

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION EUC08
	CORRESPONDENCE SYMBOL OUI/DUIO
	DATE January 7, 2013

ADVISORY: **UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 04-10, Change 11**

TO: STATE WORKFORCE AGENCIES

FROM: JANE OATES /s/
Assistant Secretary

SUBJECT: Extension of Temporary Provisions – Emergency Unemployment Compensation and Extended Benefits Provisions

1. **Purpose.** To advise states of the latest extension of the Emergency Unemployment Compensation (EUC08) program and temporary Extended Benefit (EB) provisions.

2. **References.**

- American Taxpayer Relief Act of 2012, (January 2, 2013), (the Act), Title V, Sections 501- 503;
- Middle Class Tax Relief and Job Creation Act of 2012, Public Law (Pub. L.) 112-96, (February 22, 2012), Title II, Section. 2001-2184 (Extended Benefits, Reemployment and Program Integrity Improvement Act);
- Temporary Payroll Tax Cut Continuation Act of 2011, (Pub. L. 112-78);
- Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, Pub. L. 111-312;
- Unemployment Compensation Extension Act of 2010, (Pub. L. 111-205);
- Supplemental Appropriations Act, 2008, Pub. L. 110-252; Sections 2002 and 2005 of Division B, Title II, the Assistance for Unemployed Workers and Struggling Families Act, (Pub. L. 111-5);
- Federal-State Extended Unemployment Compensation Act of 1970 (Pub. L. 91-373);
- Public Information Collection Activities; Submission to Director; Approval and Delegation (44 USC § 3507);
- Public protection (44 USC § 3512);
- Unemployment Insurance Program Letter (UIPL) No. 23-08, *Supplemental Appropriation Act, 2008, Title IV—Emergency Unemployment Compensation*, and UIPL No. 23-08, Changes 1, 2, 3, 4, 5, and 6;
- UIPL No. 07-09; *Federal-State Extended Unemployment Compensation Act of 1970—Temporary Change in Federal Sharing for First Week of Extended Benefits*;
- UIPL No. 12-09; *Extended Benefits Program—Temporary Changes made by the Assistance for Unemployed Workers and Struggling Families Act*;

RESCISSIONS None	EXPIRATION DATE Continuing
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- UIPL No. 04-10, *Extension of Temporary Provisions—Emergency Unemployment Compensation, 2008, Federal Additional Compensation, and Extended Benefits*, and UIPL No. 04-10, Changes 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10; and
- Training and Employment Guidance Letter (TEGL) No. 20-11, *Reemployment Services and Reemployment and Eligibility Assessment Activities for Recipients of Emergency Unemployment Compensation*, and TEGL No. 20-11, Changes 1 and 2.

3. Summary of Provisions. The Act extends the expiration dates of the EUC08 program and the temporary EB provisions, and continues the work search and Reemployment Services and Reemployment and Eligibility Assessment (RES/REA) requirements outlined in UIPL No. 04-10, Change 10, TEGL No. 20-11, and TEGL No. 20-11, Changes 1 and 2. The changes made by the Act are outlined below.

A. Extension of EUC08 Program

- The end of the period during which an individual may establish initial eligibility for EUC08 First Tier is extended to weeks of unemployment ending on or before January 1, 2014. (In most states, this means the week-ending December 28, 2013.)
- The end of the period during which an EUC08 account may be augmented is extended. Individuals must exhaust an EUC08 tier for a week of unemployment that ends on or before January 1, 2014, in order to have their EUC08 account augmented.
- There continues to be no “phase-out” period when the program expires on January 1, 2014 (that is, the period during which individuals who have remaining amounts in their EUC08 accounts may continue to collect those amounts). No EUC08 First, Second, Third, or Fourth-Tier payments may be made for any week of unemployment ending after January 1, 2014. (In most states, this means the week ending December 28, 2013, will be the final payable week of EUC08).
- If an individual received a partial payment for the week-ending December 29, 2012 (week-ending December 30, 2012 in New York), due to the exhaustion of benefits in an EUC08 tier, states should augment (if not already done) that payment with amounts from the next higher EUC08 tier to allow for the payment of an amount equal to the original weekly benefit amount, if the individual is otherwise eligible (see UIPL No. 23-08, Change 3, Q&A C.6 and Change 5 (Q&As C-8, D-7, and E-5)).

B. EUC08 Work Search and Work Search Audit Requirements

- No changes were made to these requirements. Individuals who are receiving EUC08 are required to actively seek work, and states are required to audit work search activities in accordance with guidance provided in UIPL No. 04-10, Changes 9 and 10, and this UIPL. Therefore, states must immediately (continue to) notify individuals of the applicability of the EUC08 work search requirements, since the program has been extended.
- States will determine whether a claimant was provided adequate notification of the EUC08 work search requirements for any week(s) in which a claimant certifies a claim for benefits, and may not issue a denial of the claim for failure to meet the EUC08 work search requirements for any week for which the state determines it did not provide the claimant adequate notification of the work search requirements.

- States may, but are not required to, conduct EUC08 work search audits for the week ending January 5, 2013 (January 6, 2013 in New York), and until the first week of unemployment that begins following the date this UIPL is issued.

C. Reemployment Services and Reemployment and Eligibility Assessment Activities for Recipients of EUC08

- No changes were made to this requirement, and funding authority was extended through fiscal year 2014.
- States must continue to provide RES/REAs to individuals who began receiving EUC08 First Tier benefits or who transitioned from First Tier to Second Tier benefits on or after March 23, 2012, in accordance with guidance provided in TEGL No. 20-11, and TEGL No. 20-11, Changes 1 and 2, except that, the deadlines for notifying and scheduling EUC RES/REAs are extended for those individuals who were not scheduled for an RES/REA due to the prior statutory end date (January 2, 2013) of the EUC08 program.
- States must ensure that those individuals who were not scheduled for an RES/REA due to the prior statutory end date (January 2, 2013) of the EUC08 program are scheduled for an RES/REA as soon as possible.

D. Changes Made to the Extended Benefit Program Temporary Provisions

1. 100 Percent Federal Funding

- The Federal government will reimburse states for 100 percent of the benefit costs of sharable EB and sharable regular compensation for weeks of unemployment beginning before December 31, 2013.
- The phase-out period for states to receive 100 percent reimbursement for individuals who have established EB eligibility is extended. If an individual received EB with respect to one or more weeks of unemployment beginning after February 17, 2009, and before December 31, 2013, the Federal government will continue to pay 100 percent of the eligible (sharable) EB benefit costs for weeks of unemployment ending before June 30, 2014.

2. Individual Eligibility Period

- The provision permitting certain individuals to qualify for EB following exhaustion of EUC08 (without an overlap between their benefit year and the EB period) is extended. States may continue to permit these individuals to qualify for EB after they have exhausted EUC08 during an EB period that began on or before the date the individuals exhausted EUC08, even if the benefit year of those individuals ended (See UIPL No. 12-09, Q&A #6). This option remains available to states for weeks of unemployment beginning after February 17, 2009, and ending before December 31, 2013.

3. Federal Sharing for First Week

- The suspension of the prohibition of Federal sharing for the first week of EB, if state law permits individuals to be compensated for the first week of regular compensation eligibility at any time or under any circumstances, is extended through weeks of unemployment ending on or before June 30, 2014.

4. Three-year Look-back

- The EB three-year look-back provisions are effective with respect to compensation for weeks of unemployment beginning after the date of the Act's enactment (January 2, 2013), or, if later, the date established pursuant to state law and ending on or before December 31, 2013. Note: If state law established a date earlier than December 31, 2013, then a change in state law is needed for states to be authorized to apply this extension.

4. **Non-Reduction Rule**. No changes were made to this requirement. The non-reduction rule discourages states from changing the method governing the computation of regular compensation under the state law in a manner such that the average weekly benefit amount of regular compensation during the period of the EUC08 agreement will be less than the average weekly benefit amount of regular compensation which would otherwise have been payable during such period under the state law in effect on June 2, 2010. Upon a determination by the Secretary of Labor that a state violated this rule, its agreement to administer the EUC08 program would be terminated, except for states covered under Pub. L. 112-96 (February 22, 2012). This law provided that the non-reduction rule “shall not apply with respect to a State that has enacted a law before March 1, 2012, that, upon taking effect, would violate” the non-reduction rule. Therefore, any state with legislation enacted on or after March 1, 2012, that violates the non-reduction rule and becomes effective before the expiration date (January 1, 2014) of the EUC08 program would be subject to termination of its agreement to administer the EUC08 program.

5. **Effective Dates**. The extensions are effective “as if included in the enactment of the Unemployment Benefits Extension Act of 2012 (Public Law 112–96).”

6. **Interpretation**. The Department provides this guidance to the states and cooperating state agencies in its role as the principal in the EUC08 program. As agents of the Federal government, the states and cooperating state agencies may not deviate from this guidance without the prior approval of the Department. To the extent that the prior guidance (as outlined in #2, *References* above) is inconsistent with this UIPL, this UIPL supersedes that guidance.

7. **Action Requested**. Administrators are to provide this guidance to the appropriate staff.

8. **Inquiries**. Questions should be directed to the appropriate Regional Office.

9. **Attachments**.

Attachment 1— Key Dates for the Act.

Attachment 2— Relevant statutory provisions in the Act.