

116TH CONGRESS  
2D SESSION

# S. 3523

To provide for the temporary funding of the expansion of eligibility of unemployment compensation to respond to the COVID–19 public health emergency, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MARCH 18, 2020

Mr. COTTON introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To provide for the temporary funding of the expansion of eligibility of unemployment compensation to respond to the COVID–19 public health emergency, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Coronavirus Unem-  
5 ployment Insurance Expansion Act”.

1 **SEC. 2. TEMPORARY FUNDING OF THE EXPANSION OF ELI-**  
2 **GIBILITY OF UNEMPLOYMENT COMPENSA-**  
3 **TION.**

4 (a) **FEDERAL-STATE AGREEMENTS.**—Any State  
5 which desires to do so may enter into and participate in  
6 an agreement under this section with the Secretary of  
7 Labor (in this section referred to as the “Secretary”). Any  
8 State which is a party to an agreement under this title  
9 may, upon providing 30 days’ written notice to the Sec-  
10 retary, terminate such agreement.

11 (b) **PROVISIONS OF AGREEMENT.**—Any agreement  
12 under subsection (a) shall provide that the State agency  
13 of the State will make payments of regular compensation  
14 in cases where—

15 (1) an individual’s employer temporarily ceases  
16 operations due to the COVID–19 emergency;

17 (2) an individual is quarantined with the expecta-  
18 tion of returning to work and is not receiving pay  
19 due to the COVID–19 emergency; and

20 (3) an individual must stop receiving pay in  
21 order to care for family members or dependents due  
22 to the COVID–19 emergency.

23 (c) **PAYMENTS TO STATES.**—

24 (1) **FULL REIMBURSEMENT.**—There shall be  
25 paid to each State which has entered into an agree-

1        ment under this section an amount equal to 100 per-  
2        cent of—

3                (A) the total amount of regular compensa-  
4                tion paid to individuals by the State by reason  
5                of such agreement; and

6                (B) any additional administrative expenses  
7                incurred by the State by reason of such agree-  
8                ment (as determined by the Secretary).

9                (2) TERMS OF PAYMENTS.—Sums payable to  
10              any State by reason of such State's having an agree-  
11              ment under this section shall be payable, either in  
12              advance or by way of reimbursement (as determined  
13              by the Secretary), in such amounts as the Secretary  
14              estimates the State will be entitled to receive under  
15              this section for each calendar month, reduced or in-  
16              creased, as the case may be, by any amount by  
17              which the Secretary finds that his estimates for any  
18              prior calendar month were greater or less than the  
19              amounts which should have been paid to the State.  
20              Such estimates may be made on the basis of such  
21              statistical, sampling, or other method as may be  
22              agreed upon by the Secretary and the State agency  
23              of the State involved.

24              (d) FUNDING.—

25              (1) COMPENSATION.—

1 (A) IN GENERAL.—Funds in the Federal  
2 unemployment account (as established by sec-  
3 tion 905(g)) of the Unemployment Trust Fund  
4 (as established by section 904(a)) shall be used  
5 to make payments under subsection (c)(1)(A).

6 (B) TRANSFER OF FUNDS.—Notwith-  
7 standing any other provision of law, the Sec-  
8 retary of the Treasury shall transfer from the  
9 general fund of the Treasury (from funds not  
10 otherwise appropriated) to the Federal unem-  
11 ployment account such sums as the Secretary of  
12 Labor estimates to be necessary to make pay-  
13 ments described in subparagraph (A). There  
14 are appropriated from the general fund of the  
15 Treasury, without fiscal year limitation, the  
16 sums referred to in the preceding sentence and  
17 such sums shall not be required to be repaid.

18 (2) ADMINISTRATIVE EXPENSES.—

19 (A) IN GENERAL.—Funds in the employ-  
20 ment security administration account (as estab-  
21 lished by section 901(a) of the Social Security  
22 Act (42 U.S.C. 1105(a))) of the Unemployment  
23 Trust Fund (as established by section 904(a) of  
24 such Act (42 U.S.C. 1104(a))) shall be used to

1           make payments to States and Indian Tribes  
2           pursuant to subsection (c)(1)(B).

3           (B) TRANSFER OF FUNDS.—Notwith-  
4           standing any other provision of law, the Sec-  
5           retary of the Treasury shall transfer from the  
6           general fund of the Treasury (from funds not  
7           otherwise appropriated) to the employment se-  
8           curity administration account such sums as the  
9           Secretary of Labor estimates to be necessary to  
10          make payments described in subparagraph (A).  
11          There are appropriated from the general fund  
12          of the Treasury, without fiscal year limitation,  
13          the sums referred to in the preceding sentence  
14          and such sums shall not be required to be re-  
15          paid.

16          (3) CERTIFICATIONS.—The Secretary shall  
17          from time to time certify to the Secretary of the  
18          Treasury for payment to each State the sums pay-  
19          able to such State under this section.

20          (e) APPLICABILITY.—An agreement entered into  
21          under this section shall apply to weeks of unemployment—

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

24                  (2) ending on or before the earlier of—

1 (A) the date of the termination of the na-  
 2 tional emergency declared by the President  
 3 under the National Emergencies Act (50 U.S.C.  
 4 1601 et seq.) with respect to the Coronavirus  
 5 Disease 2019 (COVID–19); or

6 (B) December 31, 2020.

7 (f) FRAUD AND OVERPAYMENTS.—The provisions of  
 8 section 4005 of the Supplemental Appropriations Act,  
 9 2008 (Public Law 110–252; 122 Stat. 2356) shall apply  
 10 with respect to compensation paid under an agreement  
 11 under this section to the same extent and in the same  
 12 manner as in the case of emergency unemployment com-  
 13 pensation under title IV of such Act.

14 (g) DEFINITIONS.—For purposes of this section, the  
 15 terms “regular compensation”, “State”, “State agency”,  
 16 “State law”, and “week” have the respective meanings  
 17 given such terms under section 205 of the Federal-State  
 18 Extended Unemployment Compensation Act of 1970 (26  
 19 U.S.C. 3304 note).

20 **SEC. 3. EMERGENCY FLEXIBILITY FOR UNEMPLOYMENT**  
 21 **LAWS.**

22 Notwithstanding any other law, if a State modifies  
 23 its unemployment compensation law and policies (includ-  
 24 ing with respect to work search, waiting week, good cause,  
 25 and employer experience rating) on an emergency tem-

1 porary basis as needed to respond to the spread of  
2 COVID–19, such modifications shall be disregarded for  
3 the purposes of applying section 303 of the Social Security  
4 Act and section 3304 of the Internal Revenue Code of  
5 1986 to such State law.

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