

referred to in subsec. (a)(5)(B), are the amendments made by subsecs. (a) and (b) of section 9016 of Pub. L. 117-2, which amended this section.

Sections 203(c) and 205 of the Federal-State Extended Unemployment Compensation Act of 1970, referred to in subsecs. (a)(8) and (f), respectively, are sections 203(c) and 205 of Pub. L. 91-373, which are set out in a note under section 3304 of Title 26, Internal Revenue Code.

The Social Security Act, referred to in subsec. (d)(2)(A), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Title III of the Act is classified generally to subchapter III (§501 et seq.) of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

AMENDMENTS

2021—Subsec. (a)(5)(B). Pub. L. 117-2, §9016(c), inserted “or for the week that includes March 11, 2021 (without regard to the amendments made by subsections (a) and (b) of section 9016 of American Rescue Plan Act of 2021)” after “2020”.

Subsec. (a)(8). Pub. L. 117-2, §9016(d), substituted “September 6, 2021” for “April 12, 2021” in introductory provisions.

Subsec. (b)(2). Pub. L. 117-2, §9016(b), substituted “53 times” for “24 times”.

Subsec. (g). Pub. L. 117-2, §9016(a), amended subsec. (g) generally. Prior to amendment, subsec. (g) related to applicability, transition rule, and termination date.

2020—Subsec. (a)(4)(A). Pub. L. 116-260, §261(b)(2), struck out “and” at end of cl. (i), substituted “section 9023(b)(1)(B) of this title; and” for “section 9023 of this title;” in cl. (ii), and added cl. (iii).

Subsec. (a)(5). Pub. L. 116-260, §206(c)(2)(A), substituted “rules” for “rule” in heading, designated existing provisions as subpar. (A), inserted subpar. heading, substituted “Subject to subparagraph (B), an agreement” for “An agreement”, and added subpar. (B).

Subsec. (a)(8). Pub. L. 116-260, §206(c)(2)(B), added par. (8).

Subsec. (b)(2). Pub. L. 116-260, §206(b), substituted “24 times” for “13 times”.

Subsec. (b)(4). Pub. L. 116-260, §206(c)(1), added par. (4).

Subsec. (g). Pub. L. 116-260, §206(a), amended subsec. (g) generally. Prior to amendment, text read as follows: “An agreement entered into under this section shall apply to weeks of unemployment—

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

“(2) ending on or before December 31, 2020.”

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2021 AMENDMENT

Pub. L. 117-2, title IX, §9016(e), Mar. 11, 2021, 135 Stat. 120, provided that: “The amendments made by this section [amending this section] shall apply as if included in the enactment of the CARES Act (Public Law 116-136), except that no amount shall be payable by virtue of such amendments with respect to any week of unemployment ending on or before March 14, 2021.”

EFFECTIVE DATE OF 2020 AMENDMENT

Pub. L. 116-260, div. N, title II, §206(d), Dec. 27, 2020, 134 Stat. 1956, provided that:

“(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section [amending this section] shall apply as if included in the enactment of the CARES Act (Public Law 116-136), except that no amount shall be payable by virtue of such amendments with respect to any week of unemployment commencing before the date of the enactment of this Act [Dec. 27, 2020].

“(2) COORDINATION RULES.—The amendments made by subsection (c)(1) shall apply to individuals whose benefit years, as described in section 2107(b)(4)(A)(ii) of the CARES Act [15 U.S.C. 9025(b)(4)(A)(ii)], expire after the date of enactment of this Act.”

§ 9026. Temporary financing of short-time compensation payments in States with programs in law

(a) Payments to States

(1) In general

Subject to paragraph (3), there shall be paid to a State an amount equal to 100 percent of the amount of short-time compensation paid under a short-time compensation program (as defined in section 3306(v) of title 26) under the provisions of the State law.

(2) Terms of payments

Payments made to a State under paragraph (1) shall be payable by way of reimbursement in such amounts as the Secretary estimates the State will be entitled to receive under this section 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.

(3) Limitations on payments

(A) General payment limitations

No payments shall be made to a State under this section for short-time compensation paid to an individual by the State during a benefit year in excess of 26 times the amount of regular compensation (including dependents’ allowances) under the State law payable to such individual for a week of total unemployment.

(B) Employer limitations

No payments shall be made to a State under this section for benefits paid to an individual by the State under a short-time compensation program if such individual is employed by the participating employer on a seasonal, temporary, or intermittent basis.

(b) Applicability

Payments to a State under subsection (a) shall be available for weeks of unemployment—

- (1) beginning on or after March 27, 2020; and
- (2) ending on or before September 6, 2021.

(c) New programs

Subject to subsection (b)(2), if at any point after March 27, 2020, the State enacts a State law providing for the payment of short-time compensation under a short-time compensation program that meets the definition of such a program under section 3306(v) of title 26, the State shall be eligible for payments under this section after the effective date of such enactment.

(d) Funding and certifications

(1) Funding

There are appropriated, out of moneys in the Treasury not otherwise appropriated, such sums as may be necessary for purposes of carrying out this section.

(2) Certifications

The Secretary shall from time to time certify to the Secretary of the Treasury for pay-

ment to each State the sums payable to such State under this section.

(e) Definitions

In this section:

(1) Secretary

The term “Secretary” means the Secretary of Labor.

(2) State; State agency; State law

The terms “State”, “State agency”, and “State law” have the meanings given those terms in section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

(Pub. L. 116–136, div. A, title II, §2108, Mar. 27, 2020, 134 Stat. 328; Pub. L. 116–260, div. N, title II, §207, Dec. 27, 2020, 134 Stat. 1956; Pub. L. 117–2, title IX, §9017, Mar. 11, 2021, 135 Stat. 120.)

Editorial Notes

REFERENCES IN TEXT

Section 205 of the Federal-State Extended Unemployment Compensation Act of 1970, referred to in subsec. (e)(2), is section 205 of Pub. L. 91–373, which is set out in a note under section 3304 of Title 26, Internal Revenue Code.

CODIFICATION

Section is comprised of section 2108 of Pub. L. 116–136. Subsec. (f) of section 2108 of Pub. L. 116–136 amended section 3306 of Title 26, Internal Revenue Code.

AMENDMENTS

2021—Subsec. (b)(2). Pub. L. 117–2 substituted “September 6, 2021” for “March 14, 2021”.

2020—Subsec. (b)(2). Pub. L. 116–260 substituted “March 14, 2021” for “December 31, 2020”.

§ 9027. Temporary financing of short-time compensation agreements

(a) Federal-State agreements

(1) In general

Any State which desires to do so may enter into, and participate in, an agreement under this section with the Secretary provided that such State’s law does not provide for the payment of short-time compensation under a short-time compensation program (as defined in section 3306(v) of title 26).

(2) Ability to terminate

Any State which is a party to an agreement under this section may, upon providing 30 days’ written notice to the Secretary, terminate such agreement.

(b) Provisions of Federal-State agreement

(1) In general

Any agreement under this section shall provide that the State agency of the State will make payments of short-time compensation under a plan approved by the State. Such plan shall provide that payments are made in accordance with the requirements under section 3306(v) of title 26.

(2) Limitations on plans

(A) General payment limitations

A short-time compensation plan approved by a State shall not permit the payment of

short-time compensation to an individual by the State during a benefit year in excess of 26 times the amount of regular compensation (including dependents’ allowances) under the State law payable to such individual for a week of total unemployment.

(B) Employer limitations

A short-time compensation plan approved by a State shall not provide payments to an individual if such individual is employed by the participating employer on a seasonal, temporary, or intermittent basis.

(3) Employer payment of costs

Any short-time compensation plan entered into by an employer must provide that the employer will pay the State an amount equal to one-half of the amount of short-time compensation paid under such plan. Such amount shall be deposited in the State’s unemployment fund and shall not be used for purposes of calculating an employer’s contribution rate under section 3303(a)(1) of title 26.

(c) Payments to States

(1) In general

There shall be paid to each State with an agreement under this section an amount equal to—

(A) one-half of the amount of short-time compensation paid to individuals by the State pursuant to such agreement; and

(B) any additional administrative expenses incurred by the State by reason of such agreement (as determined by the Secretary).

(2) Terms of payments

Payments made to a State under paragraph (1) shall be payable by way of reimbursement in such amounts as the Secretary estimates the State will be entitled to receive under this section 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.

(3) Funding

There are appropriated, out of moneys in the Treasury not otherwise appropriated, such sums as may be necessary for purposes of carrying out this section.

(4) Certifications

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 section.

(d) Applicability

An agreement entered into under this section shall apply to weeks of unemployment—

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

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

(e) Special rule

If a State has entered into an agreement under this section and subsequently enacts a State law