

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Unemployment Insurance
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**ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 24-20,
Change 2**

TO: STATE WORKFORCE AGENCIES

FROM: SUZAN G. LEVINE 
Principal Deputy Assistant Secretary

SUBJECT: American Rescue Plan Act of 2021 (ARPA) – Provisions Affecting the Federal-State Extended Benefits (EB) Program

1. **Purpose.** This Unemployment Insurance Program Letter (UIPL) provides guidance on certain amendments related to the EB program contained in the American Rescue Plan Act of 2021, Public Law (Pub. L.) 117-2.
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 as they implement the changes to the EB program.
3. **Summary and Background.**
 - a. Summary – On March 11, 2021, the President signed ARPA into law. The law modifies and extends certain EB-related provisions in the Emergency Unemployment Insurance Stabilization and Access Act of 2020 (EUISAA) (Pub. L. 116-127), the Coronavirus Aid, Relief, and Economic Security (CARES) Act (Pub. L. 116-136), and the Continued Assistance to Unemployed Workers Act of 2020 (Continued Assistance Act) (Pub. L. 116-260). This includes full funding of EB and continuation of the coordination rule for the Pandemic Emergency Unemployment Compensation (PEUC) program and EB.
 - b. Background – On March 18, 2020, the President signed the Families First Coronavirus Response Act (Pub. L. 116-127), which includes EUISAA, set out in Division D. Section 4105 of EUISAA provides full federal funding, under certain circumstances, of: 1) sharable regular compensation and sharable extended compensation; and 2) temporary federal matching for the first week of EB for states with no waiting week. Under EUISAA, these provisions were set to expire on December 31, 2020. The Continued Assistance Act extended the availability of these reimbursements as described above to March 14, 2021. ARPA further extends these provisions through weeks of unemployment beginning before September 6, 2021.

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On March 27, 2020, the President signed the CARES Act (Pub. L. 113-136), which includes the Relief for Workers Affected by Coronavirus Act set out in Title II, Subtitle A. Section 2107 of the CARES Act created PEUC, which provides additional weeks of benefits to individuals who exhaust regular unemployment compensation (UC). The Continued Assistance Act amended the relationship between PEUC and EB by adding a special rule related to an individual's eligibility for EB. A similar special rule was included in ARPA.

Additionally, the Continued Assistance Act provides optional, time-limited, and temporary waiver authority regarding the 13-week "off" period in Section 203(b)(1)(B) of the Federal-State Extended Unemployment Compensation Act of 1970 (EUCA), if permitted by state law. This optional, time-limited, and temporary waiver is available for the purpose of determining if a state is in an EB period during the period beginning on November 1, 2020 and ending December 31, 2021. UIPL No. 24-20, Change 1 provides model language for states related to this provision.

Lastly, the additional 50 percent authorized by EUISAA, the Continued Assistance Act, and ARPA is not subject to sequestration; however, the 50 percent application to the permanent EB program as authorized in the EUCA remains subject to sequestration. Sequestration is discussed in more detail in UIPL No. 12-21, published on January 19, 2021.

Importance of Program Integrity. Addressing improper payments and fraud is a top priority for the Department and the entire UI system. States play a fundamental role in ensuring the integrity of the UI system. Especially during this time of extraordinary workloads, states should maintain a steadfast focus on UI functions and activities that ensure program integrity and the prevention and detection of improper payments and fraud across all programs operated within the UI system while ensuring that legitimate claimants are able to swiftly access benefits during this critical time. It is critical that states implement processes that ensure payments are being made only to eligible individuals and that states have aggressive strategies and tools in place to prevent, detect, and recover fraudulent payments, with a particular emphasis on imposter fraud by claimants using false or stolen identities. Additionally, we remind states of UIPL No. 23-20 regarding program integrity.

4. Federal Funding of EB and Program Eligibility Requirements.

- a. **Full Federal Funding of EB.** Section 9022 of ARPA amended two provisions in Section 4105 of EUISAA, extending certain federal financing provisions of EB as set out below.

These reimbursements are discussed in more detail in UIPL No. 13-20, published on March 22, 2020, UIPL No. 24-20, published on May 14, 2020, and UIPL No. 24-20, Change 1, published on December 31, 2020. ARPA simply extends the availability of these reimbursements as described.

- i. Extension of Full Federal Funding Period for Sharable Costs. Full federal funding of sharable regular compensation and sharable extended compensation for eligible states is extended through weeks of unemployment beginning before September 6, 2021. In states where the week of unemployment ends on a Saturday, the last week of unemployment for which full federal funding is available is the week ending on September 11, 2021. In states where the week of unemployment ends on a Sunday, the last week of unemployment for which full federal funding is available is the week ending on September 5, 2021.

Although the extension of full federal funding of shareable extended compensation and shareable regular compensation was not signed into law until March 11, 2021, under Section 9022(b) of ARPA, the extension is effective “as if included in the enactment of the Families First Coronavirus Response Act (Public Law 116-127).” The Department interprets this to mean that full federal funding is retroactive to weeks of unemployment beginning after March 18, 2020. Therefore, there is no longer a gap between the expiration of the provisions as described in UIPL 24-20, and the extension of such provisions by ARPA as described in this UIPL.

However, while ARPA retroactively extended the full federal funding of sharable extended benefits, the retroactive extension of the funding level does not prevent a state that previously began a mandatory 13-week “off” period from having to either: 1) serve the 13-week “off” period; or 2) adopt the optional, time-limited, and temporary waiver of the 13-week “off” period as authorized by Section 266 of the Continued Assistance Act as described in UIPL 24-20, Change 1.

- ii. Extension of Full Federal Funding Period for the First Week of EB in States without a Waiting Week. Temporary federal matching for the first week of EB for states with no waiting week is extended to weeks of unemployment beginning before September 6, 2021. In states where the week of unemployment ends on a Saturday, the last week of unemployment for which this funding is available is the week ending on September 11, 2021. In states where the week of unemployment ends on a Sunday, the last week of unemployment for which this funding is available is the week ending on September 5, 2021. Under ARPA, full federal funding is provided retroactively to weeks of unemployment beginning after March 18, 2020.

Note that this is a separate provision from the full federal funding of the first week of compensable regular UC, which is provided for in the CARES Act and discussed in more detail in Section 4.c.iv. of UIPL No. 14-21.

- b. **Coordination Rules for PEUC and EB.** Sections 9016(c) and (d) of ARPA amended Section 2107(a) of the CARES Act, as amended, regarding EB eligibility for certain individuals.
 - i. Requirement for Individuals Receiving EB to Exhaust EB before Collecting Additional Weeks of PEUC. Pursuant to Section 9016(c) of ARPA, if an individual previously exhausted PEUC and began receiving EB, they must exhaust EB before

being eligible to receive the additional amount of PEUC now available as a result of ARPA.

This applies to all individuals receiving EB for the week of unemployment that includes March 11, 2021 (the date on which ARPA was enacted). As such, if an individual did not receive EB for the week ending March 13, 2021, then the individual must resume their prior PEUC claim with the amounts augmented by the ARPA.

- ii. *Related EB Provision.* As provided for under Section 206(c)(2)(B) of the Continued Assistance Act, at a state's option, an individual may be considered eligible for EB after they exhaust PEUC, provided that such a week occurs during an EB period. This applies even if the individual's benefit year has expired, provided the state is in an EB period as of the date the individual exhausts PEUC. Section 9016(d) of ARPA extends the application of this provision to weeks of unemployment beginning before September 6, 2021. In states where the week of unemployment ends on a Saturday, this provision may apply to PEUC claims exhausting on or before week ending September 11, 2021. In states where the week of unemployment ends on a Sunday, this provision may apply to PEUC claims exhausting on or before week ending September 5, 2021.

5. **Inquiries.** Please direct inquiries to covid-19@dol.gov with a copy to the appropriate ETA Regional Office.

6. **References.**

- American Rescue Plan Act of 2021 (ARPA), including Title IX, Subtitle A, Crisis Support for Unemployed Workers (Pub. L. 117-2);
- Continued Assistance for Unemployed Workers Act (Continued Assistance Act) of 2020, enacted on December 27, 2020 (Pub. L. 116-260);
- Coronavirus Aid, Relief, and Economic Security (CARES) Act, including Title II Subtitle A Relief for Workers Affected by Coronavirus Act (Pub. L. 116-136);
- Families First Coronavirus Response Act, including Division D Emergency Unemployment Insurance Stabilization and Access Act of 2020 (EUISAA) (Pub. L. 116-127);
- Federal-State Extended Unemployment Compensation Act of 1970 (EUCA) (26 U.S.C. § 3304 note);
- 20 C.F.R. Part 615;
- UIPL No. 14-21, *American Rescue Plan Act of 2021 (ARPA) – Key Unemployment Insurance (UI) Provisions*, issued March 15, 2021, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5669;
- UIPL No. 12-21, *Implementation of Sequestration under the Budget Control Act of 2011 (BCA) for Mandatory Unemployment Insurance Programs for Fiscal Year (FY) 2021*, issued January 19, 2021, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=9913;

- UIPL No. 09-21, *Continued Assistance for Unemployed Workers Act of 2020 (Continued Assistance Act) – Summary of Key Unemployment Insurance (UI) Provisions*, issued December 30, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=3831;
- UIPL No. 24-20, Change 1, *Continued Assistance for Unemployed Workers Act (Continued Assistance Act) of 2020 - Provisions Affecting the Federal-State Extended Benefits Program*, issued December 31, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7779;
- UIPL No. 24-20, *Temporary Changes to the Federal-State Extended Benefits (EB) Program in Response to the Economic Impacts of the Coronavirus Disease 2019 (COVID-19) Pandemic Emergency*, issued May 14, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=7132; and
- UIPL No. 23-20, *Program Integrity for the Unemployment Insurance (UI) Program and the UI Programs Authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Federal Pandemic Unemployment Compensation (FPUC), Pandemic Unemployment Assistance (PUA), and Pandemic Emergency Unemployment Compensation (PEUC) Programs*, issued May 11, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=4621.

7. **Attachments.**

- **Attachment I:** Statutory Language of Sections 9016 and 9022 of the American Rescue Plan Act of 2021.

**Statutory Language of Sections 9016 and 9022 of the
American Rescue Plan Act of 2021**

**SEC. 9016. EXTENSION OF PANDEMIC EMERGENCY UNEMPLOYMENT
COMPENSATION.**

(a) IN GENERAL.—Section 2107(g) of the CARES Act (15 U.S.C. 9025(g)) is amended to read as follows:

“(g) APPLICABILITY.—An agreement entered into under this section shall apply to weeks of unemployment—

“(1) beginning after the date on which such agreement is entered into; and

“(2) ending on or before September 6, 2021.”.

(b) INCREASE IN NUMBER OF WEEKS.—Section 2107(b)(2) of such Act (15 U.S.C. 9025(b)(2)) is amended by striking “24” and inserting “53”.

(c) COORDINATION OF PANDEMIC EMERGENCY UNEMPLOYMENT COMPENSATION WITH EXTENDED COMPENSATION.—Section 2107(a)(5)(B) of such Act (15 U.S.C. 9025(a)(5)(B)) is amended by inserting “or for the week that includes the date of enactment of the American Rescue Plan Act of 2021 (without regard to the amendments made by subsections (a) and (b) of section 9016 of such Act)” after “2020”.

(d) SPECIAL RULE FOR EXTENDED COMPENSATION.—Section 2107(a)(8) of such Act (15 U.S.C. 9025(a)(8)) is amended by striking “April 12, 2021” and inserting “September 6, 2021”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply as if included in the enactment of the CARES Act (Public Law 116–136), except that no amount shall be payable by virtue of such amendments with respect to any week of unemployment ending on or before March 14, 2021.

**SEC. 9022. EXTENSION OF FULL FEDERAL FUNDING OF EXTENDED
UNEMPLOYMENT COMPENSATION.**

(a) IN GENERAL.—Section 4105 of the Families First Coronavirus Response Act (26 U.S.C. 3304 note) is amended by striking “March 14, 2021” each place it appears and inserting “September 6, 2021”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply as if included in the enactment of the Families First Coronavirus Response Act (Public Law 116–127).