

TRAINING AND EMPLOYMENT NOTICE	NO. 21-21
	DATE February 14, 2022

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE LIAISONS
OTHER (As applicable)

FROM: ANGELA HANKS *AH*
Acting Assistant Secretary

SUBJECT: Interest Rate on Title XII Advances During Calendar Year (CY) 2022

1. **Purpose.** To announce the rate of interest that the U.S. Department of the Treasury (Treasury) will charge on Title XII advances during CY 2022.
2. **Action Requested.** States expecting to require advances under Title XII of the Social Security Act (SSA) should take necessary action to establish a mechanism to provide funds for the payment of interest incurred on any such advances, in accordance with the provisions of the Social Security Act¹ (SSA) and the Federal Unemployment Tax Act² (FUTA), subject to the limitations in both SSA and FUTA³.
3. **Summary and Background.**
 - a. Summary – Interest on Title XII advances is due and payable each September 30 and may not be paid from the state’s unemployment fund or from Federal funds. However, there are several provisions for interest relief, including “Cash flow loans,” “May/September delays,” “High-unemployment deferrals,” and “High-unemployment delays.” For further information concerning relief from Title XII interest payments, see 20 CFR part 606, subparts D and E.
 - b. Background – The criteria for establishing the rate of interest to be charged on Title XII advances during any CY are described in Section 1202(b)(4), SSA, which specifies that the annual interest rate is the quarterly yield earned by the Unemployment Trust Fund (UTF) during the fourth quarter of the previous CY.
4. **CY 2022 Interest Rate.** Treasury has established the yield earned by the UTF for the quarter ending December 31, 2021, to be 1.5909 percent. This becomes the rate of interest that will be charged to repayable Title XII advances obtained during CY 2022.

¹ SSA Section 1202, (42 U.S.C. §1322)

² FUTA Section 3304(a)(17), (26 U.S.C. §3304(a)(17))

³ SSA Sections 303(c)(3) and 1202(b)(5), (42 U.S.C. §503(c)(3) and §1322(b)(5)) and FUTA Section 3304(a)(17), (26 U.S.C. §3304(a)(17))

5. Inquiries. Questions should be directed to the appropriate Employment and Training Administration Regional Office.

6. References.

- SSA Sections 303(c)(3) and 1202(b)(5), (42 U.S.C. §503(c)(3) and §1322(b)(5));
- FUTA Section 3304(a)(17), (26 U.S.C. §3304(a)(17)); and
- 20 CFR part 606 subparts D and E.