

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Unemployment Insurance
	CORRESPONDENCE SYMBOL OUI/DUIO
	DATE July 19, 2023

ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 22-20, Change 1

TO: STATE WORKFORCE AGENCIES

FROM: BRENT PARTON /s/
Acting Assistant Secretary

SUBJECT: New End Date of the Application Period for Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 Short-Time Compensation (STC) Program Grants

1. **Purpose.** To announce the end of the application period for STC grants under Section 2110(g) of the CARES Act effective June 3, 2023.
2. **Action Requested.** The U.S. Department of Labor’s (the Department) Employment and Training Administration (ETA) requests that State Workforce Agency Administrators provide information contained in this Unemployment Insurance Program Letter (UIPL) to the appropriate state staff.
3. **Summary and Background.**
 - a. **Summary** – This UIPL announces the new end date of June 3, 2023, concerning the application period for states to apply for grants for the implementation, improvement, and/or promotion and enrollment of an STC program through Section 2110(g) of the CARES Act.
 - b. **Background** – On March 20, 2020, the President signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act (Pub. L. 116-136) into law. Section 2110 of the CARES Act provided for up to \$100 million in grant funds to states with STC programs in their laws that conform to the requirements of section 3306(v), Federal Unemployment Tax Act (FUTA) (26 U.S.C. § 3306(v)). UIPL No. 22-20 provided states with a deadline of December 31, 2023, to apply for these two grants. The first grant was for the implementation or improvement of an STC program. The second grant was for the promotion of the STC program or the enrollment of employers into the STC program.

On June 3, 2023, the President signed into law the Fiscal Responsibility Act (FRA) of 2023 (Pub. L. 118-5). Division B, Title I. Section 74, of FRA, permanently rescinds the unobligated balance of amounts made available by Section 2110(g) of the CARES Act.

RESCISSIONS None	EXPIRATION DATE Continuing
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4. **Guidance.** Due to the permanent rescission in FRA of the unobligated CARES Act funds under Section 2110(g) of the CARES Act, the Department has closed the application period for states to apply for STC grants under Section 2110 of the CARES Act. Effective June 3, 2023, the Department has stopped accepting or processing any new grant applications. The FRA has no impact on previously awarded STC grants.
5. **Inquiries.** States should direct inquiries to the appropriate ETA Regional Office.
6. **References.**
 - Division B, Title I, Section 74, of the Fiscal Responsibility Act of 2023 (Pub. L. 118-5); and
 - Section 2110 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act (Pub. L. 116-136); and
 - UIPL No. 22-20, *Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 - Short-Time Compensation (STC) Program Grants*, issued May 10, 2020, <https://www.dol.gov/agencies/eta/advisories/unemployment-insurance-program-letter-no-22-20>.
7. **Attachments.** None.