2012, 1 - entry into force 01.04.2013]

§ 14[3]. Application for insurance benefit in case of lay-offs

(1) In order to apply for insurance benefit in the case of a lay-off, the employer shall submit an application to the unemployment insurance fund within five calendar days after the end of the employment or service relationship.

(2) If the employer fails to submit an application for insurance benefit in the case of a lay-off within the term provided for in subsection (1) of this section, the employee or official shall also have the right to submit the abovementioned application to the unemployment insurance fund.

(3) An application shall set out:
1) the name, personal identification code and address or e-mail address of the employee or official and the number of the bank account specified in subsection 144 (4) of this Act;
2) the name, personal identification code or registry code and address or e-mail address of the employer;
3) the date of entry into the employment or service relationship of the employee or official;
4) the length of service of the official.

(4) At the request of the unemployment insurance fund, the employer, employee or official shall submit documents certifying the information necessary for the grant of insurance benefit in the case of a lay-off.
[RT I, 21.02.2017, 1 - entry into force 01.04.2017]

§ 14[4]. Grant and payment of insurance benefit in case of lay-offs

(1) The unemployment insurance fund shall review the application for insurance benefit in the case of a lay-off and make a decision within 14 calendar days after the receipt of the application and documents in compliance with the requirements provided for in § 14[3] of this Act.
[RT I, 21.02.2017, 1 - entry into force 01.04.2017]

(2) The unemployment insurance fund may extend the term for the review of an application by 14 calendar days for good reason. The unemployment insurance fund shall immediately notify the employer and the employee or official of the extension of the term and inform them of the reason for extension.
[RT I, 06.07.2012, 1 - entry into force 01.04.2013]

(3) The unemployment insurance fund shall deliver the decision specified in subsection (1) of this section to the employer and the employee or official by electronic means or by sending an unregistered letter.
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]

(4) The benefit shall be paid not later than on the fifth calendar day after the date of making the decision:
1) to the bank account of the employee or official in Estonia at the expense of the payer;

2) to the account of the employee or official in a bank in a foreign state at the expense of the recipient, unless otherwise provided by an international agreement, or
[RT I, 16.04.2014, 5 - entry into force 01.05.2014]
3) on the basis of an electronic application, a notarially authenticated application or a written application prepared at the unemployment insurance fund to the bank account of another person in Estonia at the expense of the payer.
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]

Chapter 3

§ 15.–§ 18. [Repealed -RT I 2009, 5, 35 - entry into force 01.07.2009]

Chapter 4
BENEFITS UPON INSOLVENCY OF EMPLOYER

§ 19. Insolvency of employer

For the purposes of this Act, an employer is deemed to be insolvent if:
1) a court has declared bankruptcy of the employer;
2) a court has terminated the bankruptcy proceedings by abatement within the meaning of subsection 29 (1) of the Bankruptcy Act;
3) a court has made a ruling specified in subsection 15 (4^1) of the Bankruptcy Act by which appointment of an interim trustee is refused, or a ruling specified in subsection 27 (4^1) of the Bankruptcy Act on refusal to hear a bankruptcy petition;
4) a court or another competent body has declared the employer as insolvent in another EEA country within the meaning of Council Regulation (EC) No. 1346/2000 on insolvency proceedings (OJ L 160, 30.06.2000, pp. 1-18) or Regulation (EU) 2015/848 of the European Parliament and of the Council on insolvency proceedings (OJ L 141, 05.06.2015, pp. 19-72).
[RT I, 04.05.2018, 1 - entry into force 14.05.2018]

§ 20. Benefit upon insolvency of employer

(1) Upon insolvency of an employer, the following remuneration shall be compensated to an employee:
1) unreceived salary from the period before the declaration of the employer as insolvent;
[RT I 2009, 5, 35 - entry into force 01.07.2009]
2) unreceived holiday pay from the period before the declaration of the employer as insolvent;
3) benefits from the period before or after the declaration of the employer as insolvent which were not received at the time of cancellation of the employment contract but which were prescribed by the Employment Contracts Act.
[RT I 2009, 5, 35 - entry into force 01.07.2009]

(2) In the case of insolvency of an employer which operated in Estonia and another EEA country, the remuneration specified in subsection (1) of this section shall be compensated to the employees whose place of work or usual place of work is Estonia.

(3) An employee shall receive a benefit on the basis specified in clause (1) 1) of this section in the amount equal to up to the employee's gross wages for the last three months of work but not exceeding in total, according to the data published by the Statistical Office, the amount equal to three average gross monthly wages in Estonia during the quarter preceding the declaration of the employer as insolvent.
[RT I 2009, 5, 35 - entry into force 01.07.2009]

(4) An employee shall receive a benefit on the basis specified in clause (1) 2) of this section in an amount to the extent of the employee's one gross monthly wage but not exceeding, according to the data published by the Statistical Office, the amount equal to one average gross monthly wage in Estonia during the quarter preceding the declaration of the employer as insolvent.

(5) An employee shall receive a benefit on the basis specified in clause (1) 3) of this section in the amount equal to up to the employee's two gross monthly wages but in total not exceeding, according to the data published by the Statistical Office, the amount equal to one average gross monthly wage in Estonia during the quarter preceding the declaration of the employer as insolvent.
[RT I 2009, 5, 35 - entry into force 01.07.2009]

(6) If the employee was a person specified in subsection 3 (1^1) of this Act and an unemployment insurance premium was paid on the remuneration of the employee on the amount specified in clause 2 (4) 8) of the Social Tax Act, a benefit upon insolvency of the employer specified in subsections (3)–(5) of this section shall be calculated on the basis of the remuneration on which the unemployment insurance premium was paid.
[RT I, 04.03.2019, 1 - entry into force 01.07.2020, entry into force changed [RT I, 28.02.2020, 2]]

§ 21. Application for benefit upon insolvency of employer

[RT I 2006, 31, 236 - entry into force 01.01.2007]

(1) A standard format application to the unemployment insurance fund for application of benefit upon insolvency of an employer shall be submitted by:
1) a trustee in bankruptcy;
2) an interim trustee;
3) a person with equal competence appointed in another EEA country;
4) an employee upon the declaration of the employer as insolvent on the basis of clause 19 3) of this Act.
[RT I, 04.05.2018, 1 - entry into force 14.05.2018]

(1^1) An application shall set out:
1) the name, personal identification code and address or e-mail address of the employee and information for the payment of the benefit according to subsection 22 (5) of this Act;
2) the name, personal identification code or registry code and address or e-mail address of the employer;
3) the date of entry into the employment of the employee;
4) information on the employee's unreceived salary and holiday pay, information on benefits which were not received by the employee at the time of cancellation of the employment contract and information on the employee's average salary.
[RT I, 04.05.2018, 1 - entry into force 14.05.2018]

(1^2) Documents certifying the employer's insolvency and the basis and amount of the employee's claim as well as the employee's confirmation regarding the mount of the claim shall be added to the application.
[RT I, 04.05.2018, 1 - entry into force 14.05.2018]

(2) The following documents certify the declaration of insolvency of an employer:
1) upon the bankruptcy of the employer, an officially certified copy of the court ruling concerning the declaration of bankruptcy;
[RT I 2008, 59, 330 - entry into force 01.01.2009]
2) upon the abatement of bankruptcy proceedings against the employer, an officially certified copy of the court ruling concerning the termination of bankruptcy proceedings without declaration of bankruptcy;
2^1) upon declaration of insolvency of an employer on the basis of clause 19 3) of this Act, an officially certified copy of the court ruling specified in subsection 15 (4^1) or 27 (4^1) of the Bankruptcy Act;
[RT I, 04.05.2018, 1 - entry into force 14.05.2018]
3) upon declaration of the employer as insolvent in another EEA country, a copy of the decision of the competent authority of such country, certified according to the law of the country of decision, together with the translation of the document into Estonian made by a sworn translator.
[RT I, 23.12.2013, 1 - entry into force 01.01.2020]

(3) An application for the benefit is deemed to be accepted as of the day when the unemployment insurance fund receives the application together with the documents conforming to the requirements.

(4) [Repealed - RT I 2002, 61, 375 - entry into force 01.08.2002]

§ 22. Grant and payment of benefit upon insolvency of employer

(1) The unemployment insurance fund shall review the application for the benefit paid upon insolvency of an employer, verify the justifiability of the amount applied for and decide on the grant of or refusal to grant a benefit not later than on the 30th day as of the date of acceptance of the application.
[RT I, 04.05.2018, 1 - entry into force 14.05.2018]

(1^1) The unemployment insurance fund shall refuse to grant a benefit if the employee has no claim against the employer arising from the employment relationship or if the amount applied for is not justified.
[RT I, 03.03.2011, 2 - entry into force 01.05.2011]

(1^2) The unemployment insurance fund has the right to refuse to grant a benefit or reduce it if the claim of the employee is based on a contract under which the parties have agreed on the payment of the benefit in full or in part on the basis of this Act in order to satisfy claims which may arise. The parties have agreed on the payment of the benefit on the basis of this Act in order to satisfy claims which may arise in particular if:
1) an employment contract or an agreement on increasing the remuneration has been entered into with a person connected with the employer within one year before the declaration of the employer as insolvent. Persons connected with a debtor who is a natural person or a legal person specified in subsections 117 (1) and (2) of the Bankruptcy Act are deemed to be the persons connected with the employer;
2) an employment contract or an agreement on increasing the remuneration has been entered into after the employer becomes permanently insolvent and the employer does not prove that he or she had financial resources

to pay the remuneration agreed on or that the entry into an employment contract was important for continuation of the business activities of the employer;
3) an employment contract is entered into after the termination of the business activities of the employer and the employer does not prove that he or she had the possibility to ensure that the employee was provided with the work agreed on.
[RT I, 03.03.2011, 2 - entry into force 01.05.2011]

(2) The unemployment insurance fund may extend the term for the review of an application by 14 days for good reason. The unemployment insurance fund shall promptly notify the applicant of extension of the term together with the reasons therefor.

(3) The unemployment insurance fund shall deliver the decision specified in subsection (1) of this section to the applicant by electronic means or by sending an unregistered letter.
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]

(4) Upon grant of a benefit, the unemployment insurance fund shall pay the benefit to the employee not later than on the fifth day after the grant of the benefit.
[RT I, 16.04.2014, 5 - entry into force 01.05.2014]

(5) A benefit shall be paid:
1) to the bank account of an employee in Estonia at the expense of the payer, or
2) to the account of an employee in a bank in a foreign state at the expense of the recipient, unless otherwise provided by an international agreement, or
[RT I, 16.04.2014, 5 - entry into force 01.05.2014]
3) on the basis of an electronic application, a notarially authenticated application or a written application prepared at the unemployment insurance fund of the employee to the bank account of another person in Estonia at the expense of the payer.
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]

Chapter 5
UNEMPLOYMENT INSURANCE FUND

§ 23. Objective of unemployment insurance fund

(1) The objective of the unemployment insurance fund is implementation of the labour market policy and organisation of unemployment insurance pursuant to the procedure provided for in this Act, the Labour Market Services and Benefits Act, the Work Ability Allowance Act and other legislation.
[RT I, 13.12.2014, 1 - entry into force 01.07.2016 (entry into force changed - RT I, 17.12.2015, 1)]

(2) In order to achieve its objective, the unemployment insurance fund shall perform the following functions:
1) pay the benefits provided for in this Act;
2) organise the provision of labour market services and provide labour market services;
3) pay labour market benefits;
3^1) assess work ability and pay work ability allowance;
[RT I, 13.12.2014, 1 - entry into force 01.07.2016 (entry into force changed - RT I, 17.12.2015, 1)]
4) pay social tax on the basis of clause 2 (1) 8) and clauses 6 (1) 6), 6^1) and 7) of the Social Tax Act;
5) keep records of unemployed persons, persons who seek employment, the provision of labour market services, labour market benefits and persons insured and payment of benefits on the basis of this Act;
6) analyse, in cooperation with the Ministry of Social Affairs, the impact and effectiveness of the labour market actions applied;
7) participate in planning unemployment insurance and labour market actions and provide opinions concerning draft legislation related to unemployment insurance, labour market services and benefits;
8) cooperate with the unemployment insurance institutions and employment agencies of the Member States of the European Union and foreign states and perform, within the limits of its competence, the functions in the areas of unemployment insurance and labour market arising from international agreements and EU law and international law;
8^1) perform the functions of a national coordination office within the meaning of Regulation (EU) 2016/589 of the European Parliament and of the Council on a European network of employment services (EURES), workers' access to mobility services and the further integration of labour markets, and amending Regulations (EU) No 492/2011 and (EU) No 1296/2013 (OJ L 107, 22.04.2016, pp. 1-28); be a EURES Member and organise the admission of organisations to become a EURES Member or Partner and organise cooperation with such organisations;
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]
9) perform other functions arising from legislation.

(2^1) The terms and conditions and procedure for admission to become EURES Members and Partners specified in clause (2) 8^1) of this section shall be established by a regulation of the minister responsible for the area.
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]

(3) In order to achieve its objectives, the unemployment insurance fund has the right to receive the necessary information from all state and local government agencies and the databases maintained by them and from insured persons, employers, persons seeking work, unemployed persons or applicants for benefits unless the receipt of information is restricted by law.
[RT I 2009, 11, 67 - entry into force 01.05.2009]

(4) In order to achieve its objectives and perform the functions imposed on the unemployment insurance fund by the law, the unemployment insurance fund has the right to issue administrative acts automatically without direct intervention by a person if this is possible considering the circumstances of issue of the administrative act and the contents thereof.
[RT I, 13.03.2019, 2 - entry into force 15.03.2019]

§ 24. Legal status of unemployment insurance fund

(1) The unemployment insurance fund is a legal person in public law.

(2) The statutes of the unemployment insurance fund shall be established and amended by a regulation of the Government of the Republic.

(3) The unemployment insurance fund cannot be a bankrupt.

(4) The unemployment insurance fund has the right to take a loan only in the case provided for in subsection 39 (2) of this Act. The unemployment insurance fund is prohibited from giving loans and securing commitments of other persons.

(4^1) [Repealed - RT I, 23.12.2011, 2 - entry into force 24.12.2011]

(5) The State Audit Office shall audit the unemployment insurance fund.

(6) The unemployment insurance fund shall be registered in the state register of state and local government agencies pursuant to the procedure provided for in the statutes of the register.
[RT I 2002, 57, 357 - entry into force 01.08.2002]

§ 25. Name of unemployment insurance fund

(1) The name of the unemployment insurance fund is *Eesti Töötukassa*(the Estonian Unemployment Insurance Fund).

(2) The unemployment insurance fund has the exclusive right to its name.

§ 26. Seat and address of unemployment insurance fund

(1) The seat of the unemployment insurance fund shall be in Tallinn.

(2) The address of the unemployment insurance fund shall be the place where the management board of the unemployment insurance fund is located.

§ 27. Management and representation of unemployment insurance fund

(1) The supervisory board of the unemployment insurance fund and the management board of the unemployment insurance fund shall direct the unemployment insurance fund.

(2) The chairman of the supervisory board shall represent the supervisory board of the unemployment insurance fund.

(3) The chairman of the management board shall represent the unemployment insurance fund. The chairman of the management board has the right to delegate authority. The right of representation of the members of the management board, and the right to delegate authority shall be provided in the statutes of the unemployment insurance fund. The right of representation of the management board may be restricted by a resolution of the supervisory board. A restriction on the right of representation does not apply with regard to third persons.

§ 28. Supervisory board of unemployment insurance fund

(1) The highest body of the unemployment insurance fund is the supervisory board of the unemployment insurance fund. The supervisory board shall consist of six members.

(2) The supervisory board is competent to:
1) elect the chairman of the supervisory board;

2) make a proposal regarding establishment of the rate of unemployment insurance premium to the Government of the Republic through the minister responsible for the area;

2^1) make a proposal regarding establishment and amendment of the rate of assets transferred to the foundation of labour market services and benefits from the payments received by the unemployment insurance benefit trust fund and the trust fund for benefits upon lay-offs and insolvency of employers to the Government of the Republic through the minister responsible for the area;
[RT I, 21.12.2010, 2 - entry into force 01.01.2011]

2^2) approve a temporary employment programme;
[RT I, 21.12.2010, 2 - entry into force 01.01.2011]

2^3) make a proposal regarding transfer of unused assets of the unemployment insurance benefit trust fund and the trust fund for benefits upon lay-offs and insolvency of employers to the foundation of labour market services and benefits to the Government of the Republic through the minister responsible for the area;
[RT I, 21.04.2020, 1 - entry into force 22.04.2020]

3) make a proposal regarding establishment of the statutes of the unemployment insurance fund through the minister responsible for the area to the Government of the Republic;

4) assess the expedient use of the financial resources of the unemployment insurance fund;

5) establish the development plan and annual plan of the unemployment insurance fund;

6) approve the budget of the unemployment insurance fund and the report on the receipt and use of funds;

7) [repealed - RT I 2009, 11, 67 - entry into force 01.05.2009]

8) decide, on the proposal of the management board, the acquisition, transfer and encumbrance of immovables, and of movables which are entered or shall be entered in the register, and decide the taking of loans;

9) appoint and remove the chairman of the management board;

10) appoint and remove members of the management board;

11) decide the entry into contracts of service with the chairman and members of the management board, and decide the filing of proprietary claims against them;

12) request reports and other information from the management board and establish the requirements for reports;

13) determine the auditor of the unemployment insurance fund and the amount of fees paid to the auditor.

(3) The supervisory board shall conduct work in meetings. A resolution of the supervisory board shall be adopted if more than one-half of the members of the supervisory board vote in favour of the resolution.

§ 29. Members of supervisory board of unemployment insurance fund

(1) The Government of the Republic shall appoint one member of the supervisory board. The Estonian Central Federation of Trade Unions and the Estonian Employees' Unions' Confederation shall both appoint one member of the supervisory board. The Estonian Employers' Confederation shall appoint two members of the supervisory board. The minister responsible for the area is a member of the supervisory board by virtue of office.
[RT I 2009, 11, 67 - entry into force 01.05.2009]

(2) A member of the supervisory board must be a citizen of Estonia with active legal capacity whose permanent residence is in Estonia and who has the knowledge necessary for performance of the duties of a member of the supervisory board and an impeccable reputation.

(3) The term of authority of a member of the supervisory board is five years. The supervisory board may remove a member prior to expiry of the term of authority of the member at the request of the person who appointed the member, and a court may remove a member at the request of an interested person, with good reason.

(3^1) The provisions of subsections (2) and (3) of this section do not apply to the minister responsible for the area.
[RT I 2009, 11, 67 - entry into force 01.05.2009]

(4) Members of the supervisory board who do not belong to the supervisory board by virtue of office shall be paid remuneration for the performance of the duties of a member of the supervisory board, the amount and procedure for payment of which shall be established by a regulation of the Government of the Republic.
[RT I 2009, 11, 67 - entry into force 01.05.2009]

§ 30. Management board of unemployment insurance fund

(1) The management board of the unemployment insurance fund shall direct the unemployment insurance fund.

(2) The management board shall consist of up to five members.
[RT I 2009, 11, 67 - entry into force 01.05.2009]

(3) The term of authority of the members of the management board is up to five years. The due date for termination of the authority of a member of the management board shall be determined upon appointment of the member of the management board.

(4) In directing the unemployment insurance fund, the management board performs the functions assigned to the board by this Act, the statutes of the unemployment insurance fund and the resolutions of the supervisory

board. The management board shall ensure performance of the functions, fulfilment of the obligations and exercise of the rights of the unemployment insurance fund in so far as, pursuant to this Act or the statutes, this is not the duty of the supervisory board.

(5) The management board shall report to the supervisory board.

(6) The resolutions of the management board shall be adopted by a majority vote. Upon an equal division of votes, the vote of the chairman of the management board governs.

§ 31. Liability of members of supervisory board and management board of unemployment insurance fund

(1) Members of the supervisory board and the management board of the unemployment insurance fund shall be solidarily liable for any damage caused to the unemployment insurance fund by violation of the requirements of this Act or the statutes of the unemployment insurance fund, or by failure to perform their duties.

(2) Members of the supervisory board and the management board of the unemployment insurance fund who cause damage to a creditor of the unemployment insurance fund by failure to perform their duties or unsatisfactory performance of their duties shall be solidarily liable with the unemployment insurance fund to the creditor.

(3) A member of the supervisory board and the management board of the unemployment insurance fund shall be released from liability to the unemployment insurance fund or to the creditor if the member, upon adoption of a resolution, voted against the resolution, or he or she did not participate in the adoption of the resolution if non-participation was permitted, or if he or she did not participate in the meeting of a body of the unemployment insurance fund.

(4) The limitation period for assertion of a claim against a member of the supervisory board and the management board of the unemployment insurance fund is five years from the occurrence of a violation or from the commencement of the violation.

(5) In order to insure members of the supervisory board and the management board of the unemployment insurance fund against proprietary liability, the unemployment insurance fund may conclude a liability insurance contract.
[RT I 2002, 111, 663 - entry into force 01.01.2003]

§ 32. Statutes of unemployment insurance fund

The statutes of the unemployment insurance fund provide for:
1) the structural units and committees of the unemployment insurance fund and the procedure for the formation thereof, and the competence of the structural units;
2) the requirements for the insignia of the unemployment insurance fund;
3) the competence of the chairman of the management board and the chairman of the supervisory board as the head of the management board and the head of the supervisory board of the unemployment insurance fund;
4) the acts for the performance of which the management board needs the prior written consent of the supervisory board;
5) the general conditions of a liability insurance contract, including the excess which the members of the supervisory board and the management board of the unemployment insurance fund must pay and the rate thereof;
6) the procedure for calling and conducting the meetings of the supervisory board and the management board of the unemployment insurance fund and for the adoption of resolutions, and the procedure for taking of minutes and documentation of the resolutions;
7) the basic requirements for the documentation management system of the unemployment insurance fund;
8) the procedure for organisation of a competition for selecting a member of the management board, if necessary;
9) the procedure for the preparation and approval of the draft budget and the requirements for the budget of the unemployment insurance fund;
10) [repealed - RT I, 23.12.2011, 2 - entry into force 24.12.2011]
11) other rules which are necessary for the regulation of the activities of the unemployment insurance fund unless such rules are established by this Act or other legislation.

§ 33. Budget of unemployment insurance fund

(1) The budget of the unemployment insurance fund shall determine the revenue and expenditure of the unemployment insurance fund in a calendar year.

(2) The budget revenue of the unemployment insurance fund consists of proceeds from unemployment insurance premiums, interest income, allocations from the state budget and other income.
[RT I, 23.12.2011, 2 - entry into force 24.12.2011]

(3) The budget of the unemployment insurance fund consists of the following parts:
1) the budget of the unemployment insurance benefit trust fund;
2) the budget of the trust fund for benefits upon lay-offs and insolvency of employers;
[RT I 2009, 5, 35 - entry into force 01.07.2009]
2^1) the budget of the foundation of labour market services and benefits;
[RT I, 21.12.2010, 2 - entry into force 01.01.2011]
3) the budget of the operating expenses of the unemployment insurance fund;
4) transfers to the legal reserve;
5) allocations from the state budget for the provision of labour market services and for the payment of labour market benefits, work ability allowance, and social tax in special cases.
[RT I, 13.12.2014, 1 - entry into force 01.07.2016 (entry into force changed - RT I, 17.12.2015, 1)]

(4) The operating expenses of the unemployment insurance fund and the transfers to the legal reserve shall be allocated proportionally between the unemployment insurance benefit trust fund and the trust fund for benefits upon lay-offs and insolvency of employers.
[RT I 2009, 5, 35 - entry into force 01.07.2009]

(5) The budget of the unemployment insurance fund shall be prepared, approved and the implementation of the budget shall be monitored in accordance with this Act and the statutes of the unemployment insurance fund.

(6) If the state budget has not entered into force by the beginning of the budgetary year, the expenditure of each month of the new budgetary year may be up to 1/12 of the expenditure prescribed in the preceding budget of the unemployment insurance fund until the time the budget of the unemployment insurance fund is passed. Expenditure the amount of which arises from law and expenditure for the payment of benefits on the basis of this Act may be made in accordance with actual expenditure.
[RT I, 13.03.2014, 2 - entry into force 23.03.2014]

§ 34. Legal reserve

(1) The legal reserve of the unemployment insurance fund means the reserve formed of the budget funds of the unemployment insurance fund for the reduction of the risk which macro-economic changes may cause to the unemployment insurance system.

(2) The legal reserve shall amount to at least 10 per cent of the assets of the unemployment insurance fund.
[RT I 2002, 111, 663 - entry into force 01.01.2003]

(3) The legal reserve may only be used as an exception by a resolution of the supervisory board of the unemployment insurance fund if the assets of the trust fund of the unemployment insurance fund are insufficient. Before adopting the corresponding resolution, the supervisory board shall make a proposal to the Government of the Republic through the minister responsible for the area for increasing the rate of unemployment insurance premium to the level which ensures the receipt of funds which are sufficient in order to fulfil the objectives of the unemployment insurance fund.

(4) [Repealed - RT I, 23.12.2011, 2 - entry into force 24.12.2011]

(5) [Repealed - RT I, 23.12.2011, 2 - entry into force 24.12.2011]

§ 34^1. Deposit of financial resources of unemployment insurance fund

(1) Pursuant to a deposit contract entered into with the state, the unemployment insurance fund shall deposit financial resources in the bank account within the state group account and make payments therefrom.

(2) The deposit contract specified in subsection (1) of this section shall enable the unemployment insurance fund to make payments out of the financial resources deposited in the bank account within the state group account under the conditions provided by legislation for the performance of the functions imposed on the unemployed insurance fund by this Act. The detailed conditions for notifying the Ministry of Finance of the payments planned by the unemployment insurance fund shall be agreed upon in the deposit contract.

(3) The state shall pay an interest to the unemployment insurance fund on the balance of the financial resources deposited in the bank account within the state group account the amount of which is equal to the profitability of the liquid financial assets of the state unless otherwise agreed upon in the deposit contract entered into with the unemployment insurance fund.
[RT I, 13.03.2014, 2 - entry into force 23.03.2014]

(4) The Ministry of Finance shall deposit, together with state money, the financial resources deposited in the bank account within the state group account pursuant to the principles for the management of state cash-flow established by a regulation of the Government of the Republic on the basis of subsection 66 (5) of the State Budget Act.
[RT I, 13.03.2014, 2 - entry into force 23.03.2014]

§ 35. Unemployment insurance database

(1) The unemployment insurance database (hereinafter *database*) is maintained for keeping records of working persons specified in clause 3 (2) 5) of this Act and insured persons and their unemployment insurance periods, grant and payment of unemployment insurance benefits, grant and payment of benefits in the case of lay-offs and insolvency of employers, and ensuring necessary information for statistics and analyses.

(2) The controller of the database shall be the unemployment insurance fund.

(3) The following information shall be maintained and processed in the database:
1) personal data of insured persons – name, personal identification code, contact details;
2) information of the employer – name and registry code or personal identification code;
3) information on the insurance periods of insured persons;
4) information concerning the grant and payment of benefits;
5) list of persons submitting data and information received from such persons.

(4) The database and its statutes shall be established by a regulation of the minister responsible for the area.

(5) Data entered in the database shall be preserved from entry thereof in the database until ten years after the death of a person. Data shall be pseudonymised once a year at the end of the calendar year during which the retention period expired.

(6) Pseudonymised data entered in the database shall be preserved for a term of 65 years after the expiry of which such data are rendered anonymous once a year at the end of the calendar year.

(7) Specific retention periods, conditions and procedure shall be provided for in the statutes of the database.
[RT I, 13.03.2019, 2 - entry into force 15.03.2019]

Chapter 6
UNEMPLOYMENT INSURANCE FUNDS

§ 36. Use of funds derived from unemployment insurance premiums

(1) The funds derived from unemployment insurance premiums shall be used only in the cases and pursuant to the procedure provided for in this Act.

(2) The following two separate funds for specific purposes (hereinafter *trust fund*) shall be established on the basis of the unemployment insurance premiums:
1) the unemployment insurance benefit trust fund;
2) the trust fund for benefits upon lay-offs and insolvency of employers.
[RT I 2009, 5, 35 - entry into force 01.07.2009]

(2^1) The foundation of labour market services and benefits (hereinafter *foundation*) shall be established from the assets of the unemployment insurance benefit trust fund and the trust fund for benefits upon lay-offs and insolvency of employers, and from the funds allocated from the state budget for specific purposes through the budget of the Ministry of Social Affairs.
[RT I, 21.12.2010, 2 - entry into force 01.01.2011]

(3) The unemployment insurance fund shall administer the trust funds and the foundation specified in subsections (2) and (2^1) of this section.
[RT I, 23.12.2011, 2 - entry into force 24.12.2011]

(4) Separate records shall be kept of the trust funds.

§ 37. Unemployment insurance benefit trust fund

(1) The unemployment insurance premiums of insured persons and the interest income received from the deposit thereof shall form the unemployment insurance benefit trust fund.
[RT I, 23.12.2011, 2 - entry into force 24.12.2011]

(2) The assets of the unemployment insurance benefit trust fund shall be used:
1) in order to pay unemployment insurance benefits;
2) [repealed - RT I 2009, 11, 67 - entry into force 01.05.2009]
3) [repealed - RT I, 23.12.2011, 2 - entry into force 24.12.2011]
4) in order to cover the operating expenses of the unemployment insurance fund;
5) for transfers to the legal reserve;

6) for partial financing of the foundation.
[RT I, 21.12.2010, 2 - entry into force 01.01.2011]

(3) The unemployment insurance fund has the right to use the assets of the unemployment insurance benefit trust fund temporarily for financing the expenditure of the activities co-financed from the funds of the European Union for the promotion of employment until the payment application is satisfied. In the case of denial of the payment application, the expenditure of the abovementioned activities shall be covered from the funds prescribed in § 38^1 of this Act.
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]

§ 38. Trust fund for benefits upon lay-offs and insolvency of employers

(1) The unemployment insurance premiums of employers and the interest income received from the deposit thereof shall form the trust fund for benefits upon lay-offs and insolvency of employers.
[RT I, 23.12.2011, 2 - entry into force 24.12.2011]

(2) The assets of the trust fund for benefits upon lay-offs and insolvency of employers shall be used:
1) in order to pay the benefits provided for in § 14^1 and subsection 20 (1) of this Act and the social tax calculated on the basis of the benefits;
2) in order to pay the social tax calculated on the basis of the unemployment insurance benefits;
3) [repealed - RT I, 23.12.2011, 2 - entry into force 24.12.2011]
4) in order to cover the operating expenses of the unemployment insurance fund;
5) for transfers to the legal reserve;
6) for partial financing of the foundation.
[RT I, 21.12.2010, 2 - entry into force 01.01.2011]

(3) The unemployment insurance fund has the right to use the assets of the trust fund for benefits upon lay-offs and insolvency of employers temporarily for financing the expenditure of the activities co-financed from the funds of the European Union for the promotion of employment until the payment application is satisfied. In the case of denial of the payment application, the expenditure of the abovementioned activities shall be covered from the funds prescribed in § 381 of this Act.
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]

§ 38^1. Foundation of labour market services and benefits

(1) Up to 30 per cent of the unemployment insurance premiums of insured persons received by the unemployment insurance benefit trust fund, up to 30 per cent of the unemployment insurance premiums of employers received by the trust fund for benefits upon lay-offs and insolvency of employers, the funds allocated from the state budget for specific purposes through the budget of the Ministry of Social Affairs and the interest income received from the deposit thereof shall form the foundation.
[RT I, 23.12.2011, 2 - entry into force 24.12.2011]

(2) The supervisory board of the unemployment insurance fund shall submit a proposal to the Government of the Republic through the minister responsible for the area for the establishment of the rate of assets transferred to the foundation from the payments received by the unemployment insurance benefit trust fund and the trust fund for benefits upon lay-offs and insolvency of employers at least once during a calendar year, not later than by 21 August of the current calendar year.
[RT I, 13.03.2014, 2 - entry into force 23.03.2014]

(3) The rate of the assets transferred to the foundation of labour market services and benefits for the following calendar year shall be established by a regulation of the Government of the Republic not later than by 1 October of the current calendar year. If the assets of the foundation are insufficient, the Government of the Republic may, on the proposal of the supervisory board of the unemployment insurance fund, amend the rate of the assets transferred to the foundation.
[RT I, 13.03.2014, 2 - entry into force 23.03.2014]

(3^1) If the assets of the foundation are insufficient, the Government of the Republic may decide to transfer the unused assets of the unemployment insurance benefit trust fund and the trust fund for benefits upon lay-offs and insolvency of employers received in the previous calendar years to the foundation. The Government of the Republic may make the specified decision on the proposal of the supervisory board of the unemployment insurance fund due to the extraordinary need of the labour market and taking into account that the assets of the trust funds would cover other expenses provided by law. The rate of the assets transferred to the foundation during a calendar year shall not exceed 30 per cent of the unused assets of the unemployment insurance benefit trust fund and 30 per cent of the unused assets of the trust fund for benefits upon lay-offs and insolvency of employers received in the previous calendar years.
[RT I, 21.04.2020, 1 - entry into force 22.04.2020]

(3^2) In the case specified in subsection (31) of this section, the rate of the assets transferred to the foundation shall be established by a regulation of the Government of the Republic on the proposal of the supervisory board of the unemployment insurance fund.
[RT I, 21.04.2020, 1 - entry into force 22.04.2020]

(4) The assets of the foundation of labour market services and benefits shall be used:
1) in order to provide labour market services;
2) in order to pay labour market benefits, except unemployment allowance;
3) [repealed - RT I, 23.12.2011, 2 - entry into force 24.12.2011]
4) in order to provide services and pay benefits co-financed from the funds of the European Union for the promotion of employment.
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]

§ 39. Activities of unemployment insurance fund upon insufficiency of assets of trust fund and foundation

[RT I, 21.12.2010, 2 - entry into force 01.01.2011]

(1) In case the assets of the trust fund and the foundation are insufficient, the funds of the legal reserve of the unemployment insurance fund shall be used for the payment of the benefits provided for in this Act, provision of labour market services and payment of labour market benefits, except unemployment allowance, pursuant to the procedure provided for in subsection 34 (3) of this Act.
[RT I, 21.12.2010, 2 - entry into force 01.01.2011]

(2) If the funds of the legal reserve of the unemployment insurance fund are insufficient, the unemployment insurance fund has the right to take loans, and use as security the things which are in the ownership of the unemployment insurance fund and the unemployment insurance fund has the right to take loans if secured by the state, by a resolution of the supervisory board.

(3) If the assets of the trust fund specified in clause 37 (2) 1) of this Act are insufficient, the unemployment insurance fund may, by a resolution of the supervisory board, use the assets of the trust fund specified in clause 38 (2) 1) of this Act in order to pay unemployment insurance benefits.

Chapter 7
UNEMPLOYMENT INSURANCE PREMIUM

§ 40. Object of unemployment insurance premium

(1) An unemployment insurance premium shall be paid:
1) on wages, salaries and other remuneration paid to insured persons according to the rate of unemployment insurance premium established for the insured persons and employers;
2) on wages, salaries and other remuneration paid to the persons specified in clause 3 (2) 5) of this Act according to the rate of unemployment insurance premium established for the employers.
3) in the case of an insured person specified in subsection 3 (11) of this Act, on the amount specified in clause 2 (4) 8) of the Social Tax Act according to the rate of unemployment insurance premium established for the insured persons and employers.
[RT I, 04.03.2019, 1 - entry into force 01.07.2020, entry into force changed [RT I, 28.02.2020, 2]]

(2) An unemployment insurance premium shall not be paid:
1) on benefits upon cancellation of a contract of employment or release from service prescribed to insured persons by law;
[RT I, 06.07.2012, 1 - entry into force 01.04.2013]
2) on benefits or fine for delay upon unlawful cancellation of a contract of employment or unlawful release from service prescribed to insured persons by law;
[RT I, 06.07.2012, 1 - entry into force 01.04.2013]
3) on salaries upon withholding the final settlement prescribed to insured persons by law;
4) on the amounts specified in § 3 of the Social Tax Act.
[RT I 2009, 5, 35 - entry into force 01.07.2009]

§ 40[1]. State aid

(1) State aid within the meaning of Article 107(1) of the Treaty on the Functioning of the European Union is the unemployment insurance premium calculated on the remuneration of a crew member which exceeds the rate provided for in clause 2 (4) 8) of the Social Tax Act. State aid shall be granted on the basis of the European Commission Guidelines on State aid to maritime transport and the respective decision of the European Commission authorising the grant of state aid. A beneficiary of state aid is a person specified in clause 4 (2) 5) of this Act whose employee is a person specified in subsection 3 (1[1]) of this Act.
[RT I, 04.03.2019, 1 - entry into force 01.07.2020, entry into force changed [RT I, 28.02.2020, 2]]

(2) A beneficiary of state aid shall not:
1) be an undertaking in difficulty for the purposes of the European Commission Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty;

2) have failed to perform the obligation to repay state aid declared illegal and incompatible with the internal market on the basis of a decision of the European Commission.
[RT I, 04.03.2019, 1 - entry into force 01.07.2020, entry into force changed [RT I, 28.02.2020, 2]]

(3) The Ministry of Economic Affairs and Communications or an agency authorised thereby shall calculate the amount of state aid on the basis of necessary data submitted by the Tax and Customs Board and enter the data in the register of state aid and de minimis aid provided for in § $49^2$of the Competition Act, and exercise supervision over compliance with the requirements for state aid specified in subsection (1) of this section.
[RT I, 04.03.2019, 1 - entry into force 01.07.2020, entry into force changed [RT I, 28.02.2020, 2]]

(4) The state aid regime shall be implemented until the conditions provided for in subsections (1) and (2) of this section and subsections 13 (5) and (6) of the Income Tax Act are fulfilled, but not longer than until the end of validity of the respective decision of the European Commission authorising the grant of state aid. Upon failure to comply with the requirements for the implementation of state aid, state aid can be implemented again after the end of validity of the respective decision of the European Commission authorising the grant of state aid provided that the European Commission has granted a new authorisation of state aid and the requirements for the implementation of state aid are complied with.
[RT I, 28.02.2020, 2 - entry into force 01.07.2020]

§ 41. Rate of unemployment insurance premium

(1) The rate of unemployment insurance premium for insured persons shall be 0.5 to 2.8 per cent on the amounts specified in § 40 of this Act.
[RT I 2009, 36, 234 - entry into force 01.07.2009]

(2) The rate of unemployment insurance premium for employers shall be 0.25 to 1.4 per cent on the amounts specified in § 40 of this Act.
[RT I 2009, 36, 234 - entry into force 01.07.2009]

(3) The supervisory board of the unemployment insurance fund shall submit a proposal to the Government of the Republic through the minister responsible for the area concerning the rates of unemployment insurance premium for the following four years not later than by 21 August of the current calendar year by making, in justified cases, a proposal to amend the rates established for the future calendar years. An analysis which indicates the sufficiency of the rates of unemployment insurance premium in order to achieve the objectives of the unemployment insurance fund within the following four years, taking into account the forecasts regarding macroeconomics and the development of labour market, shall be submitted together with the proposal.
[RT I, 13.03.2014, 2 - entry into force 23.03.2014]

(4) The rates of unemployment insurance premium for insured persons and employers for the following four calendar years shall be established by a regulation of the Government of the Republic not later than by 1 October of the current calendar year. The rate of unemployment insurance premium in the current calendar year shall not be reduced during the calendar year.
[RT I, 13.03.2014, 2 - entry into force 23.03.2014]

(5) In the case provided for in subsection 34 (3) of this Act the Government of the Republic shall establish a new rate of unemployment insurance premium not later than as of the first day of the second calendar month after the calendar month during which the supervisory board of the unemployment insurance fund makes the proposal.

§ 42. Procedure for payment of unemployment insurance premium

(1) An employer is required to:
1) calculate and withhold, for each insured person, unemployment insurance premiums on amounts specified in clauses 40 (1) 1) and 3) of this Act. The obligation to calculate and withhold the unemployment insurance premiums for an insured person shall terminate on the last day of the month when the insured person attains a pensionable age or is granted early-retirement pension;
[RT I, 04.03.2019, 1 - entry into force 01.07.2020, entry into force changed [RT I, 28.02.2020, 2]]
2) to pay, on the amounts specified in clauses 40 (1) 1)–3) of this Act, the unemployment insurance premiums payable by employers;
[RT I, 04.03.2019, 1 - entry into force 01.07.2020, entry into force changed [RT I, 28.02.2020, 2]]
3) transfer the unemployment insurance premiums withheld pursuant to clause 1) of this subsection and payable pursuant to clause 2) of this subsection to the bank account of the Tax and Customs Board not later than by the tenth day of the month following the month during which the payment was made and submit the corresponding returns to the Tax and Customs Board by the same date;
[RT I, 25.10.2012, 1 - entry into force 01.12.2012]
4) issue, at the request of an insured person, a certificate concerning unemployment insurance premiums withheld on payments by 1 February of the year following the calendar year or, upon termination of an employment relationship with an insured person, together with the final settlement;
5) issue or send by electronic means, at the request of an insured person, upon termination of an employment or service relationship or of payment of spouse allowance, a certificate concerning the types and amount of remuneration paid to the person during the last three calendar months of employment and unemployment insurance premiums withheld on the remuneration for each calendar month during the last three calendar months

of employment, the basis and time of termination of the person's last employment or service relationship, the time of termination of payment of spouse allowance, the length of his or her employment relationship with that employer, the length of service in case of an official and the duration of any pregnancy and maternity leave, adoptive parents or parental leave.
[RT I, 26.03.2013, 1 - entry into force 01.04.2013]

(1^1) If the employer has been declared bankrupt, the returns specified in clause (1) 3) of this section shall be submitted separately for the part of taxation period preceding the declaration of bankruptcy and the part of the taxation period following the declaration of bankruptcy.
[RT I, 18.11.2010, 1 - entry into force 01.01.2011]

(2) The forms of returns and certificates provided for in clauses (1) 3) and 4) of this section shall be established by a regulation of the minister responsible for the area.

(2^1) The form of certificates provided for in clause (1) 5) of this section shall be established by a regulation of the minister responsible for the area.

(3) The amount of unemployment insurance premium calculated for each insured person and payable by employers shall be rounded to the accuracy of one cent.
[RT I 2010, 22, 108 - entry into force 01.01.2011]

(4) The provisions of the Taxation Act concerning taxes apply to unemployment insurance premiums. The Tax and Customs Board shall verify the correctness of tax payments, assess amounts of tax due or subject to return if necessary, collect taxes pursuant to the procedure provided for in the Taxation Act and apply coercive measures permitted by law against persons who violate tax law for obliging them to perform their obligations.

(5) The provisions of the Taxation Act concerning taxable persons apply to employers. Sanctions prescribed in the Taxation Act and the Penal law concerning taxable persons shall be imposed on employers for any violation of obligations provided for in this Act.

(6) Information on insured persons and withholding agents shall be entered in the register of taxable persons established according to the Taxation Act.

(7) The procedure for withholding and calculation of unemployment insurance premiums of insured persons who are employed in agencies whose staff, consolidated data or specific duties constitute a state secret shall be established by the minister responsible for the area.
[RT I 2006, 31, 236 - entry into force 01.01.2007]

§ 43. Transfer of funds derived from unemployment insurance premiums to unemployment insurance fund

The Tax and Customs Board shall transfer the received unemployment insurance premiums to the account of the unemployment insurance fund within 15 working days as of the receipt of the premiums on the bank account of the Tax and Customs Board.
[RT I 2008, 58, 323 - entry into force 01.01.2009]

§ 44. Reclamation of receivable unemployment insurance premiums in bankruptcy proceedings

Upon insolvency of an employer, the state represented by the Tax and Customs Board shall, in bankruptcy proceedings, be the creditor regarding unemployment insurance premiums not received within the term. The collected amounts shall be transferred to the account of the unemployment insurance fund within 15 working days as of the receipt of the premiums on the bank account of the Tax and Customs Board.
[RT I 2008, 58, 323 - entry into force 01.01.2009]

Chapter 8
RESOLUTION OF DISPUTES

§ 45. Jurisdiction over disputes

(1) A person who finds that his or her rights are violated or his or her freedoms are restricted in the course of grant and payment of benefits may file a challenge with the unemployment insurance fund.
[RT I 2002, 61, 375 - entry into force 01.08.2002]

(2) Disputes related to the payment and withholding of unemployment insurance premiums shall be resolved pursuant to the procedure provided for in the Taxation Act.

§ 46. Reclamation of overpaid benefits

(1) The unemployment insurance fund may reclaim a benefit granted and paid without legal basis to an insured person, employee or official (hereinafter *beneficiary*) from the beneficiary.
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]

(2) The unemployment insurance fund may reclaim an unemployment insurance benefit granted and paid to a beneficiary without legal basis from the employer if the benefit had been paid due to incorrect data submitted by the employer and the benefit cannot be reclaimed from the beneficiary.

(3) The unemployment insurance fund may reclaim a lay-offs benefit granted and paid to a beneficiary without legal basis from the employer if the benefit had been paid due to incorrect data submitted by the employer and the benefit cannot be reclaimed from the beneficiary.
[RT I 2009, 5, 35 - entry into force 01.07.2009]

(4) The unemployment insurance fund may reclaim an insolvency benefit granted and paid to a beneficiary without legal basis from the trustee if the benefit had been paid due to incorrect data submitted by the trustee and the benefit cannot be reclaimed from the person.

(5) The unemployment insurance fund may reclaim a benefit granted and paid without basis from the persons specified in subsections (1)-(4) of this section at one time or according to a repayment profile prepared upon agreement with the person.

(6) If a person fails to repay benefits granted and paid without basis, a precept together with a warning shall be issued for reclamation of the overpaid amounts. Upon failure to comply with the precept within a term set out in the warning, the unemployment insurance fund has the right to issue a precept for compulsory enforcement pursuant to the procedure provided in the Code of Enforcement Procedure.
[RT I 2006, 31, 236 - entry into force 01.01.2007]

(7) The precept together with the warning shall be delivered by electronic means or by sending a registered letter with advice of delivery.
[RT I, 10.01.2019, 2 - entry into force 20.01.2019]

Chapter 9
IMPLEMENTING PROVISIONS

§ 47.–§ 51.[Omitted from this text.]

§ 52. Implementation of Act

(1) The Government of the Republic shall appoint two members of the supervisory board of the unemployment insurance fund not later than by 1 November 2001. The Estonian Confederation of Employers and Industry shall appoint two members of the supervisory board of the unemployment insurance fund not later than by 1 November 2001. The Central Federation of Trade Unions and the Estonian Employees' Unions' Confederation shall both appoint one member of the supervisory board of the unemployment insurance fund not later than by 1 November 2001.

(2) The supervisory board of the unemployment insurance fund shall make a proposal to the Government of the Republic through the minister responsible for the area for the establishment of the statutes of the unemployment insurance fund not later than on 1 December 2001. The statutes of the unemployment insurance fund shall be established by a regulation of the Government of the Republic not later than on 15 December 2001.

(3) The form of applications for unemployment insurance benefits, the list of information to be entered in the applications and the list of documents to be appended to the applications shall be established by a regulation of the minister responsible for the area not later than on 15 December 2001.

(4) The supervisory board of the unemployment insurance fund shall appoint the members of the management board of the unemployment insurance fund to office and shall enter into contracts of service with the members of the management board not later than on 1 December 2001. The authority of members of the management board commences as of entry into force of this Act.

(5) The supervisory board of the unemployment insurance fund shall establish the documents provided for in clauses 28 (2) 5) and 7) of this Act not later than on 1 June 2002.

(6) The rate of unemployment insurance premium for insured persons in year 2002 shall be 1 per cent on the amounts specified in § 40 of this Act. The rate of unemployment insurance premium for employers in year 2002 shall be 0.5 per cent on the amounts specified in § 40 of this Act.

(6[1]) The insurance period accumulated by an applicant for the unemployment insurance benefit on the basis of this Act or legislation of an EEA country or the Swiss Confederation after 1 January 2002 shall be taken into account upon grant of unemployment insurance benefit based this Act.
[RT I 2006, 31, 236 - entry into force 01.01.2007]

(7) Benefits specified in clauses 5 2) and 3) of this Act shall be paid as of 1 January 2003.

(7[1]) Upon collective termination of employment contracts, benefits shall be paid pursuant to this Act if the termination of employment contracts or release from services takes place after 1 January 2003. If the collective termination of employment contracts is initiated and notice of termination of employment contracts or release from service is given before 1 January 2003, the employer shall submit an application for a benefit on the basis and pursuant to the procedure in force until 31 December 2002.

(7[2]) Upon insolvency of an employer, benefits shall be paid pursuant to this Act if a court judgment concerning the declaration of bankruptcy of the employer or a court ruling concerning the abatement of bankruptcy proceedings has entered into force after 1 January 2003, except in the case provided for in subsection (7[3]) of this section.

(7[3]) In the case of a judgment on the bankruptcy of an employer which has entered into force before 1 January 2003, benefits shall be paid pursuant to this Act if the trustee in bankruptcy has not submitted an application for payments to be made to employees from the compensation fund of the Government of the Republic pursuant to the Bankruptcy Act or has submitted the application after 10 December 2002 and the application is being processed. The Ministry of Finance shall forward applications specified in this subsection which are being processed to the unemployment insurance fund not later than by 15 January 2003.

(8) The unemployment insurance premium for insured persons shall not be paid on amounts specified in subsection 40 (1) of this Act which are paid to persons who, on 1 January 2002, will attain the pensionable age in less than 12 months.

(9) Starting from 1 February 2009, the benefits granted before 1 February 2009 shall be paid pursuant to the procedure provided in subsection 12 (3), 18 (4) and 22 (5) of this Act.
[RT I 2008, 48, 264 - entry into force 01.02.2009]

(10) The insurance benefits for lay-offs provided in clause 5 2) and the waiting periods specified in subsection 6 (4) of this Act shall apply to employees and officials whose employment or service relationship is cancelled after 30 June 2009.
[RT I, 06.07.2012, 1 - entry into force 01.04.2013]

(11) A person whose employment contract is cancelled collectively and to whom a benefit is applied for before 1 July 2009 but whose employment or service relationship ends after 30 June 2009 shall be paid a benefit for the collective cancellation of employment contracts on the basis and pursuant to the procedure in force before 1 July 2009. Such person shall not be paid the insurance benefit for lay-offs provided in clause 5 2) and the waiting period specified in subsection 6 (4) of this Act shall not apply to him or her.
[RT I 2009, 5, 35 - entry into force 01.07.2009]

(12) The amount of unemployment insurance benefit provided beginning from 1 July 2009 in subsection 9 (4) of this Act shall apply to insured persons to whom a benefit is granted after 30 June 2009, whereas the benefits granted before 1 July 2009 shall not be recalculated. If a benefit granted to a person before 1 July 2009 is less than the benefit calculated based on subsection 9 (5) of this Act, the benefit shall be recalculated as of 1 July 2009.
[RT I 2009, 5, 35 - entry into force 01.07.2009]

(13) The unemployment insurance fund has the right to use the assets of the unemployment insurance benefit trust fund and the assets of the trust fund for benefits upon lay-offs and insolvency of employers for financing labour market services and benefits, except unemployment allowance, in the years 2011 and 2012. The assets used shall be returned from the foundation to the unemployment insurance benefit trust fund and the trust fund for benefits upon lay-offs and insolvency of employers by the end of the year 2015.
[RT I, 21.12.2010, 2 - entry into force 01.01.2011]

(14) The supervisory board of the unemployment insurance fund shall submit a proposal to the Government of the Republic through the minister responsible for the area for the establishment of the rate of assets transferred to the foundation from the payments received by the unemployment insurance benefit trust fund and the trust fund for benefits upon lay-offs and insolvency of employers for the year 2011 not later than by 1 March 2011.
[RT I, 21.12.2010, 2 - entry into force 01.01.2011]

(15) The rate of the assets transferred to the foundation of labour market services and benefits for the calendar year 2011 shall be established by a regulation of the Government of the Republic not later than by 1 May 2011.

[RT I, 21.12.2010, 2 - entry into force 01.01.2011]

(16) Until the establishment of the rate specified in subsection (15) of this section, the rate of assets transferred to the foundation from the payments received by the unemployment insurance benefit trust fund and the trust fund for benefits upon lay-offs and insolvency of employers shall be 12 per cent.
[RT I, 21.12.2010, 2 - entry into force 01.01.2011]

(17) Section 12^1 of this Act shall be implemented as of 1 May 2010 in the cases specified in Article 90 (1) of Regulation (EC) No 883/2004 of the European Parliament and of the Council on the coordination of social security systems (OJ L 166, 30.04.2004, pp. 1-123) and Article 96 (1) of Regulation (EC) No 987/2009 of the European Parliament and Council laying down the procedure for implementing Regulation (EC) No 883/2004 on the coordination of social security systems (OJ L 284, 30.10.2009, pp. 1-42).
[RT I, 03.03.2011, 2 - entry into force 01.05.2011]

(18) If the payment of unemployment insurance benefit to a person specified in subsection 43 (12) of the Labour Market Services and Benefits Act is terminated before the end of the period of payment of the benefit specified in the decision on grant of unemployment insurance benefit, the person has the right to receive unemployment insurance benefit, if the person:
1) is re-registered as unemployed within 12 months as of the date on which the person's insurance period was deemed to be zero which resulted in the person's right to receive unemployment insurance benefit pursuant to the provisions of subsection 7 (3) of this Act;
2) complies with the other terms for receipt of unemployment insurance benefit provided by this Act, except for the insurance period requirement specified in clause 6 (1) 2) of this Act.
[RT I, 22.12.2013, 4 - entry into force 01.01.2014]

(19) In the cases specified in subsection (18) of this section and subsection 8 (2) of this Act, the payment of unemployment insurance benefit for two or more periods of the person's registration as unemployed shall not continue longer than for the number of days provided for in clauses 8 (1) 1)-3) of this Act.
[RT I, 22.12.2013, 4 - entry into force 01.01.2014]

(20) If the payment of unemployment insurance benefit granted to a person is terminated before the end of the period of payment of the benefit specified in the decision on grant of unemployment insurance benefit, the person has the right to receive unemployment insurance benefit if:
1) the person is re-registered as unemployed within 12 months as of the date on which the person's insurance period was deemed to be zero which resulted in the person's right to receive unemployment insurance benefit pursuant to the provisions of subsection 7 (3) of this Act;
2) the person's registration as unemployed was terminated on 1 November 2014 under the circumstances specified in clauses 6 (5) 4) or 4^1) of the Labour Market Services and Benefits Act, and
3) the person complies with the other terms for receipt of unemployment insurance benefit provided by this Act, except for the insurance period requirement specified in clause 6 (1) 2) of this Act.
[RT I, 16.04.2014, 5 - entry into force 01.05.2014]

§ 52^1. Transfer of financial resources of unemployment insurance fund to bank account within state group account

(1) The deposit contract specified in subsection 341 (1) of this Act shall be concluded between the chairman of the management board of the unemployment insurance fund and the minister responsible for the area by 16 January 2012. The management board of the unemployment insurance fund shall realise the financial assets acquired out of the financial resources and terminate the contracts related to the deposit and administration of the financial resources by 30 June 2012.

(2) Until the realisation, the procedure for and the limitations on the administration of the financial resources in force prior to the entry into force of this section shall apply to the financial assets specified in subsection (1) of this section.

(3) Financial resources received from the realisation of financial assets specified in subsection (1) of this section shall promptly be transferred to the bank account specified in subsection 34^1(1) of this Act.
[RT I, 23.12.2011, 2 - entry into force 24.12.2011]

§ 52^2. Specifications for insurance benefit upon lay-offs

(1) Until 1 April 2018, in addition to the provisions of 141 of this Act, employees with whom an employment contract under favourable conditions has been entered into on the basis of the Public Service Act and whose employment contract was cancelled due to a lay-off or who cancelled their employment contract based on subsection 37 (5) of the Employment Contracts Act and the employment contract under favourable conditions terminates before 1 April 2018 and the duration of employment contracts under favourable conditions and employment in the service is at least five years in total have the right to an insurance benefit in the case of lay-offs.

(2) Upon calculation of the amount of insurance benefit, the duration of employment contracts under favourable conditions specified in subsection (1) of this section and employment of a person in the service which do not overlap shall be totalled.
[RT I, 26.03.2013, 1 - entry into force 01.04.2013]

§ 52[3]. Specification for calculation of unemployment insurance period

(1) The procedure for calculation of insurance period in force as of 1 July 2014 shall be applied upon calculation of an insurance period accumulated after 1 July 2014. An insurance period accumulated before 1 July 2014 shall be calculated pursuant to the procedure in force until 1 July 2014. The months of insurance period shall be totalled.

(2) Unemployment insurance benefits granted before 1 July 2014 shall not be recalculated.
[RT I, 16.04.2014, 3 - entry into force 01.07.2014]

§ 53. Entry into force of Act

(1) This Act enters into force on 1 January 2002.

(2) Clauses 48 1) and 5) of this Act enter into force on 1 January 2003.

[1]Directive 2002/74/EC of the European Parliament and of the Council amending Council Directive 80/987/EEC on the approximation of the laws of the Member States relating to the protection of employees in the event of the insolvency of their employer (OJ L 270, 08.10.2002, pp. 10-13).