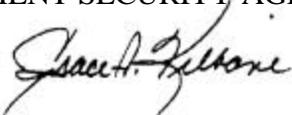


<b>U. S. Department of Labor</b> Employment and Training Administration Washington, D.C. 20210	<b>CLASSIFICATION</b> UI
	<b>CORRESPONDENCE SYMBOL</b> TEUPDI
	<b>DATE</b> March 19, 2002

**DIRECTIVE** : UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 17-02  
**TO** : ALL STATE EMPLOYMENT SECURITY AGENCIES  
**FROM** : GRACE A. KILBANE   
 Administrator  
 Office of Workforce Security  
**SUBJECT** : Temporary Extended Unemployment Compensation Act of 2002

1. Purpose. To advise State Workforce Agencies (SWAs) of the Provisions of Title II of the Job Creation and Worker Assistance Act of 2002 (the Temporary Extended Unemployment Compensation Act of 2002), to provide instructions for implementing the legislation, and to provide fiscal and reporting instructions.

2. References. The Temporary Extended Unemployment Compensation Act of 2002, Public Law 107-147, signed by the President on March 9, 2002; Section 205 of the Federal-State Extended Unemployment Compensation Act of 1970, as amended; Section 233 of the Trade Act of 1974; 20 CFR Part 615.

3. Summary. The Temporary Extended Unemployment Compensation (TEUC) program provides up to 13 weeks of 100 percent federally financed benefits in all states and up to an additional 13 weeks in states that are in an Extended Benefit (EB) period or would be in an EB period using a 4% insured unemployment rate trigger.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> March 31, 2003
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TEUC is payable to individuals who (1) filed an initial (new or additional) claim that was effective during or after the week of March 15, 2001; and (2) have exhausted regular benefits or have no benefit rights due to expiration of a benefit year ending during or after the week of March 15, 2001; and (3) have no rights to regular or extended benefits under any state or federal law; and (4) is not receiving benefits under the Canadian law. However, the Governor of a state may elect to pay TEUC in lieu of Extended Benefits.

In order to qualify for TEUC, individuals must have had 20 weeks of work, or the equivalent in wages, in their base periods. Continuing eligibility is determined under the requirements of the state law.

TEUC is administered through voluntary agreements between states and the Department of Labor. TEUC is payable in a state the week following the week in which an agreement is signed. The first week for which benefits may be paid is the week beginning March 10, 2002. The last week for which benefits are payable is the week ending December 28, 2002.

4. Policy. This document furnishes information about the TEUC program and provides the Department's interpretation of the TEUC Act. It also sets forth operating instructions of the Department of Labor to guide states in implementing the TEUC program.

The instructions in the document are issued to the states and cooperating state agencies as guidance provided by the Department of Labor in its role as the principal in the TEUC program. As agents of the United States, the states and cooperating state agencies may not vary from the operating instructions in the document without the prior approval of the Department.

5. Action Required. Administrators are requested to provide this information and instructions to the appropriate staff.

6. Inquiries. Inquiries should be directed to your Regional Office.

7. Attachment. Implementing and Operating Instructions for the TEUC Program

RESCISSIONS None	EXPIRATION DATE March 31, 2003
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TEMPORARY EXTENDED UNEMPLOYMENT  
COMPENSATION ACT OF 2002

IMPLEMENTATION AND OPERATING INSTRUCTIONS  
FOR THE  
TEUC PROGRAM

U.S. Department of Labor  
Employment and Training Administration  
Office of Workforce Security

## Unemployment Insurance Operations

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Title II of Public Law 107-147 is short-titled the "Temporary Extended Unemployment Compensation Act of 2002" and is referenced throughout this publication as the "Act."

The Act creates a federally funded benefit extension, called Temporary Extended Unemployment Compensation (TEUC), which provides up to 26 weeks of benefits to exhaustees, as defined, who otherwise meet the requirements of the Act.

Throughout these instructions various references are made to state laws pertaining to the payment of regular benefits by using such phrases as "in accordance with" or "as required by" or similar phrasing. In all cases such phrasing means law provisions as they apply to the determination and payment of regular benefits.

These instructions reference sections of the Federal-State Extended Unemployment Compensation Act of 1970 by using such phrases as "in accordance with" or "as required by" or similar phrasing. In all cases such phrasing mean state law provisions that are "in accordance with" or "as required by" the specific provisions of the Federal-State Extended Unemployment Compensation Act of 1970, as implemented by 20 CFR Part 615.

# Temporary Extended Unemployment Compensation Act of 2002

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# Temporary Extended Unemployment Compensation Act of 2002

## Section I - Title II of Public Law

### Section 201. SHORT TITLE.

This title may be cited as the "Temporary Extended Unemployment Compensation Act of 2002".

### Section 202. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.- Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.- Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals who-

(1) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year (excluding any benefit year that ended before March 15, 2001);

(2) have no rights to regular compensation or extended compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law;

(3) are not receiving compensation with respect to such week under the unemployment compensation law of Canada, and

(4) filed an initial claim for regular compensation on or after March 15, 2001.

(c) EXHAUSTION OF BENEFITS.- For purposes of subsection (b)(1), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when -

(1) no payment of regular compensation can be made under such law because such individual has received all

# Temporary Extended Unemployment Compensation Act of 2002

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regular compensation available to such individual based on employment or wages during such individual's base period, or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to such rights existed.

(d) WEEKLY BENEFIT AMOUNT, ETC.- For purposes of any agreement under this title-

(1) the amount of temporary extended unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except-

(A) that an individual shall not be eligible for temporary extended unemployment compensation under this title unless, in the base period with respect to which the individual exhausted all rights to regular compensation under the State law, the individual had 20 weeks of full-time insured employment or the equivalent in insured wages, as determined under the provisions of the State law implementing section 202(a)(5) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note); and

(B) where otherwise inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary emergency unemployment compensation payable to any individual for whom a temporary emergency unemployment compensation account is established under section 203 shall not exceed the amount established in such account for such individual.

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(e) ELECTION BY STATES. - Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that is in an extended benefit period may provide for the payment of temporary extended unemployment compensation in lieu of extended compensation to individuals who otherwise meet the requirements of this section. Such an election shall not require a State to trigger off an extended benefit period.

### **Section 203. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.**

(a) IN GENERAL.- Any agreement under this title shall provide that a State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.-

(1) IN GENERAL.- The amount established in an account under subsection (a) shall be equal to the lesser of-

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law; or

(B) 13 times the individual's average weekly benefit amount for the benefit year.

(2) WEEKLY BENEFIT AMOUNT.- For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) SPECIAL RULE.-

(1) IN GENERAL.- Notwithstanding any other provision of this section, if, at the time that the individual's account is exhausted, such individual's State is in an

# Temporary Extended Unemployment Compensation Act of 2002

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extended benefit period (as determined under paragraph (2)), then, such account shall be augmented by an amount equal to the amount originally established in such account (as determined under subsection (b)(1)).

(2) EXTENDED BENEFIT PERIOD.- For purposes of paragraph (1), a State shall be considered to be in an extended benefit period if, at the time of exhaustion (as described in paragraph (1))-

(A) such a period is then in effect for such State under the Federal-State Extended Unemployment Compensation Act of 1970; or

(B) such a period would then be in effect for such State under such Act if section 203(d) of such Act were applied as if it had been amended by striking "A5" each place it appears and inserting "A4".

### **Section 204. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.**

(a) GENERAL RULE.- There shall be paid to each State which has entered into an agreement under this title an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.- No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United State Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.- Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be

# Temporary Extended Unemployment Compensation Act of 2002

## Section I - Title II of Public Law

entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

### **Section 205. FINANCING PROVISIONS.**

(a) IN GENERAL.- Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a))) shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.- The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as so established) to the account of such State in the Unemployment Trust Fund (as so established).

(c) ASSISTANCE TO STATES.- There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

(d) APPROPRIATIONS FOR CERTAIN PAYMENTS.- There are appropriated from the general fund of the Treasury, without fiscal year limitation, to the extended unemployment compensation account (as so established) of the Unemployment Trust Fund (as so established) such sums as may be necessary for to make payments under this section in respect of-

# Temporary Extended Unemployment Compensation Act of 2002

## Section I - Title II of Public Law

(1) compensation payable under chapter 85 of title 5, United States Code, and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

### **SECTION 206. FRAUD AND OVERPAYMENTS.**

(a) IN GENERAL.- If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of temporary extended unemployment compensation under this title to which he was not entitled, such individual-

(1) shall be ineligible for further temporary extended unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.- In the case of individuals who have received amounts of temporary extended unemployment compensation under this title to which they were not entitled, the State shall require such individuals to repay the amounts of such temporary extended unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that-

(1) the payment of such temporary extended unemployment benefits was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.-

# Temporary Extended Unemployment Compensation Act of 2002

## Section I - Title II of Public Law

(1) IN GENERAL.- The State agency may recover the amount to be repaid, or any part thereof, by deductions from any temporary extended unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment during the 3-year period after the date such individuals received the payment of temporary extended unemployment benefits to which they were not entitled.

(2) OPPORTUNITY FOR HEARING.- No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.- Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

### **SECTION 207. DEFINITIONS.**

In this title, the terms Acompensation@, Aregular compensation@, Aextended compensation@, Aadditional compensation@, Abenefit year@, Abase period@, AState@, AState agency@, AState law@, and Aweek@ have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

### **SECTION 208. APPLICABILITY.**

An agreement entered into under this title shall apply to weeks of unemployment-

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

(2) ending before January 1, 2003.

# Temporary Extended Unemployment Compensation Act of 2002

## Section I - Title II of Public Law

# Temporary Extended Unemployment Compensation Act of 2002

## Section II - Definition of Terms Used Throughout this Document

This section contains the definitions of terms used throughout this document. To the extent possible, these definitions follow the EB regulations found at 20 C.F.R. 615.2 as required by Section 207 of the Act regarding these terms listed there. References to 5 U.S.C. Chapter 85 are to the UCFE/UCX law.

1. "Act" means the Temporary Unemployment Compensation Act of 2001, Title VII, Public Law .

2. "Additional Compensation" means compensation totally financed by a state under its law by reason of conditions of high unemployment or by reason of other special factors, and when so payable includes compensation payable pursuant to 5 U.S.C. Chapter 85.

3. "Agreement" means the agreement entered into pursuant to the Act between a state and the Department of Labor, under which the state agency makes payments of TEUC in accordance with the Act as interpreted by the Secretary or the Department of Labor as set forth in these instructions or other instructions issued by the Department.

4. "Applicable Benefit Year" means, with respect to an individual, the current benefit year if, at the time an initial claim for TEUC is filed, the individual has an unexpired benefit year only in the state in which such claim is filed, or, in any other case, the individual's most recent benefit year ending during or after the week of March 15, 2001. For this purpose, the most recent benefit year, for an individual who has unexpired benefit years in more than one state when an initial claim for TEUC is filed, is the benefit year with the latest ending date or, if such benefit years have the same ending date, the benefit year in which the latest continued claim for regular compensation was filed.

5. "Applicable State" means, with respect to an individual, the state with respect to which the individual is an exhaustee for TEUC purposes, and, in the case of a combined wage claim for regular compensation, the term means the "paying State" for such claim as defined in 20 C.F.R. 616.6(e).

# Temporary Extended Unemployment Compensation Act of 2002

## Section II - Definition of Terms Used Throughout this Document

6. "Applicable State Law" means the state law of the state which is the applicable state for an individual.

7. "Base Period" means, with respect to an individual, the base period as determined under the applicable state law for the individual's applicable benefit year.

8. "Benefit Year" means, with respect to an individual, the benefit year as defined in the applicable state law.

9. "Compensation" means cash benefits (including dependents' allowances) payable to individuals with respect to their unemployment, and includes regular compensation, additional compensation, extended compensation and TEUC as defined in this section.

10. "Extended Compensation" means the extended unemployment compensation payable to an individual for weeks of unemployment which begin in an extended benefit period, under those provisions of a state law which satisfy the requirements of the Federal-State Extended Unemployment Compensation Act of 1970, and, when so payable, includes compensation payable pursuant to 5 U.S.C. Chapter 85, but does not include regular compensation or additional compensation. Extended compensation is referred to as Extended Benefits or EB.

11. "Regular Compensation" means compensation payable to an individual under any state law, and, when so payable, includes compensation payable pursuant to 5 U.S.C. Chapter 85, but does not include extended compensation or additional compensation.

12. "Secretary" means the Secretary of Labor of the United States.

13. "State" means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

14. AState Agency@ means the Employment Security Agency (currently referred to as the State Workforce Agency) of a state which administers the state law.

# Temporary Extended Unemployment Compensation Act of 2002

## Section II - Definition of Terms Used Throughout this Document

15. "State Law" means the unemployment compensation law of a state approved by the Secretary under Section 3304(a) of the Internal Revenue Code of 1954 (26 U.S.C. 3304(a)).

16. "Temporary Extended Unemployment Compensation" means the extended compensation payable under the Act, and which is referred to as TEUC, TEUC first tier, TEUC second tier (TEUC-X).

17. ATEUC First Tier@ means the amount of TEUC benefit payable to an individual based on a determination of entitlement under the requirements of Section 203(b)(1) of the Act.

18. ATEUC Second Tier@ means the amount of TEUC benefit payable to an individual based on a determination of entitlement under the requirements of Section 203(c) of the Act and is synonymous with TEUC-X.

19. "Week" means, for purposes of eligibility for and benefit payments under this Act, a week as defined in the applicable state law.

20. "Week of Unemployment" means a week of total, part-total, or partial unemployment as defined in the applicable state law, which shall be applied in the same manner to the same extent to claims filed under the requirements of this Act.



# Temporary Extended Unemployment Compensation Act of 2002

## Section III - Implementing the Requirements of the Act

1. Beginning and Ending of the TEUC Program in a State. TEUC is payable in a state beginning with the first week which begins after the date an Agreement is signed between the state and the Department of Labor. The last week of TEUC payable is the last week ending prior to January 1, 2003.

States may terminate the TEUC agreement upon 30 days written notice. The TEUC period will end in a state 30 days from the date the state notifies the Secretary of its election to terminate the TEUC program. No TEUC will be payable for weeks which begin after the date the termination of the agreement is effective. However, TEUC is payable for weeks of unemployment up to such termination date. The agreement may also be terminated by the Secretary, as provided in the agreement.

2. Notifications.

a. Identification and Notification of Potentially Eligible Claimants. The state will identify individuals who are potentially eligible for TEUC, and provide each such individual with appropriate written notification of his/her potential entitlement to TEUC.

A potentially eligible claimant is any claimant who has a benefit year that ends during or after the week of March 15, 2001, and has received all regular compensation payable based on employment and/or wages during the applicable base period, or whose rights to regular compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(1) Interstate Claims. TEUC is payable to individuals filing under the Interstate Benefit Payment Plan (IBPP) in the same manner and to the same extent that benefits are payable to intrastate claimants without regard to whether or not the claim is filed through an agent state or directly with the liable state.

The liable state is responsible for identifying and notifying all potentially eligible interstate claimants of

# Temporary Extended Unemployment Compensation Act of 2002

## Section III - Implementing the Requirements of the Act

their potential eligibility, including filing instructions.

b. Notification of Media. To assure public knowledge of the status of the TEUC program, the state shall notify all appropriate news media having coverage throughout the state of the beginning of the TEUC program.

3. Relation of EB to TEUC. Section 202(e) of the Act allows, if state law permits, the payment of TEUC in lieu of EB to a TEUC-eligible individual. If a state elects to pay TEUC in lieu of EB, the amount of individual's EB entitlement is not otherwise affected: EB is deferred, not reduced. As a result, if the state is in an EB period when the individual exhausts all TEUC first and second-tier eligibility (see section 6.b of this section of the operating instructions), any individual meeting the EB eligibility requirements may receive any remaining EB entitlement.

Under the Act, the receipt of EB does not reduce the amount of TEUC payable. A state is not required to trigger EB if it elects to pay TEUC in lieu of EB.

4. Effect of Additional Benefit (AB) Eligibility in a State.

Although Section 202(b) of the Act requires that an individual have no rights to regular compensation or EB in order to meet the eligibility requirements for TEUC, it requires the payment of TEUC regardless of AB eligibility. A state with an AB program in effect may pay AB following the payment of TEUC. AB does not affect the TEUC maximum benefit amount (MBA). Please note that Section 209(b) of the Act amends Section 903 of the Social Security Act by adding subsection (d)(3)(B)(i)(II) to allow the special \$8 billion Reed Act distribution to be used for the payment of AB to exhaustees of TEUC.

5. Eligibility for Temporary Extended Unemployment Compensation.

a. Basic Eligibility Requirements. To be eligible for a week of TEUC an individual, in addition to meeting other applicable State law provisions, must:

# Temporary Extended Unemployment Compensation Act of 2002

## Section III - Implementing the Requirements of the Act

(1) have exhausted all rights to regular compensation under the applicable state law with respect to the applicable benefit year.

(2) have no rights to regular or extended compensation with respect to the week under such law or any other state or Federal unemployment compensation law.

(3) not be receiving compensation with respect to such week under the unemployment compensation law of Canada,

(4) have filed an initial claim, new or additional, effective during or after the week of March 15, 2001. Although the Act says ~~on~~ or after March 15, UI eligibility is determined on a weekly basis; therefore the Act is read to apply to the entire week. Please note that the period of time during which the filing of an initial claim that satisfies this requirement extends through the life of the TEUC program if the claimant had a benefit year on file as of the week of March 15, 2001.

### b. Determining Exhaustees.

(1) In General. For an individual to be deemed to have exhausted benefit rights to regular compensation with respect to an applicable benefit year for purposes of meeting the first TEUC eligibility criterion, the individual must have either:

S the individual must have received all regular compensation payable based on employment and/or wages during the applicable base period; or

S the individual's rights to regular compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed;

(2) Special Rules for Determining an Exhaustee for TEUC Purposes. An individual shall be deemed to have received all regular benefits available during the applicable benefit year or payable according to the monetary determination, even though:

# Temporary Extended Unemployment Compensation Act of 2002

## Section III - Implementing the Requirements of the Act

(A) as a result of an appeal concerning wages or employment or both which were not included in the original monetary determination, the individual may subsequently be determined to have entitlement to more or less compensation;

(B) the individual may be denied benefits under a state law seasonality provision, but who has entitlement to future weeks in the off season;

(C) after having established a benefit year during such year his/her wage credits were canceled or the right to regular or extended compensation was totally reduced as the result of a disqualification;

(D) the individual has not exhausted AB;

(E) the individual is precluded from establishing a subsequent benefit year or qualifying for benefits in a subsequent benefit year by reason of state law requalifying provisions that require earnings after the beginning of the first benefit year;

Note that an individual who has no rights to benefits in cases involving the failure to meet requalifying requirements ceases to be an exhaustee when the requalifying earnings requirement is met and regular compensation is payable in a new benefit year. When regular compensation becomes payable, the individual is no longer entitled to TEUC.

# Temporary Extended Unemployment Compensation Act of 2002

## Section III - Implementing the Requirements of the Act

c. Applicability of State Law Provisions. Under Section 202(d)(2) of the Act, state law provisions of the applicable state that apply to the payment and continuing eligibility for regular compensation apply to the payment of TEUC except for the EB A20 weeks of work@ requirement discussed in paragraph d. below.

An individual is not entitled to receive TEUC for a week to which a disqualification would apply but for the fact that the individual has exhausted all rights to regular compensation.

For example, an individual is disqualified for voluntary leaving until the individual earns six times the WBA. The individual's benefit year has ended and the individual has insufficient earnings to establish a new benefit year and, therefore, files a TEUC claim. Until this individual satisfies the requalification requirement imposed during the benefit year of the regular claim, the individual is not eligible to receive TEUC.

d. Applicability of EB Provisions. Section 202(d)(2)(A) of the Act requires an individual to have 20 weeks of full-time insured employment or the equivalent insured wages, as determined under Athe provisions of the state law implementing Section 202(a)(5)@ of the Federal-State Extended Unemployment Compensation Act (EUCA) of 1970. The equivalent in insured wages under EUCA equals: 40 times the individual's most recent weekly benefit amount, or 1 and 2 times the individual's high quarter insured wages.

To determine which of these earnings requirements the state may use to determine if the claimant has a qualifying applicable benefit year for TEUC, the state must consult Athe provisions of state law implementing Section 202(a)(5).@ Thus, for example, if the state law authorizes the use of just one of the three requirements, the state may only use that single requirement for TEUC purposes. If the state law authorizes the use of two alternatives, then the state may use the two alternatives and if the state law authorizes the use of all three alternatives, then all three alternatives may be used.

The suitable work and work search requirements of Section

# Temporary Extended Unemployment Compensation Act of 2002

## Section III - Implementing the Requirements of the Act

202(a)(3) of the EUCA of 1970 do not apply to the TEUC program. Neither do the subsequent employment provisions of Section 202(a)(4) of the EUCA of 1970.

e. Effect of Other UI-Related Programs on Eligibility for TEUC.

(1) Trade Readjustment Allowances (TRA). The maximum amount of TEUC payable to an individual who is also entitled to TRA shall not be reduced by reason of TRA entitlement. However, under Section 233(a)(1) of the Trade Act of 1974, the individual's entitlement to TEUC will reduce the individual's maximum amount of "basic" TRA payable if the TEUC is payable during the UI benefit period established by or in effect at the time of the individual's first TRA qualifying separation under the applicable trade adjustment assistance certification issued by this Department. (For the definition of "benefit period," see 20 CFR 617.3(h).) If the TEUC entitlement occurs during a UI benefit period subsequent to the one in which the individual's first TRA qualifying separation occurred, the maximum amount of "basic" TRA payable will not be reduced by the amount of TEUC entitlement. In either case, however, the individual is not eligible for TRA until TEUC entitlement is exhausted.

The provisions of Section 233(d) of the Trade Act of 1974 (relating to reduction of EB entitlement because of the receipt of TRA in the most recent benefit year) are not applicable to determinations of entitlement to TEUC.

(2) Disaster Unemployment Assistance (DUA). An individual is not eligible for DUA with respect to a week of unemployment under Section 410 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5177) if the individual is eligible to receive TEUC for that week.

6. Establishment of TEUC Account. Section 203 of the Act requires the state to establish a TEUC account for each eligible individual. There is no restriction on the total amount of TEUC and regular compensation that is payable. Each program stands alone.

# Temporary Extended Unemployment Compensation Act of 2002

## Section III - Implementing the Requirements of the Act

a. TEUC Maximum Benefit Amount (MBA). The MBA in the individual's account will be equal to the lesser of 50 percent of the total amount of regular benefits (including dependents' allowances) or 13 times the regular compensation WBA (including dependents' allowances) payable to the individual with respect to the Applicable benefit year for TEUC purposes. In states with a regular duration in excess of 26 weeks, the individual will be entitled to an MBA equal to 13 times the average WBA, including dependents' allowance.

If a redetermination or an appeal decision results in a determination that an individual is entitled to more or less regular compensation, the individual's status as an exhaustee must be redetermined, as appropriate, and an appropriate change shall be made in the individual's TEUC account.

b. TEUC Second-Tier (TEUC-X). Individuals in some states may be eligible for a second tier of TEUC depending on when they exhaust their initial TEUC entitlement. Specifically, individuals who exhaust their initial TEUC entitlement in an EB period will qualify for TEUC-X in an amount equal to the original TEUC entitlement. The same terms and conditions applicable to the payment of the initial TEUC entitlement also apply to TEUC-X.

TEUC-X may also be payable in some states where EB has not triggered on. Section 203(d)(2)(B) of the Act provides that a state will be treated as being in an EB period if Section 203(d) of the EUCA of 1970, which sets the 5 percent insured unemployment rate trigger, contained a 4 percent trigger. All requirements for an EB period using a 5 percent IUR must also be met under the 4 percent trigger, including the 120 percent Alookback provision, the 13-week minimum Aon period, and the 13-week minimum Aoff period if the state dips below the required trigger. The beginning date of a state's 4 percent TEUC EB period will be based on when the state would have triggered Aon using such a trigger. For example, if a state would have triggered on EB for the week beginning March 3 using the 4 percent trigger, the state will remain on for a TEUC EB period for at least 13 weeks from that date.

# Temporary Extended Unemployment Compensation Act of 2002

## Section III - Implementing the Requirements of the Act

The Department will provide regular notices to states of which states qualify for TEUC second tier, and the beginning and ending dates of the 4 percent TEUC EB period during which TEUC-X is payable. See the reporting instructions for the ETA 539 in Section VI of this document.

### 7. TEUC Weekly Benefit Amount.

a. Total Unemployment. The WBA payable to an individual for a week of total unemployment is equal to the individual's most recent regular WBA including dependents' allowance for the Applicable benefit year.®

b. Partial and Part-Total Unemployment. To determine the amount payable for a week of partial or part-total unemployment, the state will calculate the payment amount in accordance with the state law applicable to such a week of unemployment.

8. Record Maintenance and Disposal of Records. The state will maintain TEUC claims and payment data (including data on eligibility, disqualification and appeals) as required by the Employment and Training Administration (ETA).

a. Record Maintenance. Each state will maintain records pertaining to the administration of the TEUC program, and will make all such records available for inspection, examination, and audit by such federal officials or employees as the Secretary of Labor or ETA may designate or as may be required by the law.

b. Disposal of Records. The electronic/paper records created in the administration of the TEUC program shall be maintained by the state for 3 years after final action (including appeals or court action) on the claim, or for less than the 3-year period if copied by micro photocopy or by an electronic imaging method. At the end of the 3 year period, the TEUC records are transferred to state accountability under the conditions for the disposal of records that apply to UCFE and UCX records as explained in Chapter XXII of ET Handbook No. 391 (1992 Edition) and Chapter I, Page I-15, of ET Handbook No. 384 (1984 Edition).

# Temporary Extended Unemployment Compensation Act of 2002

## Section III - Implementing the Requirements of the Act

9. Disclosure of Information. Information in records made and maintained by the state agency in administering the Act shall be kept confidential, and information in such records may be disclosed only in the same manner and to the same extent as information with respect to regular compensation, and the entitlement of individuals thereto, may be disclosed under the applicable state law. This provision on the confidentiality of information obtained in the administration of the Act shall not apply, however, to the requests for information or reports from U.S. Department of Labor, or to information, reports and studies with no individual identifiers, or where the result would be inconsistent with the Freedom of Information Act (5 U.S.C. 552), the Privacy Act of 1974 (5 U.S.C. 552a) or regulations of the U.S. Department of Labor promulgated thereunder.

10. Inviolate Rights to TEUC. Except as specifically provided in these instructions, the rights of individuals to TEUC shall be protected in the same manner and to the same extent as the rights of persons to regular compensation are protected under the applicable state law. Such measures must include protection of claimants for TEUC from waiver, release, assignment, pledge, encumbrance, levy, execution, attachment, and garnishment, of their rights to TEUC. In the same manner and to the same extent, individuals shall be protected from discrimination and obstruction in regard to seeking, applying for and receiving TEUC.



# Temporary Extended Unemployment Compensation Act of 2002

## Section IV - Processing Claims for TEUC

1. Applicability of State Law Provisions. Under Section 202(d)(2) of the Act, except where inconsistent with the Act, the terms and conditions of the state unemployment compensation law which are applicable to claims for and payment of regular compensation, apply to claims for, and payment of, TEUC. The provisions of the applicable state law apply to claims for TEUC include but are not limited to:

- a. Claim Filing and Reporting;
- b. Information to individuals, as appropriate;
- c. Notices to individuals and employers, as appropriate, including notice to each individual of each determination and redetermination of eligibility for or entitlement to TEUC;
- d. Determinations, redeterminations, appeals, and hearings;
- e. Disqualification, including disqualifying income provisions;
- f. Ability to work and availability for work;
- g. The Interstate Benefit Payment Plan; and
- h. The Interstate Arrangement for Combining Employment and Wages.

2. Claims for TEUC.

a. Intrastate Initial Claims. An initial claim for TEUC shall be filed by an individual according to the applicable state's manual, remote or electronic filing procedures.

b. Interstate Initial Claims. Interstate TEUC claims are filed on the same forms and in the same manner as all other interstate initial claims against the liable state. Before accepting an initial TEUC claim, the agent or liable state, whichever is taking the claim, must review the individual's work history, examine potential entitlement and advise the individual of all filing options. If the individual has sufficient employment and wages to establish

# Temporary Extended Unemployment Compensation Act of 2002

## Section IV - Processing Claims for TEUC

a new benefit year under any state or federal program, including the combined wage arrangement, no right to file under the TEUC program exists. When an initial TEUC claim is filed through the agent state, the state will:

- (1) Complete an Initial Interstate Claim, Form IB-1, check claim type "other" and identify as TEUC;
- (2) Review the individual's work history and advise the individual of all filing options;
- (3) Transmit a TC-IB1 to the liable state.

c. Intrastate and Interstate Weeks Claimed. Claims for payments of TEUC for weeks of unemployment shall be filed at the same times and in the same manner as claims for regular compensation are filed under the applicable state law, and on forms or following electronic filing procedures as furnished to the individual by the state agency.

d. Combined Wage Claims. TEUC shall be payable to individuals filing under the Interstate Arrangement for Combining Employment and Wages (CWC) in the same manner and to the same extent that benefits are payable to other intrastate or interstate claimants.

Administrative, entitlement and eligibility requirements provided in this document also apply to claims filed under the CWC program, except where clearly inconsistent with combined wage (and interstate, when applicable) procedures, policies and rules.

(1) Report of Determination of Combined-Wage Claim, TC-IB5. When a TEUC determination or redetermination is issued on a CWC claim, a TC-IB5 must be issued to the transferring state.

(2) Charging of TEUC to Transferring State. The paying state will bill each transferring state for its pro rata share of the amount paid during the quarter in the same manner as regular benefits. This chargeback is necessary in order for the state of coverage to identify benefits attributable to state and local government employment and employment with employers to which Section 501(c)(3) applies. (See fiscal instructions in Section V).

# Temporary Extended Unemployment Compensation Act of 2002

## Section IV - Processing Claims for TEUC

3. Secretary's Standard. The procedures for reporting and filing claims for TEUC shall be consistent with these instructions and the Secretary's "Standard for Claim Filing, Claimant Reporting, Job Finding and Employment Services" (Employment Security Manual, Part V, sections 5000 et seq.).

4. Determination of Entitlement: Notices to Individual.

a. Determination of Initial Claim. The state agency shall promptly, upon the filing of an initial claim for TEUC, determine whether the individual is eligible and, if the individual is found to be eligible, the weekly and maximum amounts of TEUC payable to the individual. The individual must be issued an appealable determination.

b. Determination of Weekly Claims. The state agency shall promptly, upon the filing of a claim for a payment of TEUC for a week of unemployment, determine whether the individual is entitled to a payment of TEUC for such week, and, if entitled, the amount of TEUC to which the individual is entitled to and issue a prompt payment.

c. Redetermination. The provisions of the applicable state law concerning the right to request, or authority to undertake, reconsideration of a determination pertaining to regular compensation under the applicable state law shall apply to determinations pertaining to TEUC.

d. Notices to Individual. The state agency shall give notice in writing to the individual of any determination or redetermination of an initial claim and all weekly claims. Each notice shall include such information regarding the right to reconsideration or appeal, or both, as is furnished with written notices of determinations and redeterminations with respect to claims for regular compensation. The state agency must also provide the following notice to all claimants filing an initial claim for TEUC:

### NOTICE

Under 18 U.S.C. ' 1001, knowingly and willfully concealing a material fact by any trick, scheme, or device or knowingly making a false statement in connection with this claim is a Federal Offense, punishable by a fine of not more than \$10,000 or imprisonment for not more than five years, or both.

# Temporary Extended Unemployment Compensation Act of 2002

## Section IV - Processing Claims for TEUC

e. Promptness. Full payment of TEUC when due shall be made with the greatest promptness that is administratively feasible.

f. Secretary's Determination Standard. The procedures for making determinations and redeterminations and furnishing written notices of determinations, redeterminations, and rights of appeal to individuals claiming TEUC shall be consistent with the Secretary's "Standard for Claim Determinations - Separation Information" (Employment Security Manual, Part V, sections 6010 et seq.)

### 5. Appeal and Hearing

a. Applicable State Law. The provisions of the applicable state law concerning the right of appeal and fair hearing from a determination or redetermination of entitlement to regular compensation shall apply to determinations and redeterminations of eligibility for or entitlement to TEUC.

b. Rights of Appeal and Fair Hearing. The provisions on right of appeal and opportunity for a fair hearing with respect to claims for TEUC shall be consistent with these instructions and with sections 303(a)(1) and 303(a)(3) of the Social Security Act (SSA) (42 U.S.C. 503(a)(1) and 503(a)(3)).

#### c. Promptness of Appeals Decisions.

(1) Decisions on appeals under the TEUC Program shall accord with the Secretary's "Standard for Appeals Promptness-Unemployment Compensation" in 20 CFR Part 650.

(2) Any provision of an applicable state law for advancement or priority of unemployment compensation cases on judicial calendars, or otherwise intended to provide for the prompt payment of unemployment compensation when due, shall apply to proceedings involving entitlement to TEUC.

6. Fraud and Overpayment. The Act contains specific provisions with respect to fraud and overpayments of TEUC. Provisions of the state law applied to detection and prevention of fraudulent overpayments of TEUC will be, as a minimum, commensurate with those applied by the state with respect to regular compensation and which are consistent with the Secretary's "Standard for Fraud and Overpayment Detection"

# Temporary Extended Unemployment Compensation Act of 2002

## Section IV - Processing Claims for TEUC

(Employment Security Manual, Part V, Sections 7510 et seq.).

a. Fraudulent Claiming of TEUC. Section 206 of the Act provides that, if an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure the individual has received an amount of TEUC to which the individual was not entitled, the individual:

(1) shall be ineligible for further TEUC in accordance with the provisions of the applicable state unemployment compensation law relating to fraud in connection with a claim for unemployment compensation, and

(2) shall be subject to prosecution under Section 1001 of Title 18, U.S.C.

Provisions of state law relating to disqualification for fraudulently claiming or receiving a payment of compensation shall apply to claims for and payment of TEUC.

When a state has sufficient facts to make a prima facie case under 18 U.S.C. 1001, it will consider referral for criminal prosecution in accordance with the provisions of the Memorandum of Understanding (MOU) between the Department's Office of Inspector General and the Employment and Training Administration, which was transmitted as an attachment to UIPL 10-87 (also see UIPL 16-85 and 21-90). If Federal prosecution is recommended, the matter will be referred to the appropriate Regional Office of the U.S. Department of Labor, Office of the Inspector General (OIG).

For those cases not meeting the criteria for referral to the OIG for investigation and prosecution, as outlined in the MOU, or if the OIG does not accept the case for investigation, or it is accepted, but is later returned because the U.S. Attorney declines prosecution, the state should refer the case for prosecution under state law provisions.

b. Recovery of Overpayments. Under Section 206(b) of the Act each state shall require repayment from individuals who have received any payment of TEUC to which they are not entitled (whether fraudulent or non-fraudulent), unless the state, under the optional language of Section 206(b), elects to waive recovery. A state may elect to implement a TEUC waiver procedure even if it has no waiver provisions under

# Temporary Extended Unemployment Compensation Act of 2002

## Section IV - Processing Claims for TEUC

state law for regular compensation. If the state elects to have a TEUC waiver and has a state law waiver provisions for regular compensation, the state provision may be applied to TEUC.

Any state that does not have a state waiver provision but elects to have a TEUC waiver may waive recovery of a non-fraudulent TEUC overpayment if it determines that-

- the payment of such TEUC was without fault on the part of the individual, and

- such repayment would be contrary to equity and good conscience.

(1) In determining whether fault exists, the following factors shall be considered:

- (a) whether a material statement or representation was made by the individual in connection with the application for TEUC that resulted in the overpayment, and whether the individual knew or should have known that the statement or representation was inaccurate.

- (b) whether the individual failed or caused another to fail to disclose a material fact, in connection with an application for TEUC that resulted in the overpayment, and whether the individual knew or should have known that the fact was material.

- (c) whether the individual knew or could have been expected to know that the individual was not entitled to the TEUC payment.

- (d) whether, for any other reason, the overpayment resulted directly or indirectly, and partially or totally, from any act or omission of the individual or of which the individual had knowledge, and which was erroneous or inaccurate or otherwise wrong.

(2) In determining whether equity and good conscience exists, the following factors shall be considered:

- (a) whether the overpayment was the result of a decision on appeal;

- (b) whether the state agency had given notice to the individual that the individual may be required to repay the overpayment in the event of a reversal of the eligibility

# Temporary Extended Unemployment Compensation Act of 2002

## Section IV - Processing Claims for TEUC

determination on appeal; and

(c) whether recovery of the overpayment will cause financial hardship to the individual.

(3) Unless an TEUC overpayment is otherwise recovered, or is waived, the state shall, during the three-year period after the date the individual received the payment of TEUC to which the individual was not entitled, recover the overpayment by deductions from any sums payable to the individual under:

(a) any federal unemployment compensation law administered by the state; or

(b) any other federal law administered by the state which provides for the payment of any assistance or an allowance with respect to unemployment.

(4) No single deduction may exceed 50 percent of the amount otherwise payable to the individual.

(5) To the extent permitted under state law, a TEUC overpayment may be recovered by offset, within the 50 percent and three-year limitations provided in paragraphs (3) and (4) above, from benefits payable under the state unemployment compensation law.

(6) At the end of the three-year limitation, the state may remove the overpayment from its accounting record. Although no further active collection efforts by the state are required, the state shall maintain an administrative record during the subsequent three-year period to provide for possible collection through methods other than offset. After the subsequent three-year period, the state may dispose of the overpayment record.

(7) No repayment may be required, and no deduction may be made, until a determination under paragraph 2. of this section has been made, notice of the determination and an opportunity for a fair hearing thereon has been given to the individual concerned, and the determination has become final.

(9) TEUC overpayment recovery shall be enforced by any action or proceeding which may be brought under state or federal law, unless recovery of the overpayment is waived or prohibited in accordance with the Act and the instructions in this section.

# Temporary Extended Unemployment Compensation Act of 2002

## Section IV - Processing Claims for TEUC

Overpayments of TEUC recovered in any manner shall be deposited into the fund from which payment was made.

(10) If a state has an agreement in effect with the Secretary to implement the cross-program offset provisions of Section 303(g)(2) of the SSA, TEUC payments shall be used to offset state compensation overpayments, and state compensation payments shall be used to offset TEUC overpayments. If the state does not have an agreement with the Secretary under Section 303(g)(2), SSA, the state must not use TEUC to offset a state compensation overpayment, but may under Section 303(g)(1), SSA, offset state compensation payments to recover a TEUC overpayments.

(11) An individual who has a TEUC overpayment established may have the amount of such overpayment restored to the TEUC account established for such individual in accordance with the state law for regular compensation.

(12) If the state elects to implement a TEUC waiver program, it may not put such election into effect unless it has published agency instructions on such election.

# Temporary Extended Unemployment Compensation Act of 2002

## Section V - Fiscal Instructions

1. Payment to States. Under Section 204 of the Act each state which has entered into an agreement to pay TEUC will be paid an amount equal to 100 percent of the amount of TEUC paid to individuals by the state under the agreement and in full accordance with the Act and these instructions.

a. Requesting TEUC Benefit Funds. States will request funds from the Extended Unemployment Compensation Account (EUCA) to pay all TEUC benefits attributable to all claim types (UI, UCFE, and UCX). Drawdown procedures are not changed --- all requests go through the Automated Standard Application for Payments (ASAP) system. Drawdown requests must adhere to the funding mechanism stipulated in the Treasury-State Agreement executed under the Cash Management Improvement Act of 1990. Requests will be funded in the same manner as all ASAP transactions elected by the states (FEDWIRE or ACH to the state benefit payment account). See paragraph 3. of this section for specific instructions.

Benefits paid to former employees of state and local governments, A501(c)(3)@ nonprofit organizations and federally recognized Indian tribes are funded from U.S. Treasury general revenues through the EUCA. This does not affect the process for requesting funds, but does affect the reporting of those benefits on the ETA 2112. States are to report all TEUC payments, including reimbursable, UCFE/X on line 39, column F.

(Note that it does not matter whether these employers have elected reimbursement status.) See the reporting instructions in Section VI for details.

b. TEUC Administrative Funds. Section 205(c) of the Act appropriated funds from the Employment Security Administration Account (ESAA) in the Unemployment Trust Fund, to pay costs related to the administration of the TEUC agreement. Section 205(c) also authorizes the Secretary to determine each state's share of the amount appropriated according to the factors described in section 302(a) of the Social Security Act (42 U.S.C. 501(a)). States will receive TEUC administrative funds through the contingency entitlement process. (See Section VI, Paragraph 3.h.)

2. TEUC Reporting Instructions.

a. Time Distribution. Time used for all TEUC activities, except for initial claims, will be charged to appropriate UI functional activity codes, in conjunction with the regular UI

# Temporary Extended Unemployment Compensation Act of 2002

## Section V - Fiscal Instructions

grant number. Time used for TEUC initial claims will be charged to a functional activity code separate from the code for all other UI initial claims, e.g., code 251.

b. Administrative Fund Accounting. All accounting for administrative resources relating to the TEUC program will be recorded in the regular UI grant.

c. Accounting for TEUC Payments (Benefits).

(1) TEUC advances to the states' UTF accounts, and disbursements for TEUC benefit payments will be reported on the monthly ETA 2112. Do not use a separate form for this report. (See Section VI, Reporting Instructions.) Accurate reporting of advances, reimbursements and payments is important due to the monthly reconciliation of balances with OWS records; balances are subject to constant congressional and public inquiries.

(2) Since TEUC paid to UCFE and UCX will be funded out of General Revenues, the Federal Employees Compensation (FEC) Account will not be used to pay TEUC benefits. Therefore, federal agencies will not be required to reimburse the Unemployment Trust Fund for TEUC paid to federal employees. The ETA 191 report and UCFE/UCX detailed claimant data provided by states to Federal agencies must **exclude** TEUC.

3. Drawdown Instructions for TEUC. Beginning on March 15, 2002, there will be 5 new lines in the Automated Standard Application for Payments System (ASAP) as follows:

ASAP Line TitleY	Is Used forY
TEUC (CONTRIBUTORY)	State withdrawal of temporary extended unemployment compensation benefits for contributory workers.
TEUC (FECA AND UCX)	State withdrawal of temporary extended unemployment compensation benefits for federal/military workers.
TEUC (LOCAL AND OTHER GOVT)	State withdrawal of temporary extended unemployment compensation

# Temporary Extended Unemployment Compensation Act of 2002

## Section V - Fiscal Instructions

benefits for local and other government workers, and Indian tribes.

TEUC (STATE GOVT)

State withdrawal of temporary extended unemployment compensation benefits for state government workers.

TEUC (NON-PROFITS)

State withdrawal of temporary extended unemployment compensation benefits for Non-Profit workers.

a. Processing Refunds. There are two scenarios for returning funds to these program lines. The most likely scenario will be when the state has funds in their state UI account and they need to return those funds. This should be completed as a negative amount posted to the appropriate line in ASAP. To accomplish this, the total draw for the day in ASAP must be greater than the negative balance posted to the appropriate line.

The second scenario is when a state actually has the funds in its federal UI account that are required to be returned to the appropriate program line. This should be accomplished by the state processing a book transfer transaction that accomplishes a transfer from its UI account to the appropriate program under the EUCA account.



# Temporary Extended Unemployment Compensation Act of 2002

## Section VI - Reporting Instructions

1. General. The TEUC program reports, ETA 207, ETA 218, ETA 227, ETA 5130 and ETA 5159 should be submitted electronically by utilizing separate TEUC entry screens that are available through the UI Required Reports electronic reporting system. These reports will mirror the reports required for the regular Federal-State Extended Benefits program. TEUC activity should also be reported on the ETA 2112, ETA 539 and UI-3 as specified below in section 2. Unless otherwise noted, definitions of items will follow definitions in the regular program as specified in ETA Handbook 401, 3<sup>rd</sup> Edition. Due dates will be the same as the regular versions of reports.

Reporting will begin with the first reporting period in which the effective date of the TEUC program falls. Reporting for all

reports except the ETA 2112 will continue for twelve full months

or four full quarters after the last payable week of the TEUC program. For those reporting periods in this post-TEUC time frame, only reports which have non-zero data need be submitted.

Reporting on the ETA 2112 should continue for as long as there is activity.

### 2. Data Items to be Reported.

a. ETA 207. Report column 1, Total Determinations and Redeterminations, for lines 101 through 106. Report also lines 201 and 202, columns 7 through 10; and lines 301 and 302, columns 11, 12, 14, and 17.

b. ETA 218. Report line 100, columns 1 through 3.

c. ETA 227. Report Section A, Overpayments Established, lines 101 and 103, for columns 2 through 5. Also report all of Section C, Recovery/Reconciliation, excluding lines 303-307, columns 11-14.

d. ETA 5130. Report all data elements.

e. ETA 5159. For Section A Claims Activities, report initial claims information for columns 2 through 5 and column 7 for lines 101 through 103. Report eligibility reviews and continued weeks claimed activity for columns 8 through 12 for lines 201 through 203. The claims information needed for

# Temporary Extended Unemployment Compensation Act of 2002

## Section VI - Reporting Instructions

column 11 for lines 201 through 203 will be identified as entitlement type "Acode 2" (Federal Benefit Extension) field number 28 on the Interstate Liable-Agent Data Transactions (LADT). For Section B, Payment Activities, report columns 14, 15, 17, 18, and 19 for lines 301 through 302 and columns 21 and columns 24 through 28 for line 303.

(1) First Payments. One first payment under TEUC.

(2) Final Payments. A final payment is to be reported when a payment is issued that exhausts the benefit entitlement in the individual's TEUC account.

f. ETA 2112. Regular activity should be reported in the aggregate on the electronic regular ETA 2112 report as usual. Information reflecting TEUC activity should be reported as follows:

Line 15. Reed Act Distributions. Include all Reed Act distributions to the state account in the UTF.

Line 16. Intra-Account Transfer. Include in line 16F the amount of TEUC funds transferred from the UTF to the state benefit payment account.

Line 23. Federal Emergency Compensation. Enter in columns C and E the amount of Federal funds received as advances or reimbursement for emergency compensation including the TEUC.

Lines 33, 34, 35. Enter total benefits paid, attributable to state and local governments, A501(c)(3)@ nonprofits, and Indian tribes, as appropriate, on the appropriate line for the type of employer. Break out the TEUC amounts paid for each line in the AComments@ section.

Line 39. Federal Emergency Compensation. Enter all disbursements for federal emergency programs. Include in columns C and F the amounts of the TEUC for which the Federal government is liable. Include residual activity (e.g., overpayment recoveries) from expired emergency programs (e.g., EUC, FSC, FSB) on line 39. Break out **all disbursements by program** in the AComments@ section.

Line 41. Reed Act Withdrawals. Enter all Reed Act funds withdrawn from the state account in the UTF.

# Temporary Extended Unemployment Compensation Act of 2002

## Section VI - Reporting Instructions

Line 50. Withholding. States are to report gross benefits in column F regardless whether amounts of withholding transferred to the IRS goes through the state benefit payment account. See ETA Handbook 401, 3<sup>rd</sup> Edition, for specific instructions. **Line 16 F must equal Line 44E.**

g. ETA 539. Total weeks claimed for State, UCFE, and UCX under the TEUC program for the report period will be reported in the comments section and labeled as "TEUC" followed by the number. For example: "TEUC=239". (The agent weeks claimed information needed for this report will be obtained from the LADT identified in field 28 as Acode 2", Federal Benefit Extension.)

h. UI-3 Worksheet. TEUC claims activity/workload activity will be reported electronically on the lines for third tier programs on the regular UI-3 report.

3. Notification of a TEUC EB Trigger. States with a TEUC agreement with the Secretary may already have triggered or may trigger a TEUC EB period under the requirements of Section 203(c) of the Act. A letter from the governor or appropriate state official declaring that the state has triggered either on or off the TEUC EB period based on the 4 percent IUR is required in the same manner as for an EB period under EUCA.

States with a 4 percent IUR as of enactment of the TEUC Act should immediately declare a TEUC EB period indicating a beginning date in accordance with the requirements of 20 CFR 615.12. Send letter to:

Ms. Grace Kilbane  
Office of Workforce Security  
200 Constitution Avenue, N.W.  
Room S-4231  
Washington, D.C. 20210

Any paper reports should be faxed to 202-693-3229 instead of mailing. The cover sheet should indicate delivery to UI Required Reports.

4. OMB Approval. These instructions have been submitted to the Office of Management and Budget (OMB), but have not yet been approved. Therefore, they should be considered draft instructions of proposed data collections. ETA will notify states upon OMB approval and communicate any changes deemed necessary during the OMB approval process.

# Temporary Extended Unemployment Compensation Act of 2002

## Section VI - Reporting Instructions