

<b>EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> EUC08
	<b>CORRESPONDENCE SYMBOL</b> OWS/DUIO
	<b>DATE</b> March 4, 2009

**ADVISORY:** UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 23-08, Change 4

**TO:** STATE WORKFORCE AGENCIES

**FROM:** DOUGLAS F. SMALL /s/  
Deputy Assistant Secretary

**SUBJECT:** Emergency Unemployment Compensation, 2008 - Program Extension

1. Purpose. To advise states about the extension of the Emergency Unemployment Compensation, 2008 (EUC08) program.
2. References. Section 2001 (“Extension of Emergency Unemployment Compensation Program”) of Division B, Title II, the Assistance for Unemployed Workers and Struggling Families Act, of the American Recovery and Reinvestment Act of 2009, Public Law No. 111-5, enacted February 17, 2009; Unemployment Compensation Extension Act of 2008, Public Law 110-449, enacted November 21, 2008; Supplemental Appropriations Act, 2008, Title IV—Emergency Unemployment Compensation, Public Law 110-252, enacted June 30, 2008; Unemployment Insurance Program Letter (UIPL) No. 23-08, and Changes 1, 2, and 3.
3. Summary of Changes. The EUC08 program was scheduled to expire on August 27, 2009. Public Law No. 111-5 extends the “phase-out” period and expiration date of the EUC08 program as follows:
  - The period during which an individual may initially establish eligibility for the First-Tier of EUC08 is extended to the week of unemployment ending on or before December 31, 2009. No new EUC08 First-Tier determinations may be made for weeks of unemployment ending after December 31, 2009.
  - The start of the “phase-out” period is extended. Under the new “phase-out” period, an individual having amounts remaining in an EUC08 account as of the last day of the last week (as determined under the applicable state law) ending on or before December 31, 2009, will, if otherwise eligible, continue to receive payment from that account until the earlier of exhaustion of benefits or program termination.
  - The period in which Second-Tier augmentation may occur is extended. If an individual’s First-Tier EUC08 account is exhausted on or before December 31, 2009, the individual may qualify for a Second-Tier benefit augmentation if an EUC08 Second-Tier period is either then in effect or subsequently triggers “on” (even if that period triggers “on” after December 31, 2009). However, there may be no Second-Tier benefit augmentation for any individual exhausting a First-Tier EUC08 account after December 31, 2009.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
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- The expiration date of the program is extended. Under the new expiration date, no First or Second-Tier EUC08 payments may be made for any week of unemployment beginning after May 31, 2010.
4. Financing and Reporting. States will continue to draw down funds for benefit payments from the Extended Unemployment Compensation Account using the Automated Standard Application for Payment (ASAP) system and should include those amounts on the ETA 2112 (OMB No. 1205-0154), line 23 (currently labeled “Fed Emergency Compensation”), columns C and E. Administrative funds will be provided through the UI-3 (OMB No. 1205-0132) process. States in need of funds prior to the release of funds through the quarterly UI-3 process should inform their Regional Office.

Benefits under Title IV of the Supplemental Appropriations Act, 2008, and the Unemployment Compensation Extension Act, Public Law 110-449 are mostly FUTA-funded while benefits under the American Recovery and Reinvestment Act of 2009 are funded from general revenues. Since the benefits must be charged to the appropriate source, reporting of benefits must be aligned with the applicable law. To accomplish that requirement, states should provide a breakout, in the “Comments” section, of EUC08 disbursements shown on Line 39 (currently labeled “EUC08 Activities”) of the ETA 2112. States should show two numbers:

A. FUTA Funded Benefits (show as FUTA = \$XXX) — EUC08 benefits based on wages for services with employers, except those employers listed in (B) below. This number includes benefits paid to claimants who were eligible under Title IV of the Supplemental Appropriations Act, 2008 and the Unemployment Compensation Extension Act, Public Law 110-449, (that is, claimants who were eligible under the law prior to the amendments made by the American Recovery and Reinvestment Act of 2009) by virtue of having amounts remaining in their EUC08 accounts as of March 31, 2009. In addition, this number must include Second-Tier benefits paid to claimants who exhausted First-Tier EUC08 before April 1, 2009, but established eligibility for Second-Tier EUC08 after March 31, 2009, because the state entered a Second-Tier period after that date. Do not include amounts paid for any weeks of unemployment beginning after August 27, 2009.

B. General Revenue (GR) Funded Benefits (show as GR = \$YYY) — EUC08 benefits paid based on services performed for the Federal government (UCFE and UCX), state and local government (contributory and non-contributory), Section 501(c)(3) nonprofit employers (contributory or non-contributory employers to which Section 3309(a)(1) of the Internal Revenue Code applies), and federally-recognized Indian Tribes (contributory or non-contributory). In addition, include all benefits for any claimants who were not eligible for EUC08 benefits under Title IV of the Supplemental Appropriations Act, 2008 and the Unemployment Compensation Extension Act, Public Law 110-449 (that is, claimants who became eligible under the amendments made by the American Recovery and Reinvestment Act of 2009). Also include Second-Tier EUC08 benefits for those claimants exhausting First-Tier EUC08 after March 31, 2009 and establishing Second-Tier eligibility after that date, as well as all benefits paid for all claimants for weeks of unemployment beginning after August 27, 2009.

5. Interpretation. The information in this document is issued to the states and cooperating state agencies as guidance provided by the Department of Labor in its role as the principal in the EUC08 program. As agents of the United States, the states and cooperating state agencies may not deviate from this guidance without the prior approval of the Department. To the

extent that the guidance provided in UIPL No. 23-08, and Changes 1, 2, and 3 are inconsistent with this UIPL, such guidance is superseded.

6. Action Requested. Administrators are to provide this information and instructions to the appropriate staff.
7. Inquiries. Direct questions to the appropriate Regional Office.