

108TH CONGRESS
1ST SESSION

H. R. 3568

To provide extended unemployment benefits to displaced workers, and to make other improvements in the unemployment insurance system.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 21, 2003

Mr. RANGEL (for himself, Mr. CARDIN, and Mr. McDERMOTT) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To provide extended unemployment benefits to displaced workers, and to make other improvements in the unemployment insurance system.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Emergency Unemployment Compensation Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION

Sec. 101. References.

Sec. 102. Extension of the Temporary Extended Unemployment Compensation Act of 2002.

Sec. 103. Entitlement to additional weeks of temporary extended unemployment compensation.

Sec. 104. Extended benefit periods.

TITLE II—UNEMPLOYMENT BENEFITS FOR INDIVIDUALS QUALIFYING BASED ON PART-TIME WORK OR AN ALTERNATIVE BASE PERIOD

Sec. 201. Federal-State agreements.

Sec. 202. Payments to States having agreements under this title.

Sec. 203. Financing provisions.

Sec. 204. Definitions.

Sec. 205. Applicability.

**1 TITLE I—TEMPORARY EX-
2 TENDED UNEMPLOYMENT
3 COMPENSATION**

4 SEC. 101. REFERENCES.

5 Except as otherwise expressly provided, whenever in
6 this title an amendment is expressed in terms of an
7 amendment to a section or other provision, the reference
8 shall be considered to be made to a section or other provi-
9 sion of the Temporary Extended Unemployment Com-
10 pensation Act of 2002 (Public Law 107–147; 26 U.S.C.
11 3304 note).

**12 SEC. 102. EXTENSION OF THE TEMPORARY EXTENDED UN-
13 EMPLOYMENT COMPENSATION ACT OF 2002.**

14 (a) SIX-MONTH EXTENSION OF PROGRAM.—Section
15 208 is amended to read as follows:

1 **“SEC. 208. APPLICABILITY.**

2 “(a) IN GENERAL.—Subject to subsection (b), an
3 agreement entered into under this title shall apply to
4 weeks of unemployment—

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

7 “(2) ending before July 1, 2004.

8 “(b) TRANSITION.—In the case of an individual who
9 is receiving temporary extended unemployment compensa-
10 tion for the week which immediately precedes the first day
11 of the week that includes July 1, 2004, temporary ex-
12 tended unemployment compensation shall continue to be
13 payable to such individual for any week thereafter from
14 the account from which such individual received com-
15 pensation for the week immediately preceding that termi-
16 nation date. No compensation shall be payable by reason
17 of the preceding sentence for any week beginning after De-
18 cember 31, 2004.”.

19 (b) EFFECTIVE DATE.—The amendment made by
20 this section shall take effect as if included in the enact-
21 ment of the Temporary Extended Unemployment Com-
22 pensation Act of 2002 (Public Law 107–147; 26 U.S.C.
23 3304 note).

1 **SEC. 103. ENTITLEMENT TO ADDITIONAL WEEKS OF TEM-**
2 **PORARY EXTENDED UNEMPLOYMENT COM-**
3 **PENSATION.**

4 (a) WEEKS OF TEUC AMOUNTS.—Paragraph (1) of
5 section 203(b) is amended to read as follows:

6 “(1) IN GENERAL.—The amount established in
7 an account under subsection (a) shall be equal to 26
8 times the individual’s weekly benefit amount for the
9 benefit year.”.

10 (b) WEEKS OF TEUC–X AMOUNTS.—Section
11 203(c)(1) is amended by striking “an amount equal to the
12 amount originally established in such account (as deter-
13 mined under subsection (b)(1))” and inserting “7 times
14 the individual’s weekly benefit amount for the benefit
15 year”.

16 (c) EFFECTIVE DATE.—

17 (1) IN GENERAL.—The amendments made by
18 this section—

19 (A) shall take effect as if included in the
20 enactment of the Temporary Extended Unem-
21 ployment Compensation Act of 2002 (Public
22 Law 107–147; 26 U.S.C. 3304 note); but

23 (B) shall apply only with respect to weeks
24 of unemployment beginning on or after the date
25 of enactment of this Act, subject to paragraph
26 (2).

1 (2) SPECIAL RULES.—In the case of an indi-
2 vidual for whom a temporary extended unemploy-
3 ment compensation account was established before
4 the date of enactment of this Act, the Temporary
5 Extended Unemployment Compensation Act of 2002
6 (as amended by this title) shall be applied subject to
7 the following:

8 (A) Any amounts deposited in the individ-
9 ual’s temporary extended unemployment com-
10 pensation account by reason of section 203(c)
11 of such Act (commonly known as “TEUC–X
12 amounts”) before the date of enactment of this
13 Act shall be treated as amounts deposited by
14 reason of section 203(b) of such Act (commonly
15 known as “TEUC amounts”), as amended by
16 subsection (a).

17 (B) For purposes of determining whether
18 the individual is eligible for any TEUC–X
19 amounts under such Act, as amended by this
20 title—

21 (i) any determination made under sec-
22 tion 203(c) of such Act before the applica-
23 tion of the amendments made by this title
24 shall be disregarded; and

(ii) any such determination shall instead be made by applying section 203(c) of such Act, as amended by this title—

(I) as of the time that all amounts established in such account in accordance with section 203(b) of such Act (as amended by this title, and including any amounts described in subparagraph (A)) are in fact exhausted, except that

(II) if such individual's account was both augmented by and exhausted of all TEUC–X amounts before the date of enactment of this Act, such determination shall be made as if exhaustion (as described in section 203(c)(1) of such Act) had not occurred until such date of enactment.

SEC. 104. EXTENDED BENEFIT PERIODS.

(a) APPLICATION OF REVISED RATE OF INSURED UNEMPLOYMENT.—Section 207 is amended—

(1) by striking “In” and inserting “(a) IN GENERAL.—In”; and

(2) by adding at the end the following:

1 “(b) INSURED UNEMPLOYMENT RATE.—For pur-
 2 poses of carrying out section 203(c) with respect to weeks
 3 of unemployment beginning on or after the date of enact-
 4 ment of this subsection, the term ‘rate of insured unem-
 5 ployment’, as used in section 203(d) of the Federal-State
 6 Extended Unemployment Compensation Act of 1970 (26
 7 U.S.C. 3304 note), has the meaning given such term
 8 under section 203(e)(1) of such Act, except that individ-
 9 uals exhausting their right to regular compensation during
 10 the most recent 3 calendar months for which data are
 11 available before the close of the period for which such rate
 12 is being determined shall be taken into account as if they
 13 were individuals filing claims for regular compensation for
 14 each week during the period for which such rate is being
 15 determined, and section 203(d)(1)(A) of such Act shall be
 16 disregarded.”.

17 (b) ADDITIONAL EXTENDED BENEFIT PERIOD TRIG-
 18 GER.—

19 (1) IN GENERAL.—Section 203(c) is amended
 20 by adding at the end the following:

21 “(3) ADDITIONAL EXTENDED BENEFIT PERIOD
 22 TRIGGER.—

23 “(A) IN GENERAL.—Effective with respect
 24 to compensation for weeks of unemployment be-
 25 ginning on or after the date of enactment of

1 this paragraph, an agreement under this title
2 shall provide that, in addition to any other ex-
3 tended benefit period trigger, for purposes of
4 beginning or ending any extended benefit period
5 under this section—

6 “(i) there is a State ‘on’ indicator for
7 a week if the average rate of total unem-
8 ployment in such State (seasonally ad-
9 justed) for the period consisting of the
10 most recent 3 months for which data for
11 all States are published before the close of
12 such week equals or exceeds 6 percent; and

13 “(ii) there is a State ‘off’ indicator for
14 a week if the requirements of clause (i) are
15 not satisfied.

16 “(B) NO EFFECT ON OTHER DETERMINA-
17 TIONS.—Notwithstanding the provisions of any
18 agreement described in subparagraph (A), any
19 week for which there would otherwise be a
20 State ‘on’ indicator shall continue to be such a
21 week and shall not be determined to be a week
22 for which there is a State ‘off’ indicator.

23 “(C) DETERMINATIONS MADE BY THE
24 SECRETARY.—For purposes of this subsection,
25 determinations of the rate of total unemploy-

1 ment in any State for any period (and of any
2 seasonal adjustment) shall be made by the Sec-
3 retary.”.

4 (2) CONFORMING AMENDMENT.—Section
5 203(c)(1) is amended by inserting “or (3)” after
6 “paragraph (2)”.

7 (c) PROVISIONS RELATING TO EXTENDED BENE-
8 FITS.—For purposes of conforming with the provisions of
9 the Federal-State Extended Unemployment Compensation
10 Act of 1970 (26 U.S.C. 3304 note), a State may, for
11 weeks of unemployment beginning on after the date of the
12 enactment of this Act and on or before December 31,
13 2004, waive the application of subparagraph (A) of section
14 203(d)(1) of such Act, clause (ii) of section 203(f)(1)(A)
15 of such Act, or both.

16 **TITLE II—UNEMPLOYMENT BEN-**
17 **EFITS FOR INDIVIDUALS**
18 **QUALIFYING BASED ON PART-**
19 **TIME WORK OR AN ALTER-**
20 **NATIVE BASE PERIOD**

21 **SEC. 201. FEDERAL-STATE AGREEMENTS.**

22 (a) IN GENERAL.—Any State which desires to do so
23 may enter into and participate in an agreement under this
24 title with the Secretary of Labor (hereinafter in this title
25 referred to as the “Secretary”). Any State which is a party

1 to an agreement under this title may, upon providing 30
2 days' written notice to the Secretary, terminate such
3 agreement.

4 (b) PROVISIONS OF AGREEMENT.—

5 (1) IN GENERAL.—Any agreement under sub-
6 section (a) shall provide that the State agency of the
7 State will make payments of regular compensation
8 to individuals in amounts and to the extent that they
9 would be determined if the State law were applied
10 with the modifications described in paragraph (2).

11 (2) MODIFICATIONS DESCRIBED.—The modi-
12 fications described in this paragraph are as follows:

13 (A) In the case of an individual who is not
14 eligible for regular compensation under the
15 State law because of the use of a definition of
16 base period that does not count wages earned
17 in the most recently completed calendar quar-
18 ter, eligibility for compensation under this title
19 shall be determined by applying a base period
20 ending at the close of the most recently com-
21 pleted calendar quarter.

22 (B) In the case of an individual who is not
23 eligible for regular compensation under the
24 State law because such individual does not meet
25 requirements relating to availability for work,

1 active search for work, or refusal to accept
2 work, because such individual is seeking, or is
3 available for, less than full-time work, com-
4 pensation under this title shall not be denied by
5 such State to an otherwise eligible individual
6 who seeks less than full-time work or fails to
7 accept full-time work.

8 (c) COORDINATION RULE.—The modifications de-
9 scribed in subsection (b)(2) shall also apply in determining
10 the amount of benefits payable under any Federal law to
11 the extent that those benefits are determined by reference
12 to regular compensation payable under the State law of
13 the State involved.

14 **SEC. 202. PAYMENTS TO STATES HAVING AGREEMENTS**
15 **UNDER THIS TITLE.**

16 (a) GENERAL RULE.—There shall be paid to each
17 State which has entered into an agreement under this title
18 an amount equal to—

19 (1) 100 percent of any regular compensation
20 made payable to individuals by such State by virtue
21 of the modifications which are described in section
22 201(b)(2) and deemed to be in effect with respect to
23 such State pursuant to section 201(b)(1), and

24 (2) 100 percent of any regular compensation—

1 (A) which is paid to individuals by such
2 State by reason of the fact that its State law
3 contains provisions comparable to the modifica-
4 tions described in section 201(b)(2), but only

5 (B) to the extent that those amounts
6 would, if such amounts were instead payable by
7 virtue of the State law's being deemed to be so
8 modified pursuant to section 201(b)(1), have
9 been reimbursable under paragraph (1).

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

24 (c) ADMINISTRATIVE AND OTHER EXPENSES.—
25 There is hereby appropriated out of the employment secu-

1 rity administration account of the Unemployment Trust
2 Fund (as established by section 901(a) of the Social Secu-
3 rity Act) \$500,000,000 to reimburse States for the costs
4 of the administration of agreements under this title (in-
5 cluding any improvements in technology in connection
6 therewith) and to provide reemployment services to unem-
7 ployment compensation claimants in States having agree-
8 ments under this title. Each State's share of the amount
9 appropriated by the preceding sentence shall be deter-
10 mined by the Secretary according to the factors described
11 in section 302(a) of the Social Security Act and certified
12 by the Secretary to the Secretary of the Treasury.

13 **SEC. 203. FINANCING PROVISIONS.**

14 (a) IN GENERAL.—Funds in the extended unemploy-
15 ment compensation account (as established by section
16 905(a) of the Social Security Act), and the Federal unem-
17 ployment account (as established by section 904(g) of the
18 Social Security Act), of the Unemployment Trust Fund
19 shall be used, in accordance with subsection (b), for the
20 making of payments (described in section 202(a)) to
21 States having agreements entered into under this title.

22 (b) CERTIFICATION.—The Secretary shall from time
23 to time certify to the Secretary of the Treasury for pay-
24 ment to each State the sums described in section 202(a)
25 which are payable to such State under this title. The Sec-

1 retary of the Treasury, prior to audit or settlement by the
 2 General Accounting Office, shall make payments to the
 3 State in accordance with such certification by transfers
 4 from the extended unemployment compensation account
 5 (or, to the extent that there are insufficient funds in that
 6 account, from the Federal unemployment account) to the
 7 account of such State in the Unemployment Trust Fund.

8 **SEC. 204. DEFINITIONS.**

9 For purposes of this title:

10 (1) IN GENERAL.—The terms “compensation”,
 11 “regular compensation”, “base period”, “State”,
 12 “State agency”, “State law”, and “week” have the
 13 respective meanings given such terms under section
 14 205 of the Federal-State Extended Unemployment
 15 Compensation Act of 1970, subject to paragraph
 16 (2).

17 (2) STATE LAW AND REGULAR COMPENSA-
 18 TION.—In the case of a State entering into an
 19 agreement under this title—

20 (A) “State law” shall be considered to
 21 refer to the State law of such State, applied in
 22 conformance with the modifications described in
 23 section 201(b)(2), and

24 (B) “regular compensation” shall be con-
 25 sidered to refer to such compensation, deter-

1 mined under its State law (applied in the man-
2 ner described in subparagraph (A)),
3 except as otherwise provided or where the context
4 clearly indicates otherwise.

5 **SEC. 205. APPLICABILITY.**

6 An agreement entered into under this title shall apply
7 to weeks of unemployment—

8 (1) beginning after the date on which such
9 agreement is entered into, and

10 (2) ending before January 1, 2005.

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