Temporary Extension of Unemployment Benefits: Emergency Unemployment Compensation (EUC08)

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March 18, 2011
Summary

In July 2008, a new temporary unemployment benefit, the Emergency Unemployment Compensation (EUC08) program, began. The program’s authorization ends on January 3, 2012. EUC08 was created by P.L. 110-252, and it has been amended by P.L. 110-449, P.L. 111-5, P.L. 111-92, P.L. 111-118, P.L. 111-144, P.L. 111-157, P.L. 111-205, and P.L. 111-312. Most recently, P.L. 111-312 extends the authorization of the EUC08 program, but does not change the structure of the program or augment benefits. This temporary unemployment insurance program provides up to 20 additional weeks of unemployment benefits to certain workers who have exhausted their rights to regular unemployment compensation (UC) benefits. A second tier of benefits provides up to an additional 14 weeks of benefits (for a total of up to 34 weeks of EUC08 benefits for all unemployed workers). A third tier is available in states with a total unemployment rate of at least 6% and provides up to an additional 13 weeks of EUC08 benefits (for a total of up to 47 weeks of EUC08 benefits in certain states). A fourth tier is available in states with a total unemployment rate of at least 8.5% and provides up to an additional six weeks of EUC08 benefits (for a total of up to 53 weeks of EUC08 benefits in certain states).

All tiers of EUC08 benefits are temporary and expire the week ending on or before January 3, 2012. Those beneficiaries receiving tier I, II, III, or IV of EUC08 benefits before December 31, 2011 (January 1, 2012, in New York) are “grandfathered” for their remaining weeks of eligibility for that particular tier only. There will be no new entrants into any tier of the EUC08 program after December 31, 2011. If an individual is eligible to continue to receive his or her remaining EUC08 benefit tier after December 31, 2011, that individual would not be entitled to tier II benefits once those tier I benefits were exhausted. No EUC08 benefits—regardless of tier—are payable for any week after June 9, 2012.


This report will be updated to reflect current congressional action or programmatic changes. Individuals should contact their state’s unemployment agency to obtain information on how to apply for and receive EUC08 benefits. The U.S. Department of Labor maintains a website with links to each state’s agency at http://www.workforcesecurity.doleta.gov/map.asp.
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Emergency Unemployment Compensation

On June 30, 2008, the President signed the Supplemental Appropriations Act of 2008 (P.L. 110-252) into law. Title IV of this act created a new temporary unemployment insurance program, the Emergency Unemployment Compensation (EUC08) program. This is the eighth time Congress has created a federal temporary program that has extended unemployment compensation during an economic slowdown. State unemployment compensation (UC) agencies administer the EUC08 benefit along with regular UC benefits. The authorization for this program ends on January 3, 2012.

The EUC08 program has been amended by P.L. 110-449, P.L. 111-5, P.L. 111-92, P.L. 111-118, P.L. 111-144, P.L. 111-157, P.L. 111-205, and P.L. 111-312. This temporary unemployment insurance program provides up to 20 additional weeks of unemployment benefits to certain workers who have exhausted their rights to regular UC benefits. A second tier of benefits provides up to an additional 14 weeks of benefits (for a total of 34 weeks of EUC08 benefits for all unemployed workers). A third tier is available in states with a total unemployment rate of at least 6% and provides up to an additional 13 weeks of EUC08 benefits (for a total of 47 weeks of EUC08 benefits). A fourth tier is available in states with a total unemployment rate of at least 8.5% and provides up to an additional six weeks of EUC08 benefits (for a total of 53 weeks of EUC08 benefits).

On December 17, 2010, the President signed P.L. 111-312, the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, into law. P.L. 111-312 extends the authorization for EUC08 through the week ending on or before January 3, 2012. P.L. 111-312 only extends the authorization of the EUC08 program. It does not change the structure of the program, create additional benefit tiers, or augment any tier of existing EUC08 benefits.

Table 1 provides a summary of how the EUC08 program has changed since it was first authorized. Each row provides the public law that amended the original EUC08 program, the corresponding EUC08 benefits available under that law, and the effective dates authorized by that law.

See Appendix for a diagram of the various unemployment benefits available to workers.

1 For information on previous legislative attempts to extend or expand the EUC08 program or for information on the regular unemployment compensation program, see CRS Report RL33362, Unemployment Insurance: Programs and Benefits, by Katelin P. Isaacs and Julie M. Whittaker.

Table 1. Summary of Emergency Unemployment Compensation (EUC08) Program: Public Law, Benefits, Effective Dates, and Financing

<table>
<thead>
<tr>
<th>Public Law</th>
<th>Benefit Tiers and Availability</th>
<th>Dates in Effect and Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tier II: 13 additional weeks (33 weeks total) if state TUR is 6% or higher or IUR is 4% or higher</td>
<td>(No benefits past 8/29/2009)</td>
</tr>
<tr>
<td></td>
<td>Same as above.</td>
<td>Funded by federal EUCA funds within UTF.</td>
</tr>
<tr>
<td></td>
<td>Tier II: 13 additional weeks (33 weeks total) if state TUR is 6% or higher or IUR is 4% or higher</td>
<td>(No benefits past 6/6/2010)</td>
</tr>
<tr>
<td></td>
<td>Same as above.</td>
<td>Funded by general fund of the Treasury. (Additionally, the FAC program is funded by the general fund of the Treasury. The 100% financing of the EB program is funded by the EUCA funds within the UTF.)</td>
</tr>
<tr>
<td></td>
<td>Tier II: 14 additional weeks (34 weeks total, all states)</td>
<td>(No benefits past 6/6/2010)</td>
</tr>
<tr>
<td></td>
<td>Tier III: 13 additional weeks if state TUR is 6% or higher or IUR is 4% or higher (47 weeks total)</td>
<td>Funded by general fund of the Treasury.</td>
</tr>
<tr>
<td></td>
<td>Tier IV: 6 additional weeks if state TUR is 8.5% or higher or IUR is 6% or higher (53 weeks total)</td>
<td>Extended FUTA surtax through June 2011. The estimated revenues collected from FUTA surtax provision were $2.578 billion and offset the estimated direct spending costs for unemployment insurance provisions of $2.42 billion.</td>
</tr>
<tr>
<td></td>
<td>Same as above.</td>
<td>12/27/2009-2/27/2010</td>
</tr>
<tr>
<td>Department of Defense Appropriations Act, 2010 (P.L. 111-118), signed December 19, 2009</td>
<td>Tier I: 20 weeks (all states)</td>
<td>(No benefits past 7/31/2010)</td>
</tr>
<tr>
<td></td>
<td>Tier II: 13 additional weeks (33 weeks total) if state TUR is 6% or higher or IUR is 4% or higher</td>
<td>Funded by general fund of the Treasury.</td>
</tr>
<tr>
<td></td>
<td>Same as above.</td>
<td></td>
</tr>
</tbody>
</table>
How Does an Eligible Individual Receive the EUC08 Benefit?

An individual should contact his or her state’s unemployment agency to obtain specific information on how to apply for and receive EUC08 benefits. The U.S. Department of Labor maintains a website with links to each state’s agency at http://www.workforcesecurity.doleta.gov/map.asp.

How Much is an Eligible Individual’s Weekly EUC08 Benefit?

The amount of the EUC08 benefit is the equivalent of the eligible individual’s weekly regular UC benefit and includes any applicable dependents’ allowances. Some individuals receiving unemployment benefits prior to December 11, 2010, may also have received a supplemental $25 weekly benefit (see section on “Who Was Eligible for the $25 FAC Benefit?” below).

Who Was Eligible for the $25 FAC Benefit?

P.L. 111-5 created the temporary Federal Additional Compensation (FAC), a $25 weekly benefit supplement for individuals receiving EUC08 benefits and benefits from other unemployment compensation programs: UC, the Extended Benefit (EB) program, Disaster Unemployment Assistance (DUA), and Trade Adjustment Assistance (TAA). The authorization for the FAC $25 weekly benefit expired on June 2, 2010. It has not been extended by recent legislation (P.L. 111-205; P.L. 111-312).
If an unemployed individual was receiving any type of unemployment benefit—UC, EUC08, EB, DUA, or TAA—prior to May 29, 2010 (May 30, 2010, for New York), that individual continued to receive the weekly FAC until he or she had exhausted all unemployment benefits from all unemployment programs (i.e., UC, EUC08, EB, DUA, and TAA) or until December 11, 2010 (December 12, 2010, for New York), whichever date came first. Individuals who first began receiving unemployment benefits after May 29, 2010 (May 30, 2010, for New York) did not receive the FAC. All FAC payments have ceased.

What is the Duration of an Eligible Individual’s EUC08 Benefit?

Tier I
The maximum number of weeks for which an individual may be eligible under tier I EUC08 benefits is capped at 20 weeks. Some individuals may be eligible for fewer weeks of the tier I EUC08 benefits if their regular UC benefit entitlement was less than 26 weeks.

Tier II
Once an individual has exhausted tier I benefits, a second tier is available that provides up to 14 additional weeks of EUC08 benefits.

Tier III
Once an individual has exhausted tier II benefits, a third tier of EUC08 benefits may be available if the individual worked in a state with a three-month average total unemployment rate of 6% or higher. The maximum number of weeks of tier III benefits is capped at 13 additional weeks (for a total of 47 weeks of EUC08 benefits).

Tier IV
Once an individual has exhausted tier III benefits, a fourth tier of EUC08 benefits may be available if the individual worked in a state with a three-month average unemployment rate of 8.5% or higher. The maximum number of weeks of tier IV benefits is capped at six weeks (for a total of 53 weeks of EUC08 benefits).

How Is High Unemployment Defined for Purposes of Tier III and Tiers IV EUC08 Benefits?

Tier III: The individual must have worked in a state where either the three-month seasonally adjusted average state total unemployment rate (TUR) must be at least 6% or the insured

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3 The TUR is the ratio of unemployed workers to all workers (employed and unemployed) in the labor market. The TUR is essentially a weekly version of the unemployment rate published by the Bureau of Labor Statistics and based on data from the BLS’ monthly Current Population Survey.
unemployment rate (IUR)\(^4\) must be at least 4% in order to qualify for the additional 13 weeks of tier III EUC08 benefits.

**Tier IV:** The individual must have worked in a state where either the three-month seasonally adjusted average state TUR is at least 8.5% or the IUR is at least 6% in order to qualify for the additional six weeks of tier IV EUC08 benefits.

**How to Find What Tier Is Available in a State**

Each Monday the Department of Labor issues its “Emergency Unemployment Compensation Trigger Notice” at http://www.workforcesecurity.doleta.gov/unemploy/claims_arch.asp. If the status column for tier III or tier IV within the notice is “on” for a particular state’s row, that state is considered to be high unemployment for the purposes of that tier of EUC08 benefits.

**When Do the Expanded EUC08 Benefits Begin and End?**

States were required to enter into an agreement with the U.S. Department of Labor (DOL) to provide the original EUC08 benefit to unemployed individuals in the state under the original EUC08. Once the agreement was signed, the EUC08 benefit began the following week (July 6, 2008).

Following the passage of P.L. 110-449, additional weeks of EUC08 benefits became available starting on November 23, 2008. That is, for weeks of unemployment that occur on or after November 23, 2008, the 20 weeks for tier I and 13 additional weeks for tier II EUC08 benefits began to be paid.

The passage of P.L. 111-92 led to the expanded EUC08 benefits of tiers II, III, and IV on November 8, 2009. That is, for weeks of unemployment that occur on or after November 8, 2009, the 14 weeks (one additional week from previous law) of tier II, the 13 weeks of tier III, and the 6 weeks for tier IV EUC08 benefits began to be paid. The additional weeks of benefits created by P.L. 111-92 began to be disbursed the week of November 15, 2009. Delays in payments of approximately three weeks were experienced as states reprogrammed their benefit distribution systems.

**All Tiers Terminate the Week Ending On or Before January 3, 2012, with Grandfathering**

All tiers of EUC08 benefits are temporary and expire in the week ending on or before January 3, 2012. There are no new entrants into any tier of the EUC08 program after December 31, 2011.\(^5\) Therefore, to be eligible for an EUC08 tier 1 benefit, an individual must exhaust his or her regular UC benefits before or during the week ending December 24, 2011,\(^6\) in order to enter the first tier of EUC08 benefits during the week ending December 31, 2011.

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\(^4\) The IUR is the ratio of UC claimants to individuals in UC-covered jobs.


\(^6\) December 25, 2011, for New York state.
Those unemployed individuals who had qualified for a tier I, II, III, or IV EUC08 benefit by December 31, 2011, may be “grandfathered” for their remaining weeks of eligibility for only that specific tier, and would continue to receive payments for the number of weeks they were deemed eligible within that tier. If an individual is eligible to continue to receive the tier I benefit after December 31, 2011, that individual would not be entitled to tier II benefits once those tier I benefits were exhausted. Similarly, if an individual is eligible to continue to receive the tier II benefit after December 31, 2011, that individual would not be entitled to tier III benefits once those tier II benefits were exhausted. Likewise, if an individual is eligible to continue to receive the tier III benefit after December 31, 2011, that individual would not be entitled to tier IV benefits once those tier III benefits were exhausted. No EUC08 benefits—regardless of tier—are payable for any week after June 9, 2012.

**Tier I EUC08 Eligibility Requirements**

**First Claimed Regular UC Benefits On or After May 7, 2006**

Applicants must have been eligible for regular UC benefits and have exhausted their rights to regular UC with respect to a benefit year that expired during or after the week of May 6, 2007.7 For most states, this would apply to individuals who had filed UC claims with an effective date of May 7, 2006, or later. For the state of New York this would apply to original claims filed with an effective date of May 1, 2006, or later.8

**Exhausted Regular UC Benefit**

The right to regular UC benefits must be exhausted to be eligible for EUC08 benefits. Although federal laws and regulations provide broad guidelines on regular UC benefit coverage and eligibility determination, the specifics of regular UC benefits are determined by each state. This results in 53 different programs.9 In particular, states determine UC benefit eligibility, amount, and duration through state laws and program regulations.

Generally, regular UC eligibility is based on attaining qualified wages and employment in covered work over a 12-month period (called a base period). Conditional on earnings amounts and number of quarters worked in the base period, an individual may qualify for as little as one week of UC benefits in some states and as many as 26 weeks in other states. Individuals with higher earnings and multiple quarters of work history will generally receive higher UC benefits for a longer period of time.10

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7 Arkansas has a unique approach to calculating a benefit year. In Arkansas, the benefit year begins the first day of the quarter in which an individual files a valid UC claim. Thus, it is unlikely that many individuals in Arkansas who filed UC claims before July 2006 would be eligible to receive EUC08 benefits.

8 Note the effective date is not necessarily the actual date when an individual filed for UC. A claim filed on May 10, 2006, may have had an earlier effective date if a state allows retroactive claims.

9 The 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands provide UC benefits to their workers.

10 Individuals in two states (MA and MT) may have regular UC durations that exceed 26 weeks. EB law requires that the total potential duration of UC and EB combined not exceed 39 weeks (46 weeks in the case of the high unemployment TUR trigger). Thus, the total potential entitlement—from all unemployment programs, including UC, EUC08, and EB—in these states is not any greater than in other states.
“20 Weeks” of Full-Time Insured Employment or Equivalent

In addition to all state requirements for regular UC eligibility, the EUC08 program requires claimants to have at least 20 weeks of full-time insured employment or the equivalent in insured wages in their base period.

States use one, two, or three different methods for determining an “equivalent” to 20 weeks of full-time insured employment. These methods are described in both law (Section 202(a)(5) of the Extended Unemployment Compensation Act of 1970) and regulation (20 CFR 615.4(b)). In practice, states that apply any of these three requirements for receipt of regular UC benefits and do not allow for exceptions to those requirements do not need to establish that workers meet the 20 weeks of full-time insured employment requirement for the purposes of EUC. The three methods are as follows:

- earnings in the base period equal to at least 1.5 times the high-quarter wages; or
- earnings in the base period of at least 40 times the most recent weekly benefit amount, and if this alternative is adopted, it shall use the weekly benefit amount (including dependents’ allowances) payable for a week of total unemployment (before any reduction because of earnings, pensions or other requirements) that applied to the most recent week of regular benefits; or
- earnings in the base period equal to at least 20 weeks of full-time insured employment, and if this alternative is adopted, the term “full-time” shall have the meaning provided by the state law.

The base period may be the regular base period or, if applicable in the state, the period may be the alternative base period or the extended base period if that determined the regular UC benefit.

Tier II EUC08 Eligibility Requirements

Exhausted Tier I EUC08 Benefit

The right to tier I EUC08 benefits must be exhausted to be eligible for the tier II EUC08 benefits.

Tier III EUC08 Eligibility Requirements

Exhausted Tier II EUC08 Benefit

The right to tier II EUC08 benefits must be exhausted to be eligible for the tier III EUC08 benefits. States have the ability to waive this requirement and pay tier III before tier II if doing so would aid in prompt payment of EUC08 benefits.

At or After the Period of Tier II EUC08 Exhaustion, the State Must Currently Have at Least 6% Unemployment Rate

The individual must have worked in a state with unemployment currently of at least 6% or an IUR of at least 4%. If the state’s unemployment rate meets one of these conditions, a (still) unemployed tier II benefit exhaustee would be eligible for tier III benefits at that time.
Each Monday the Department of Labor issues its “Emergency Unemployment Compensation Trigger Notice” at http://www.workforcesecurity.doleta.gov/unemploy/claims_arch.asp. If the status column for tier III within the notice is “on” for a particular state’s row, that state is considered to be high unemployment for the purposes of EUC08 tier III benefits.

**No Retroactive Payments If State Triggers Back on to Tier III**

No retroactive EUC08 payments exist for the period during which the individual had exhausted tier II benefits but the state did not meet the high unemployment criteria. However, once a state reaches the 6.0% level (and it has been at least 13 weeks since a state triggered off tier III), a still unemployed tier II exhaustee would be able to receive tier III benefits.

**Tier IV EUC08 Eligibility Requirements**

**Exhausted Tier I, Tier II, and Tier III EUC08 Benefits**

The right to tier I, tier II, and tier III EUC08 benefits must be exhausted to be eligible for the tier IV EUC08 benefits.

**At or After the Period of Tier III EUC08 Exhaustion, the State Must Currently Have at Least 8.5% Unemployment Rate**

The individual must have worked in a state with unemployment currently of at least 8.5% or an IUR of at least 5%. If the state’s unemployment rate meets one of these conditions, a (still) unemployed tier III benefit exhaustee would be eligible for tier IV benefits at that time.

Each Monday, the Department of Labor issues its “Emergency Unemployment Compensation Trigger Notice” at http://www.workforcesecurity.doleta.gov/unemploy/claims_arch.asp. If the status column for tier IV benefits within the notice is “on” for a particular state’s row, that state is considered to be high unemployment for the purposes of EUC08.

**No Retroactive Payments If State Triggers Back on to Tier IV**

No retroactive EUC08 payments exist for the period during which the individual had exhausted tier IV benefits but the state did not meet the tier IV high unemployment criteria. However, once a state reaches the 8.5% level (and it has been at least 13 weeks since the state triggered off of tier IV), a still unemployed tier III exhaustee would be able to receive benefits.

**Retroactive Payments for Periods of Unemployment from November 27, 2010, to December 17, 2010**

P.L. 111-312 contains language that retroactively, continuously authorizes the EUC08 program. Individuals who did not receive EUC08 for the November 27, 2010, to December 17, 2010, period—on account of the temporary lack of authorization—will retroactively be eligible for benefits for that period. The DOL has updated its trigger notices to reflect the retroactive continuous authorization of the EUC08 program.
Lapses in EUC08 Authorization

Over the history of the temporary EUC08 program, there have been four lapses in program authorization: February 27, 2010, to March 2, 2010; April 3, 2010, to April 15, 2010; June 2, 2010, to July 22, 2010; and November 30, 2010, to December 17, 2010.

Each of these lapses was addressed either in law, via retroactive effective dates of program extension legislation for longer lapses, or through the administration of the program, in the case of the shortest lapse (February 27, 2010-March 2, 2010). The longest of these authorization lapses was 49 days (or 7 weeks), occurring between June 2, 2010, and July 22, 2010, and ending when P.L. 111-205 was signed. The passage of P.L. 111-312 addresses the most recent lapse (November 30, 2010-December 17, 2010) and retroactively restores EUC08 program authorization.

See Table 2 below for additional details on these authorization lapses.

Table 2. Summary of EUC08 Program Authorization Lapses

<table>
<thead>
<tr>
<th>EUC08 Authorization Lapse Beginning Date</th>
<th>EUC08 Authorization Lapse Ending Date</th>
<th>Number of Days Lapse Lasted</th>
<th>Legislation that Ended Lapse</th>
</tr>
</thead>
</table>

Source: CRS

The Extended Benefit Program

The EUC08 program should not be confused with the similarly named Extended Benefit (EB) program. The EUC08 program is temporary and tiers I and II apply to all states (tier III and IV availability depends on unemployment conditions within each state). The EB program is permanently authorized and applies only to certain states on the basis of state unemployment conditions as specified in law.

Each Monday the Department of Labor issues its “Extended Benefit Trigger Notice” at http://www.workforcesecurity.doleta.gov/unemploy/claims_arch.asp. If the “available weeks” column within the notice has either 13 or 20 for a particular state’s row, that extended benefit

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11 For a detailed description of the EB program, see CRS Report RL33362, Unemployment Insurance: Programs and Benefits, by Katelin P. Isaacs and Julie M. Whittaker.
The EB program is permanently authorized by the Federal-State Extended Unemployment Compensation Act of 1970 (EUCA), P.L. 91-373 (26 U.S.C. 3304, note). The EB program provides for additional weeks of unemployment benefits, up to a maximum of 13 weeks during periods of high unemployment and, at the option of each state, up to a maximum of 20 weeks in certain states with extremely high unemployment.

EB Program Financing

Under EUCA, EB benefits are funded half (50%) by the federal government through an account for that purpose in the Unemployment Trust Fund (UTF). States fund half (50%) through their state accounts in the UTF.12

The American Economic Recovery and Investment Act of 2009, P.L. 111-5, provided for 100% federal financing of the EB program through December 31, 2009 (through the Extended Unemployment Compensation Account within the Unemployment Trust Fund). P.L. 111-118 extended the 100% financing for an additional two months, until February 28, 2010. P.L. 111-144, P.L. 111-157, and P.L. 111-205 further extended 100% federal financing of the EB program through April 5, 2010, June 2, 2010, and December 1, 2010, respectively. Most recently, P.L. 111-312 extends the 100% federal financing of EB through January 4, 2012. For individuals who began to receive extended benefits on or before January 4, 2012, 100% federal financing would continue for the length of receipt of the extended benefits, even if these benefits continue to be paid after January 4, 2012.13 For extended benefit payments that start after January 4, 2012, benefits would again be funded 50% by the states and 50% by the federal government.

12 States that do not require a one-week UC waiting period, or have an exception for any reason to the waiting period, pay 100% of the first week of EB. Twenty-five states, including Rhode Island and North Carolina, do not require a one-week UC waiting period in all cases. P.L. 110-449 temporarily suspended the waiting week requirement for federal funding, and the American Economic Recovery and Investment Act of 2009 would continue this suspension until the week ending before November 6, 2010.

13 For more information on temporary changes to the EB program under the American Economic Recovery and Investment Act of 2009, see CRS Report RL33362, Unemployment Insurance: Programs and Benefits.
EUC08 and EB Interactions

Which Benefit is Paid First?

The EUC08 program allows states to determine which benefit is paid first. Thus, states may choose to pay EUC08 before EB or vice versa. Alaska is the only state that has opted to pay EB before EUC08 benefits.

An exception to the payment order may be made in a state that has elected to pay EUC08 first, if an individual claimed EB for at least one week of unemployment after the exhaustion of EUC08 prior to the enactment P.L. 111-92. The amendments contained within P.L. 111-92 give states the option of paying EB to an otherwise eligible individual prior to the payment of any EUC08 benefits that are payable on account of the Worker Assistance Act amendments to the EUC08 program (or vice versa in the case of Alaska).

Legislation in the 111th Congress

P.L. 111-5

The American Economic Recovery and Reinvestment Act (P.L. 111-5) extended the EUC08 program through December 26, 2009. The stimulus bill also provided for supplementary payments of $25 per week to all forms of unemployment compensation, including the EUC08 benefit, through the end of 2009. Until February 16, 2009, the EUC08 program was financed with funds within the UTF. However, with the passage of P.L. 111-5, the EUC08 benefit is now 100% federally funded from general funds within the U.S. Treasury. The $25 weekly supplemental benefit is also funded from the general funds of the U.S. Treasury.

P.L. 111-92

On September 22, 2009, the House of Representatives passed H.R. 3548. The bill would have created a third tier of EUC08 benefits. Workers in states with a total unemployment rate of at least 8.5% would have been eligible for up to an additional 13 weeks of EUC08 benefits, for a total of 46 weeks of EUC08 benefits. The bill also contained provisions that would have authorized an additional year of the 0.2% FUTA surtax (approximately $14 per worker, paid by employers); would have required employers to report the first day of earnings of a new worker to the National Directory of New Hires; and would have amended the Internal Revenue Code to allow states to reduce the federal income tax overpayment for individuals who had been found to owe a covered UC debt regardless of whether the state recovering the funds and the state in which the individual lived were one and the same.

The Senate amended H.R. 3548. The amendment created an additional (new “second”) tier of up to 14 weeks of benefits, without regard to state unemployment rates. The amendment also created a new third tier of up to an additional 13 weeks of EUC08 benefits in states with unemployment rates of at least 6%, and a new fourth tier of up to an additional six weeks of EUC08 benefits in states with unemployment rates of at least 8.5%. Other measures included in the proposal concerned eligibility for food stamp payments (benefit eligibility and determination would not consider the $25 additional federal unemployment benefit established in ARRA legislation);
railroad workers (who have their own unemployment insurance system) would receive approximately the same increase in potential benefits; and the authorization of the 0.2% FUTA surtax is extended through 2010 and the first six months of calendar year 2011.

The House voted on and passed the Senate version of H.R. 3548 on November 5, 2009. The President signed the bill into law, as P.L. 111-92, on November 6, 2009.

**P.L. 111-118**

On December 21, 2009, the President signed P.L. 111-118, the Department of Defense Appropriations Act of 2010, into law. P.L. 111-118 extended the availability of EUC08 benefits for two months, through the week ending on or before February 28, 2010. It also extended the $25 Federal Additional Compensation (FAC) benefit and 100% federal EB financing through February 28, 2010.

**P.L. 111-144**

On March 2, 2010, the President signed P.L. 111-144, the Temporary Extension Act of 2010. P.L. 111-144 extends three temporary provisions through the week ending on or before April 5, 2010: EUC08, the $25 FAC supplemental weekly benefit, and 100% federal EB financing.

**P.L. 111-157**

On April 15, 2010, the President signed P.L. 111-157, the Continuing Extension Act of 2010, into law. P.L. 111-157 extends the availability of EUC08, 100% federal financing of EB, and the $25 FAC benefit until the week ending on or before June 2, 2010.

**P.L. 111-205**

On July 22, 2010, the President signed P.L. 111-205, the Unemployment Compensation Extension Act of 2010, into law. P.L. 111-205 extended the availability of EUC08 and 100% federal financing of EB until the week ending on or before November 30, 2010. It did not extend the $25 FAC benefit, which expired June 2, 2010.

**P.L. 111-312**

On December, 17, 2010, the President signed P.L. 111-312, the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010. P.L. 111-312 extends the authorization of the EUC08 program until January 3, 2012, and the 100% federal financing of the EB program until the week ending on or before January 4, 2012.

**Current Legislation**

On February 9, 2011, Representative Barbara Lee introduced H.R. 589, the Emergency Unemployment Compensation Expansion Act. This bill is similar to a bill introduced by Representative Lee in the 111th Congress (H.R. 6556) in that it would add up to 14 additional weeks of unemployment benefits to the existing tier I of the EUC08 program, amending tier I of
EUC08 to provide up to 34 weeks of unemployment benefits to eligible individuals. These new benefits would not be retroactive (i.e., no lump sum payments) but, if this bill were passed, an individual could begin to receive the additional up to 14 weeks if he or she continued to meet the eligibility criteria for EUC08. In addition, H.R. 589 would extend the date of the last payable benefit for grandfathered individuals receiving EUC08 benefits from June 9, 2012, to September 22, 2012.14

Representative Kevin Brady introduced H.R. 235, the Cut Unsustainable and Top-Heavy Spending Act of 2011 (or CUTS Act) on February 7, 2011. Among other provisions, this bill would prohibit the use of federal funds—from the EB and EUC08 programs—to pay unemployment benefits to anyone with resources of at least $1 million in the preceding year. An individual’s resources would be determined in the same way as the resource test for the Medicare Part D drug benefit subsidy. This provision would be effective for any weeks of unemployment beginning on or after January 1, 2011.

On February 8, 2011, Senator Coburn introduced S. 310, the Ending Unemployment Payments to Jobless Millionaires Act of 2011. Like H.R. 235, S. 310 would prohibit any EUC08 or EB benefit payments to individuals with resources in the preceding year of at least $1 million, as determined through the resource test for the Medicare Part D drug benefit subsidy. Unlike, H.R. 235 the prohibition provision in S. 310 would be effective on or after enactment of this legislation. Representative Lankford introduced H.R. 569 on February 9, 2011. H.R. 569 is a House companion bill to S. 310 and contains the same legislative language.

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14 This legislative proposal was also offered by Rep. Barbara Lee as H.Amdt. 67 to H.R. 1, the Full-Year Continuing Appropriations Act of 2011, on February 17, 2011; however, a point of order was sustained against it.
Appendix. Unemployment Insurance Benefits

Figure A-1. Unemployment Insurance: Available Unemployment Benefits

<table>
<thead>
<tr>
<th>Unemployment Compensation (UC) Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 26 weeks</td>
</tr>
<tr>
<td>(48 states, DC, Puerto Rico, Virgin Islands)</td>
</tr>
<tr>
<td>+28 weeks</td>
</tr>
<tr>
<td>(MT)</td>
</tr>
<tr>
<td>+30 weeks</td>
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<tr>
<td>(MA)</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Emergency Unemployment Compensation (EUC08)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier I</td>
</tr>
<tr>
<td>(20 weeks - all states)</td>
</tr>
<tr>
<td>Tier II</td>
</tr>
<tr>
<td>(14 weeks - all states)</td>
</tr>
<tr>
<td>Tier III</td>
</tr>
<tr>
<td>(13 weeks - states w/TUR&gt;=6%)</td>
</tr>
<tr>
<td>Tier IV</td>
</tr>
<tr>
<td>(6 weeks - states w/TUR&gt;=8.5%)</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Extended Benefit (EB) Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>+13 weeks (states w/TUR for prior 13 weeks)</td>
</tr>
<tr>
<td>+13 weeks (&gt;5% &amp; RUR&gt;=120% of average same 13-week period in 2 prior years)</td>
</tr>
<tr>
<td>Optional thresholds (states choose 0, 1, or 2):</td>
</tr>
<tr>
<td>+13 weeks (states w/TUR&gt;=6%)</td>
</tr>
<tr>
<td>+TUR Trigger: 13 weeks (states w/TUR&gt;=6.5% &amp; TUR&gt;=110% of average TUR for same 13 weeks in either of 2 prior years); 20 weeks (states w/TUR&gt;=6% &amp; TUR&gt;=110% of average TUR for same 13 weeks in either of 2 prior years)</td>
</tr>
</tbody>
</table>

Source: CRS.