EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210

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DATE March 5, 2010

ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 04-10, Change 1

TO: STATE WORKFORCE AGENCIES

- FROM: JANE OATES /s/ Assistant Secretary
- **SUBJECT:** Extension of Temporary Provisions Emergency Unemployment Compensation, 2008, Federal Additional Compensation, and Extended Benefits
- 1. <u>Purpose</u>. To advise states of the extension of Emergency Unemployment Compensation, 2008 (EUC08) and the Federal Additional Compensation (FAC) programs, and the extension of the temporary provisions for the Federal-State Extended Benefits (EB) program.
- 2. <u>References</u>. The Temporary Extension Act of 2010, Public Law (P.L. 111-144), enacted March 2, 2010, the Department of Defense Appropriations Act, 2010, P.L. No. 111-118, enacted December 19, 2009; Unemployment Insurance Program Letter (UIPL) Nos. 23-08 and 23-08, Changes 1, 2, 3, 4, 5, and 6; and UIPL Nos. 07-09; 11-09; 12-09, 12-09, Change 1, and 04-10.
- 3. <u>Summary of EUC08, FAC, and EB Extensions</u>. P.L. No. 111-144 extends the phase-out period and expiration dates of EUC08 and FAC, and the temporary EB provisions.

The changes to the phase-out periods and expiration dates outlined in P.L. 111-144 are as follows:

- a. <u>EUC08 Program</u>:
 - The end of 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 April 5, 2010.
 - 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 April 5, 2010, to qualify for the next higher EUC08 tier.
 - The expiration date of the EUC08 program (the end of the "phase-out" period) is extended. Under the new expiration date, <u>no</u> EUC08 First, Second, Third, or Fourth-Tier payments may be made for any week of unemployment beginning after September 4, 2010.

- b. FAC Program.
 - The period during which an individual may initially establish eligibility for FAC is extended to weeks of unemployment ending on or before April 5, 2010.
 - The expiration date of the FAC program (the end of the "phase-out" period) is extended. FAC is not payable for any week beginning after October 5, 2010.
- c. <u>EB Program 100 Percent Federal Funding.</u>
 - The Federal government will pay 100 percent of the benefit costs of EB and sharable regular compensation for weeks of unemployment beginning after February 17, 2009, and before April 5, 2010.
 - The phase out for states to receive 100 percent reimbursement for individuals who have established EB eligibility is extended. If an individual has received EB with respect to one or more weeks of unemployment beginning after February 17, 2009, and before April 5, 2010, the state may continue to pay EB to the individual (if otherwise eligible) for weeks of unemployment ending before September 4, 2010.
 - The phase out period for this provision is extended. If an individual received EB or sharable regular compensation with respect to one or more weeks of unemployment beginning after February 17, 2009, and before April 5, 2010, the Federal government will continue to pay 100 percent of these eligible EB benefit costs for weeks of unemployment ending before September 4, 2010.
- d. <u>EB Program Sharing for First Week.</u>
 - The suspension of the prohibition on Federal sharing for the first week of EB if state law permits individuals to be compensated for the first week of regular state benefit eligibility at any time or under any circumstances is extended through weeks of unemployment ending on or before September 4, 2010.
- 4. <u>Program Continuation</u>. Although the extension of the EUC08 and FAC programs and the extension of the temporary provisions relating to EB were not signed into law until March 2, 2010, they are effective for weeks of unemployment beginning on and after February 28, 2010. As a result, there is no gap between the expiration of the provisions as described in UIPL 04-10 and the extension of such provision by the Temporary Extension Act of 2010 as described in this UIPL. Changes impacting individual states will be published on the U.S. Department of Labor (Department) website at:

<u>http://oui.doleta.gov/unemploy/claims_arch.asp</u>, and will be included in the weekly email transmitting the trigger notices. Note: Those states that have linked the expiration of their EB TUR trigger to the termination of 100% Federal sharing for EB will soon have their triggers end and may soon cease to be in an EB period.

5. <u>Interpretation</u>. 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. <u>Action Requested</u>. Administrators are to provide this information and instructions to the appropriate staff.
- 7. <u>Inquiries</u>. Questions should be directed to the appropriate Regional Office.