

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

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—

(1) shall not be eligible for payments under this section for weeks of unemployment beginning after the effective date of such State law; and

(2) subject to section 9026(b)(2) of this title, shall be eligible to receive payments under section 9026 of this title after the effective date of such State law.

(f) 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, §2109, Mar. 27, 2020, 134 Stat. 329; Pub. L. 116–260, div. N, title II, §208, Dec. 27, 2020, 134 Stat. 1956; Pub. L. 117–2, title IX, §9018, 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. (f)(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.

AMENDMENTS

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

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

§ 9028. Grants for short-time compensation programs

(a) Grants

(1) For implementation or improved administration

The Secretary shall award grants to States that enact short-time compensation programs (as defined in subsection (i)(2)) for the purpose of implementation or improved administration of such programs.

(2) For promotion and enrollment

The Secretary shall award grants to States that are eligible and submit plans for a grant under paragraph (1) for such States to promote and enroll employers in short-time compensation programs (as so defined).

(3) Eligibility

(A) In general

The Secretary shall determine eligibility criteria for the grants under paragraphs (1) and (2).

(B) Clarification

A State administering a short-time compensation program that does not meet the

definition of a short-time compensation program under section 3306(v) of title 26, and a State with an agreement under section 9027 of this title, shall not be eligible to receive a grant under this section until such time as the State law of the State provides for payments under a short-time compensation program that meets such definition and such law.

(b) Amount of grants

(1) In general

The maximum amount available for making grants to a State under paragraphs (1) and (2) shall be equal to the amount obtained by multiplying \$100,000,000 (less the amount used by the Secretary under subsection (e)) by the same ratio as would apply under subsection (a)(2)(B) of section 1103 of title 42 for purposes of determining such State’s share of any excess amount (as described in subsection (a)(1) of such section) that would have been subject to transfer to State accounts, as of October 1, 2019, under the provisions of subsection (a) of such section.

(2) Amount available for different grants

Of the maximum incentive payment determined under paragraph (1) with respect to a State—

(A) one-third shall be available for a grant under subsection (a)(1); and

(B) two-thirds shall be available for a grant under subsection (a)(2).

(c) Grant application and disbursement

(1) Application

Any State seeking a grant under paragraph (1) or (2) of subsection (a) shall submit an application to the Secretary at such time, in such manner, and complete with such information as the Secretary may require. In no case may the Secretary award a grant under this section with respect to an application that is submitted after December 31, 2023.

(2) Notice

The Secretary shall, within 30 days after receiving a complete application, notify the State agency of the State of the Secretary’s findings with respect to the requirements for a grant under paragraph (1) or (2) (or both) of subsection (a).

(3) Certification

If the Secretary finds that the State law provisions meet the requirements for a grant under subsection (a), the Secretary shall thereupon make a certification to that effect to the Secretary of the Treasury, together with a certification as to the amount of the grant payment to be transferred to the State account in the Unemployment Trust Fund (as established in section 1104(a) of title 42) pursuant to that finding. The Secretary of the Treasury shall make the appropriate transfer to the State account within 7 days after receiving such certification.

(4) Requirement

No certification of compliance with the requirements for a grant under paragraph (1) or