

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION EUC08
	CORRESPONDENCE SYMBOL OUI /DUI 0
	DATE December 21, 2010

**ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 04-10,
Change 6**

TO: STATE WORKFORCE AGENCIES

FROM: JANE OATES /s/
Assistant Secretary

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

1. **Purpose.** To advise states of the latest extension of the Emergency Unemployment Compensation (EUC08) program and temporary Extended Benefits (EB) provisions, and new temporary EB provisions.
2. **References.** The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (Act), House of Representatives (H.R.) 4853¹, enacted December 17, 2010; the Unemployment Compensation Extension Act of 2010, Public Law (P.L.) No. 111-205; the Supplemental Appropriations Act, 2008, P.L. No. 110-252; Sections 2002 and 2005 of Division B, Title II, the Assistance for Unemployed Workers and Struggling Families Act, P.L. No. 111-5; Unemployment Insurance Program Letter (UIPL) Nos. 23-08 and 23-08, Changes 1, 2, 3, 4, 5, and 6; and UIPL Nos. 04-10 and 04-10, Changes 1, 2, 3, 4, and 5.
3. **Summary of Provisions.** The Act extends the phase-out periods and expiration dates of EUC08 and the temporary EB provisions, and establishes new temporary EB provisions. The changes made by the Act are outlined below:
 - a. Extend EUC08 Program.
 - The end of the period during which an individual may establish initial eligibility for the First Tier of EUC08 is extended to weeks of unemployment ending on or before January 3, 2012.
 - The end of the period during which an EUC08 account may be augmented is extended. Individuals must exhaust First, Second, or Third Tier EUC08 on or before January 3, 2012, to qualify for the next higher EUC08 tier.
 - The expiration date of the EUC08 program (i.e., the end of the “phase-out” period) is extended. Under the new expiration date, no EUC08 First, Second, Third, or Fourth-

¹ The Public Law (P.L.) number for this act has not been assigned as of the date of issuance of this UIPL.

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Tier payments may be made for any week of unemployment beginning after June 9, 2012.

b. Extend Temporary EB Provisions—100 Percent Federal Funding, Individual Eligibility Period, and Sharing for First Week.

- 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 January 4, 2012.
- 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 January 4, 2012, the Federal government will continue to pay 100 percent of the eligible (sharable) EB benefit costs for weeks of unemployment ending before June 11, 2012.
- 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 before January 4, 2012.
- 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 10, 2012.

c. New Temporary EB Provisions—Optional Three-Year “Look-back.”

- The Act permits states to amend their EB laws to temporarily modify the provisions concerning “on” and “off” indicators based on the insured unemployment rate and the total unemployment rate. Specifically, it permits states to make determinations of whether there is an “on” or “off” indicator by comparing current unemployment rates to the unemployment rates for the corresponding period in the three preceding years. This comparison is called a “look-back.” (Under permanent EB law, the look-back is to unemployment rates during the last two years.) This modification to the look-back provisions will enable many states to remain “on” EB much longer.
- The new EB indicator provisions are effective with respect to compensation for weeks of unemployment beginning after the date of enactment of the Act (or, if later, the date established pursuant to state law) and ending on or before December 31, 2011.
- Additional guidance, including model legislative language, will be issued on this provision.

4. **Effective Dates.** The extensions are effective “as if included in the enactment of the Unemployment Compensation Extension Act of 2010 (P.L. 111-205).” The Department interprets this phrase to mean that implementation of the amendments is retroactive and, therefore, there is no gap between the expiration of the provisions as described in UIPL No. 04-10, Change 3, and the extension of such provisions by the Act as described in this UIPL. Thus, benefits are payable retroactively to otherwise eligible individuals and the Department will reimburse states for the administrative costs of processing these claims.
5. **Interpretation.** The information in this document is issued to the states and cooperating state agencies as guidance provided by the Department 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.
6. **Action Requested.** Administrators are to provide this guidance to the appropriate staff.
7. **Inquiries.** Questions should be directed to the appropriate Regional Office.
8. **Attachments.**
Attachment 1— Key Dates for the Act.
Attachment 2—Relevant statutory provisions in the Act.