

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

(2) of subsection (a) may be made with respect to any State whose—

(A) State law is not otherwise eligible for certification under section 503 of title 42 or approvable under section 3304 of title 26; or

(B) short-time compensation program is subject to discontinuation or is not scheduled to take effect within 12 months of the certification.

(d) Use of funds

The amount of any grant awarded under this section shall be used for the implementation of short-time compensation programs and the overall administration of such programs and the promotion and enrollment efforts associated with such programs, such as through—

(1) the creation or support of rapid response teams to advise employers about alternatives to layoffs;

(2) the provision of education or assistance to employers to enable them to assess the feasibility of participating in short-time compensation programs; and

(3) the development or enhancement of systems to automate—

(A) the submission and approval of plans; and

(B) the filing and approval of new and ongoing short-time compensation claims.

(e) Administration

The Secretary is authorized to use 0.25 percent of the funds available under subsection (g) to provide for outreach and to share best practices with respect to this section and short-time compensation programs.

(f) Recoupment

The Secretary shall establish a process under which the Secretary shall recoup the amount of any grant awarded under paragraph (1) or (2) of subsection (a) if the Secretary determines that, during the 5-year period beginning on the first date that any such grant is awarded to the State, the State—

(1) terminated the State's short-time compensation program; or

(2) failed to meet appropriate requirements with respect to such program (as established by the Secretary).

(g) Funding

There are appropriated, out of moneys in the Treasury not otherwise appropriated, to the Secretary, \$100,000,000 to carry out this section, to remain available without fiscal year limitation.

(h) Reporting

The Secretary may establish reporting requirements for States receiving a grant under this section in order to provide oversight of grant funds.

(i) Definitions

In this section:

(1) Secretary

The term “Secretary” means the Secretary of Labor.

(2) Short-time compensation program

The term “short-time compensation program” has the meaning given such term in section 3306(v) of title 26.

(3) 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, §2110, Mar. 27, 2020, 134 Stat. 331.)

Editorial Notes

REFERENCES IN TEXT

Section 205 of the Federal-State Extended Unemployment Compensation Act of 1970, referred to in subsec. (i)(3), is section 205 of Pub. L. 91-373, which is set out in a note under section 3304 of Title 26, Internal Revenue Code.

§ 9029. Assistance and guidance in implementing programs

(a) In general

In order to assist States in establishing, qualifying, and implementing short-time compensation programs (as defined in section 3306(v) of title 26), the Secretary of Labor (in this section referred to as the “Secretary”) shall—

(1) develop model legislative language, or disseminate existing model legislative language, which may be used by States in developing and enacting such programs, and periodically review and revise such model legislative language;

(2) provide technical assistance and guidance in developing, enacting, and implementing such programs; and

(3) establish reporting requirements for States, including reporting on—

(A) the number of estimated averted layoffs;

(B) the number of participating employers and workers; and

(C) such other items as the Secretary of Labor determines are appropriate.

(b) Model language and guidance

The model language and guidance developed under subsection (a) shall allow sufficient flexibility by States and participating employers while ensuring accountability and program integrity.

(c) Consultation

In developing the model legislative language and guidance under subsection (a), and in order to meet the requirements of subsection (b), the Secretary shall consult with employers, labor organizations, State workforce agencies, and other program experts. Existing model legislative language that has been developed through such a consultative process shall be deemed to meet the consultation requirement of this subsection.

(Pub. L. 116-136, div. A, title II, §2111, Mar. 27, 2020, 134 Stat. 333.)

Editorial Notes

CODIFICATION

Section is comprised of section 2111 of Pub. L. 116-136. Subsec. (d) of section 2111 of Pub. L. 116-136 repealed provisions formerly set out as a note under section 3306 of Title 26, Internal Revenue Code.