

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Unemployment Insurance
	CORRESPONDENCE SYMBOL OWS/DFAS
	DATE September 20, 2007

ADVISORY: **UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 22-02, Change 1**

TO: STATE WORKFORCE AGENCIES

FROM: EMILY STOVER DeROCCO /s/
 Assistant Secretary

SUBJECT: Optional Electronic Procedures for Requesting and Repaying Title XII Advances from the Federal Unemployment Account (FUA)

1. **Purpose.** To provide requirements for requesting advances (loans) from and making voluntary repayments to the FUA in the Unemployment Trust Fund (UTF) through a new optional electronic system designated the Loan and Repayment Application System (LARAS). Requests initiated in the Title XII LARAS will now be accepted in place of letters.
2. **References.** Title XII, Social Security Act (SSA); section 3302, Federal Unemployment Tax Act; Unemployment Insurance Program Letter (UIPL) 3-91; UIPL 39-97; UIPL 22-02; 20 CFR Part 606.
3. **Background.** Section 1201 of the SSA permits the Governor of a state to request repayable advances from the FUA for any three consecutive months during which reserves in the state account in the UTF are insufficient to pay benefits. Section 1202 of the SSA allows the Governor to make voluntary repayments of the loans. The instructions to states making loan requests and repayments (UIPL No. 22-02) require the Governor to send a signed letter requesting loan authorizations and voluntary repayments to the Secretary of Labor. The Department has developed the LARAS to allow states to submit such requests electronically rather than through the mail, anticipating that the automation of this process will benefit all parties involved by communicating required amounts and dates more timely and more efficiently. There is no Federal requirement to use the LARAS.
4. **Delegation of Authority to Request Advances and Voluntary Repayments.** The Governor may delegate the authority to request Title XII loans and make voluntary repayments to another state official, if permitted by state law. The Department must be notified of this delegation by a letter from the Governor to the Secretary of Labor (attention: Administrator, Office of Workforce Security (OWS)), enclosing a certified copy of the

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document as evidence of such delegation, together with a facsimile signature of the official to whom such authority has been delegated. If the state uses the LARAS, in addition to the letter from the Governor, the state must provide OWS with the address, title, organization, email, and fax number of the state official to whom authority has been delegated.

5. **Establishing Access to LARAS.** The attached instruction guide provides states with the information needed to submit loan and repayment requests through the LARAS. The web-based application is located at <http://www.etareports.doleta.gov/titlexii>. Before a state will be able to access the LARAS, it must contact the OWS, Division of Fiscal and Actuarial Services (DFAS) either by email (ows.titlexii@dol.gov) or by phone 202-693-2933 to request a password and a personal identification number (PIN). PINs will be issued only to those who have the authority to request advances and voluntary repayments. DFAS staff will work with states to establish timely access to the application and provide whatever additional support may be needed at that time.
6. **Action Required.** All states should follow appropriately selected procedures, i.e., LARAS or letters, and submit the required documentation when requesting or repaying Title XII advances. If the state does not elect to use the LARAS, it must follow the procedures in UIPL 22-02, sections 5, 6 and 7.
7. **Inquiries.** Address all inquiries to the appropriate Regional Office.
8. **Attachment.** LARAS Instruction Guide.