

108TH CONGRESS
1ST SESSION

S. 923

To provide for additional weeks of temporary extended unemployment compensation, to provide for a program of temporary enhanced regular unemployment compensation, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 11, 2003

Mr. KENNEDY (for himself, Mr. SMITH, Mr. DASCHLE, Mrs. CLINTON, Mr. REED, Mr. DURBIN, Mr. SARBANES, Mr. BINGAMAN, Mr. ROCKEFELLER, Mr. DODD, Mr. LEVIN, Mrs. MURRAY, Mr. HARKIN, Ms. MIKULSKI, Ms. CANTWELL, and Mr. SCHUMER) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To provide for additional weeks of temporary extended unemployment compensation, to provide for a program of temporary enhanced regular unemployment compensation, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Economic Security Act of 2003”.

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

See. 1. Short title; table of contents.

**TITLE I—EXTENSION AND ENHANCEMENT OF TEMPORARY
EXTENDED UNEMPLOYMENT COMPENSATION**

Sec. 101. Extension of the Temporary Extended Unemployment Compensation Act of 2002.

Sec. 102. Entitlement to additional weeks of temporary extended unemployment compensation.

**TITLE II—TEMPORARY ENHANCED REGULAR UNEMPLOYMENT
COMPENSATION**

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.

Sec. 206. Coordination with the Temporary Extended Unemployment Compensation Act of 2002.

**1 1 TITLE I—EXTENSION AND EN-
2 2 HANCEMENT OF TEMPORARY
3 3 EXTENDED UNEMPLOYMENT
4 4 COMPENSATION**

**5 5 SEC. 101. EXTENSION OF THE TEMPORARY EXTENDED UN-
6 6 EMPLOYMENT COMPENSATION ACT OF 2002.**

7 (a) IN GENERAL.—Section 208 of the Temporary Extended Unemployment Compensation Act of 2002 (Public Law 107–147; 116 Stat. 30), as amended by Public Law 108–1 (117 Stat. 3), is amended—

11 (1) in subsection (a)(2), by striking “before June 1” and inserting “on or before November 30”;

13 (2) in subsection (b)(1), by striking “May 31, 2003” and inserting “November 30, 2003”;

15 (3) in subsection (b)(2)—

7 (b) EFFECTIVE DATE.—The amendments made by
8 this section shall take effect as if included in the enact-
9 ment of the Temporary Extended Unemployment Com-
10 pensation Act of 2002 (Public Law 107-147; 116 Stat.
11 21).

12 SEC. 102. ENTITLEMENT TO ADDITIONAL WEEKS OF TEM-
13 PORARY EXTENDED UNEMPLOYMENT COM-
14 PENSATION.

15 (a) ENTITLEMENT TO ADDITIONAL WEEKS.—
16 (1) IN GENERAL.—Paragraph (1) of section
17 203(b) of the Temporary Extended Unemployment
18 Compensation Act of 2002 (Public Law 107–147;
19 116 Stat. 28) is amended—

20 (A) in subparagraph (A), by striking “50
21 percent” and inserting “100 percent”; and
22 (B) in subparagraph (B), by striking “13
23 times” and inserting “26 times”.

24 (2) REPEAL OF RESTRICTION ON AUGMENTA-
25 TION DURING TRANSITIONAL PERIOD.—Section

1 208(b) of the Temporary Extended Unemployment
2 Compensation Act of 2002 (Public Law 107–147),
3 as amended by Public Law 108–1 (117 Stat. 3) and
4 section 101(a), is amended—

5 (A) in paragraph (1)—
6 (i) by striking “paragraphs (2) and
7 (3)” and inserting “paragraph (2)”; and
8 (ii) by inserting before the period at
9 the end the following: “, including such
10 compensation payable by reason of
11 amounts deposited in such account after
12 such date pursuant to the application of
13 subsection (c) of such section”;
14 (B) by striking paragraph (2); and
15 (C) by redesignating paragraph (3) as
16 paragraph (2).

17 (3) EXTENSION OF TRANSITION LIMITATION.—
18 Section 208(b)(2) of the Temporary Extended Un-
19 employment Compensation Act of 2002 (Public Law
20 107–147), as amended by Public Law 108–1 (117
21 Stat. 3) and section 101(a)(4) and as redesignated
22 by paragraph (2), is amended by striking “February
23 28, 2004” and inserting “May 29, 2004”.

24 (4) CONFORMING AMENDMENT FOR AUG-
25 MENTED BENEFITS.—Section 203(c)(1) of the Tem-

1 porary Extended Unemployment Compensation Act
2 of 2002 (Public Law 107–147; 116 Stat. 28) is
3 amended by striking “the amount originally estab-
4 lished in such account (as determined under sub-
5 section (b)(1))” and inserting “7 times the individ-
6 ual’s average weekly benefit amount for the benefit
7 year”.

8 (b) EFFECTIVE DATE AND APPLICATION.—

9 (1) IN GENERAL.—The amendments made by
10 subsection (a) shall apply with respect to weeks of
11 unemployment beginning on or after the date of en-
12 actment this Act.

13 (2) TEUC–X AMOUNTS DEPOSITED IN AC-
14 COUNT PRIOR TO DATE OF ENACTMENT DEEMED TO
15 BE THE ADDITIONAL TEUC AMOUNTS PROVIDED BY
16 THIS SECTION.—In applying the amendments made
17 by subsection (a) under the Temporary Extended
18 Unemployment Compensation Act of 2002 (Public
19 Law 107–147; 116 Stat. 26), the Secretary of Labor
20 shall deem any amounts deposited into an individ-
21 ual’s temporary extended unemployment compensa-
22 tion account by reason of section 203(c) of such Act
23 (commonly known as “TEUC–X amounts”) prior to
24 the date of enactment of this Act to be amounts de-
25 posited in such account by reason of section 203(b)

1 of such Act, as amended by subsection (a) (commonly known as “TEUC amounts”).

3 (3) APPLICATION TO EXHAUSTEES AND CUR-
4 RENT BENEFICIARIES.—

5 (A) EXHAUSTEES.—In the case of any in-
6 dividual—

7 (i) to whom any temporary extended
8 unemployment compensation was payable
9 for any week beginning before the date of
10 enactment of this Act; and

11 (ii) who exhausted such individual’s
12 rights to such compensation (by reason of
13 the payment of all amounts in such indi-
14 vidual’s temporary extended unemployment
15 compensation account) before such date,

16 such individual’s eligibility for any additional
17 weeks of temporary extended unemployment
18 compensation by reason of the amendments
19 made by subsection (a) shall apply with respect
20 to weeks of unemployment beginning on or
21 after the date of enactment of this Act.

22 (B) CURRENT BENEFICIARIES.—In the
23 case of any individual—

24 (i) to whom any temporary extended
25 unemployment compensation was payable

1 for any week beginning before the date of
2 enactment of this Act; and

3 (ii) as to whom the condition de-
4 scribed in subparagraph (A)(ii) does not
5 apply,

6 such individual shall be eligible for temporary
7 extended unemployment compensation (in ac-
8 cordance with the provisions of the Temporary
9 Extended Unemployment Compensation Act of
10 2002, as amended by subsection (a)) with re-
11 spect to weeks of unemployment beginning on
12 or after the date of enactment of this Act.

13 (4) REDETERMINATION OF ELIGIBILITY FOR
14 AUGMENTED AMOUNTS FOR INDIVIDUALS FOR WHOM
15 SUCH A DETERMINATION WAS MADE PRIOR TO THE
16 DATE OF ENACTMENT.—Any determination of
17 whether the individual's State is in an extended ben-
18 efit period under section 203(c) of the Temporary
19 Extended Unemployment Compensation Act of 2002
20 (Public Law 107–147; 116 Stat. 28) made prior to
21 the date of enactment of this Act shall be dis-
22 regarded and the determination under such section
23 shall be made as follows:

24 (A) INDIVIDUALS WHO EXHAUSTED ALL
25 TEUC AND TEUC–X AMOUNTS PRIOR TO THE

1 DATE OF ENACTMENT.—In the case of an individual whose temporary extended unemployment account has, prior to the date of enactment of this Act, been both augmented under such section 203(c) and exhausted of all amounts by which it was so augmented, the determination shall be made as of such date of enactment.

9 (B) ALL OTHER INDIVIDUALS.—In the case of an individual who is not described in subparagraph (A), the determination shall be made at the time that the individual's account established under such section 203, as amended by subsection (a), is exhausted.

15 **TITLE II—TEMPORARY ENHANCED REGULAR UNEMPLOYMENT COMPENSATION**

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

19 (a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title 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.

25 (b) PROVISIONS OF AGREEMENT.—

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

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

23 (B) In the case of an individual who is not
24 eligible for regular compensation under the
25 State law because such individual does not meet

1 requirements relating to availability for work,
2 active search for work, or refusal to accept
3 work, because such individual is seeking, or is
4 available for, less than full-time work, then
5 compensation shall not be denied by such State
6 to an otherwise eligible individual who seeks
7 less than full-time work or fails to accept full-
8 time work.

9 (3) REDUCTION OF AMOUNTS OF REGULAR
10 COMPENSATION AVAILABLE FOR INDIVIDUALS WHO
11 SOUGHT PART-TIME WORK OR FAILED TO ACCEPT
12 FULL-TIME WORK.—Any agreement under sub-
13 section (a) shall provide that the State agency of the
14 State shall reduce the amount of regular compensa-
15 tion available to an individual who has received tem-
16 porary enhanced regular unemployment compensa-
17 tion as a result of the application of the modification
18 described in paragraph (2)(B) by the amount of
19 such temporary enhanced regular unemployment
20 compensation.

21 (c) COORDINATION RULE.—The modifications de-
22 scribed in subsection (b)(2) shall also apply in determining
23 the amount of benefits payable under any Federal law to
24 the extent that those benefits are determined by reference

1 to regular compensation payable under the State law of
2 the State involved.

3 **SEC. 202. PAYMENTS TO STATES HAVING AGREEMENTS**

4 **UNDER THIS TITLE.**

5 (a) **GENERAL RULE.**—There shall be paid to each
6 State which has entered into an agreement under this title
7 an amount equal to—

8 (1) 100 percent of any temporary enhanced reg-
9 ular unemployment compensation; and

10 (2) 100 percent of any regular compensation
11 which is paid to individuals by such State by reason
12 of the fact that its State law contains provisions
13 comparable to the modifications described in sub-
14 paragraphs (A) and (B) of section 201(b)(2), but
15 only to the extent that those amounts would, if such
16 amounts were instead payable by virtue of the State
17 law's being deemed to be so modified pursuant to
18 section 201(b)(1), have been reimbursable under
19 paragraph (1).

20 (b) **DETERMINATION OF AMOUNT.**—Sums under sub-
21 section (a) payable to any State by reason of such State
22 having an agreement under this title shall be payable, ei-
23 ther in advance or by way of reimbursement (as may be
24 determined by the Secretary), in such amounts as the Sec-
25 retary estimates the State will be entitled to receive under

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

9 **SEC. 203. FINANCING PROVISIONS.**

10 (a) IN GENERAL.—Funds in the extended unemploy-
11 ment compensation account (as established by section
12 905(a) of the Social Security Act (42 U.S.C. 1105(a))),
13 and the Federal unemployment account (as established by
14 section 904(g) of such Act (42 U.S.C. 1104(g))), of the
15 Unemployment Trust Fund (as established by section
16 904(a) of such Act (42 U.S.C. 1104(a))) shall be used
17 for the making of payments to States having agreements
18 entered into under this title.

19 (b) CERTIFICATION.—The Secretary shall from time
20 to time certify to the Secretary of the Treasury for pay-
21 ment to each State the sums which are payable to such
22 State under this title. The Secretary of the Treasury, prior
23 to audit or settlement by the General Accounting Office,
24 shall make payments to the State in accordance with such
25 certification by transfers from the extended unemployment

1 compensation account (as so established), or, to the extent
2 that there are insufficient funds in that account, from the
3 Federal unemployment account, to the account of such
4 State in the Unemployment Trust Fund (as so estab-
5 lished).

6 (c) ASSISTANCE TO STATES.—There are appro-
7 priated out of the employment security administration ac-
8 count of the Unemployment Trust Fund (as established
9 by section 901(a) of the Social Security Act (42 U.S.C.
10 1101(a))) \$500,000,000 to reimburse States for the costs
11 of the administration of agreements under this title (in-
12 cluding any improvements in technology in connection
13 therewith) and to provide reemployment services to unem-
14 ployment compensation claimants in States having agree-
15 ments under this title. Each State's share of the amount
16 appropriated by the preceding sentence shall be deter-
17 mined by the Secretary according to the factors described
18 in section 302(a) of the Social Security Act (42 U.S.C.
19 502(a)) and certified by the Secretary to the Secretary
20 of the Treasury.

21 (d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—
22 There are appropriated from the general fund of the
23 Treasury, without fiscal year limitation, to the extended
24 unemployment compensation account (as so established)
25 of the Unemployment Trust Fund (as so established) such

- 1 sums as the Secretary estimates to be necessary to make
- 2 the payments under this section in respect of—

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

10 SEC. 204. DEFINITIONS.

11 For purposes of this title, the terms "compensation",
12 "base period", "regular compensation", "State", "State
13 agency", "State law", and "week" have the respective
14 meanings given such terms under section 205 of the Fed-
15 eral-State Extended Unemployment Compensation Act of
16 1970.

17 SEC. 205. APPLICABILITY.

18 (a) IN GENERAL.—Except as provided in subsection
19 (b), an agreement entered into under this title shall apply
20 to weeks of unemployment—

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

23 (2) ending before July 1, 2004.
24 (b) PHASE-OUT OF TERUC.—

10 (2) LIMITATION.—No compensation shall be
11 payable by reason of paragraph (1) for any week be-
12 ginning after December 31, 2004.

13 SEC. 206. COORDINATION WITH THE TEMPORARY EX-
14 TENDED UNEMPLOYMENT COMPENSATION
15 ACT OF 2002.

16 (a) IN GENERAL.—The Temporary Extended Unem-
17 ployment Compensation Act of 2002 (Public Law 107–
18 147; 116 Stat. 30) is amended—

6 (4) in section 202(c)(1), by inserting “and no
7 payments of temporary enhanced regular unemploy-
8 ment compensation can be made” after “under such
9 law”;

1 (b) AMOUNT OF TEUC OFFSET BY AMOUNT OF
2 TERUC.—Section 203(b)(1) of the Temporary Extended
3 Unemployment Compensation Act of 2002 (Public Law
4 107–147; 116 Stat. 28) is amended—

5 (1) in subparagraph (B), by striking the period
6 at the end and inserting a comma; and

7 (2) by adding at the end the following:
8 “minus the number of weeks in which the individual
9 was entitled to temporary enhanced regular unem-
10 ployment compensation as a result of the application
11 of the modification described in section 201(b)(2)(A)
12 of the Economic Security Act of 2003 (relating to
13 the alternative base period) multiplied by the indi-
14 vidual’s average weekly benefit amount for the ben-
15 efit year.”.

16 (c) TEMPORARY ENHANCED REGULAR UNEMPLOY-
17 MENT COMPENSATION DEFINED.—Section 207 of the
18 Temporary Extended Unemployment Compensation Act of
19 2002 (Public Law 107–147; 116 Stat. 30) is amended to
20 read as follows:

21 **“SEC. 207. DEFINITIONS.**

22 “In this title:

23 “(1) GENERAL DEFINITIONS.—The terms ‘com-
24 pensation’, ‘regular compensation’, ‘extended com-
25 pensation’, ‘additional compensation’, ‘benefit year’,

1 ‘base period’, ‘State’, ‘State agency’, ‘State law’, and
2 ‘week’ have the respective meanings given such
3 terms under section 205 of the Federal-State Ex-
4 tended Unemployment Compensation Act of 1970
5 (26 U.S.C. 3304 note).

6 “(2) TEMPORARY ENHANCED REGULAR UNEM-
7 PLOYMENT COMPENSATION.—The term ‘temporary
8 enhanced regular unemployment compensation’
9 means temporary enhanced regular unemployment
10 benefits payable under title II of the Economic Secu-
11 rity Act of 2003.”.

○