ADVISORY:  UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 13-20, Change 1

TO: STATE WORKFORCE AGENCIES

FROM: JOHN PALLASCH /s/  
Assistant Secretary

SUBJECT: Families First Coronavirus Response Act, Division D Emergency Unemployment Insurance Stabilization and Access Act of 2020 (EUISAA) – Reporting Instructions, Modification to Emergency Administrative Grants Application Requirement, and Questions and Answers


2. Action Requested. The Department of Labor’s (Department) Employment and Training Administration (ETA) requests State Workforce Administrators to provide the information contained in this UIPL to appropriate program and other staff in state workforce systems to assist in the implementation of the unemployment insurance (UI)-related provisions that respond to the economic effects of the Coronavirus Disease 2019 (COVID-19).

3. Summary and Background.


   On March 27, 2020, the President signed into law the CARES Act, which provides states with additional flexibility in meeting the unemployment compensation (UC) application requirements to receive Allotment I of the emergency administrative grants. This Change 1 provides instructions on the applicable state reporting requirements for the emergency
administrative grants, describes modifications made by the CARES Act, and provides Questions and Answers.

b. Background – EUISAA provides: 1) emergency administrative grants to states; 2) emergency flexibilities to states related to temporarily modifying certain aspects of their unemployment compensation (UC) laws; 3) a short-term waiver of Title XII interest payments due and interest accrual on Title XII advances to states; and 4) full federal funding, under certain circumstances, of extended benefits (EB) paid through December 31, 2020.

4. Details

a. Reporting Instructions. Reporting instructions for states receiving one or both allotments of the emergency administrative grants under section 4102(a) of EUISAA and states eligible for full federal funding of EB under Section 4105 of EUISAA are as follows:

i. Emergency Grants. EUISAA provides for emergency administrative transfers to all states totaling $1,000,000,000 for administration of the UI program.

A. ETA 2112 (OMB 1205-0154): Upon certification and receipt of each of the transfers, each state must report the deposit of the emergency grant funds on line 15, column C and column E. Every withdrawal of emergency grant funds from the unemployment trust fund must be reported on line 44, column C and column E.

B. ETA 8403 (OMB 1205-0154): States must include emergency administrative grant transactions into and out of the Unemployment Trust Fund on the ETA8403 Summary of Financial Transaction – Title IX Funds reports.

ii. 100 percent Federal Funding for EB: For each state receiving both allotments of the emergency administrative grants and also meeting the triggers for EB, the federal government will, in most cases, pay 100 percent of the state’s EB benefit costs from March 18, 2020 through December 31, 2020.

A. ETA 2112 (OMB 1205-0154): States must report the total amounts drawn from the Extended Unemployment Compensation Account (EUCA) for payments of EB on line 22, column C and column E, and amounts disbursed for such benefits on line 38, column C and column F (pertaining to the federal share of EB). The dollar amount reported on line 22, column C and column E must be included in the intra account transfer amount reported on line 44, column C and column E and line 16, column F.
b. Modifications from the CARES Act

i. Emergency Flexibility. Section 3603 of the CARES Act amends Section 903(h)(2)(B), SSA (42 U.S.C. §1103(h)(2)(B)), as enacted by Section 4102 of EUISAA. This amendment modifies one of the requirements that states must meet to be eligible to receive Allotment I of the emergency administrative grants. The amended provision, with the new text added by the CARES Act in bold, now reads:

“The State ensures that applications for unemployment compensation, and assistance with the application process, are accessible, to the extent practicable in at least two of the following: in-person, by phone, or online.” (emphasis added).

States are reminded that the two other requirements described in the SSA at 42 U.S.C. §1103(h)(2) must also be met to receive the first of the two allotments, with each comprising 50 percent of the state’s available administrative grant funds. These other requirements include: (1) that the state requires employers to provide notification of the availability of UC to employees at the time of separation from employment; and (2) that the state notifies applicants when an application is received and is being processed and, if the state cannot process an application, the state provides information to the applicant on why and what steps the applicant can take to ensure the successful processing of the application.

States should refer to UIPL No. 13-20 for additional context on these requirements, along with instructions for states to submit an application for these funds.

ii. Assistance and Guidance for Short-Time Compensation (STC). Section 2111 of the CARES Act repeals Section 4104 of EUISAA. The CARES Act provision requires that the Department assist states in establishing, qualifying, and implementing STC programs by providing model legislative language, providing technical assistance and guidance, and establishing reporting requirements.

c. Questions and Answers. The Department hosted a webinar with states on March 25, 2020, regarding the provisions of EUISAA. A recording is available under the “Events” section on the Unemployment Insurance Community of Practice webpage on WorkforceGPS (https://ui.workforcegps.org/). Attachment I contains answers to certain questions received during the webinar and through the Department’s designated e-mail address for all COVID-19 related inquiries (covid-19@dol.gov).

5. Inquiries. We encourage states to contact the Department for technical assistance. Please direct inquiries to covid-19@dol.gov, with a copy to the appropriate Regional Office.
6. References.

- Coronavirus Aid, Relief, and Economic Security (CARES) Act (Pub. L. 116-136), including Title II, Subtitle A Relief for Workers Affected by Coronavirus Act;
- Families First Coronavirus Response Act (Pub. L. 116-127), including Division D Emergency Unemployment Insurance Stabilization and Access Act of 2020 (EUISAA);
- Sections 3304 and 3309, Federal Unemployment Tax Act (FUTA) (26 U.S.C. §§3304 and 3309);
- Section 903, SSA (42 U.S.C. §1103);

7. Attachments

- Attachment I: Questions and Answers