

In the Senate of the United States,

February 14, 2002.

Resolved, That the bill from the House of Representatives (H.R. 3090) entitled “An Act to provide tax incentives for economic recovery.”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE; TABLE OF CONTENTS.***

2 (a) *SHORT TITLE.*—*This Act may be cited as the*

3 *“Temporary Extended Unemployment Compensation Act of*

4 *2002”.*

1 **(b) TABLE OF CONTENTS.**—*The table of contents of this*
 2 *Act is as follows:*

Sec. 1. Short title; table of contents.

Sec. 2. Federal-State agreements.

Sec. 3. Temporary extended unemployment compensation account.

Sec. 4. Payments to States having agreements under this Act.

Sec. 5. Financing provisions.

Sec. 6. Fraud and overpayments.

Sec. 7. Definitions.

Sec. 8. Applicability.

3 **SEC. 2. FEDERAL-STATE AGREEMENTS.**

4 **(a) IN GENERAL.**—*Any State which desires to do so*
 5 *may enter into and participate in an agreement under this*
 6 *Act with the Secretary of Labor (in this Act referred to as*
 7 *the “Secretary”). Any State which is a party to an agree-*
 8 *ment under this Act may, upon providing 30 days written*
 9 *notice to the Secretary, terminate such agreement.*

10 **(b) PROVISIONS OF AGREEMENT.**—*Any agreement*
 11 *under subsection (a) shall provide that the State agency of*
 12 *the State will make payments of temporary extended unem-*
 13 *ployment compensation to individuals—*

14 **(1) who—**

15 **(A)** *first exhausted all rights to regular*
 16 *compensation under the State law on or after the*
 17 *first day of the week that includes September 11,*
 18 *2001; or*

19 **(B)** *have their 26th week of regular com-*
 20 *ensation under the State law end on or after*

1 *the first day of the week that includes September*
2 *11, 2001;*

3 *(2) who do not have any rights to regular com-*
4 *penetration under the State law of any other State; and*

5 *(3) who are not receiving compensation under*
6 *the unemployment compensation law of any other*
7 *country.*

8 *(c) COORDINATION RULES.—*

9 *(1) TEMPORARY EXTENDED UNEMPLOYMENT*
10 *COMPENSATION TO SERVE AS SECOND-TIER BENE-*
11 *FITS.—Notwithstanding any other provision of law,*
12 *neither regular compensation, extended compensation,*
13 *nor additional compensation under any Federal or*
14 *State law shall be payable to any individual for any*
15 *week for which temporary extended unemployment*
16 *compensation is payable to such individual.*

17 *(2) TREATMENT OF OTHER UNEMPLOYMENT COM-*
18 *PENSATION.—After the date on which a State enters*
19 *into an agreement under this Act, any regular com-*
20 *penetration in excess of 26 weeks, any extended com-*
21 *penetration, and any additional compensation under*
22 *any Federal or State law shall be payable to an indi-*
23 *vidual in accordance with the State law after such in-*
24 *dividual has exhausted any rights to temporary ex-*

1 *tended unemployment compensation under the agree-*
2 *ment.*

3 *(d) EXHAUSTION OF BENEFITS.—For purposes of sub-*
4 *section (b)(1)(A), an individual shall be deemed to have ex-*
5 *hausted such individual's rights to regular compensation*
6 *under a State law when—*

7 *(1) no payments of regular compensation can be*
8 *made under such law because the individual has re-*
9 *ceived all regular compensation available to the indi-*
10 *vidual based on employment or wages during the in-*
11 *dividual's base period; or*

12 *(2) the individual's rights to such compensation*
13 *have been terminated by reason of the expiration of*
14 *the benefit year with respect to which such rights ex-*
15 *isted.*

16 *(e) WEEKLY BENEFIT AMOUNT, TERMS AND CONDI-*
17 *TIONS, ETC. RELATING TO TEMPORARY EXTENDED UNEM-*
18 *PLOYMENT COMPENSATION.—For purposes of any agree-*
19 *ment under this Act—*

20 *(1) the amount of temporary extended unemploy-*
21 *ment compensation which shall be payable to an indi-*
22 *vidual for any week of total unemployment shall be*
23 *equal to the amount of regular compensation (includ-*
24 *ing dependents' allowances) payable to such indi-*

1 (1) *IN GENERAL.*—*The amount established in an*
2 *account under subsection (a) shall be equal to 13*
3 *times the individual’s weekly benefit amount.*

4 (2) *WEEKLY BENEFIT AMOUNT.*—*For purposes of*
5 *paragraph (1)(B), an individual’s weekly benefit*
6 *amount for any week is an amount equal to the*
7 *amount of regular compensation (including depend-*
8 *ents’ allowances) under the State law payable to the*
9 *individual for such week for total unemployment.*

10 **SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS**

11 **UNDER THIS ACT.**

12 (a) *GENERAL RULE.*—*There shall be paid to each*
13 *State that has entered into an agreement under this Act*
14 *an amount equal to 100 percent of the temporary extended*
15 *unemployment compensation paid to individuals by the*
16 *State pursuant to such agreement.*

17 (b) *DETERMINATION OF AMOUNT.*—*Sums under sub-*
18 *section (a) payable to any State by reason of such State*
19 *having an agreement under this Act shall be payable, either*
20 *in advance or by way of reimbursement (as may be deter-*
21 *mined by the Secretary), in such amounts as the Secretary*
22 *estimates the State will be entitled to receive under this Act*
23 *for each calendar month, reduced or increased, as the case*
24 *may be, by any amount by which the Secretary finds that*
25 *the Secretary’s estimates for any prior calendar month were*

1 *greater or less than the amounts which should have been*
2 *paid to the State. Such estimates may be made on the basis*
3 *of such statistical, sampling, or other method as may be*
4 *agreed upon by the Secretary and the State agency of the*
5 *State involved.*

6 (c) *ADMINISTRATIVE EXPENSES.*—*There are appro-*
7 *priated out of the employment security administration ac-*
8 *count (as established by section 901(a) of the Social Secu-*
9 *rity Act (42 U.S.C. 1101(a)) of the Unemployment Trust*
10 *Fund, without fiscal year limitation, such funds as may*
11 *be necessary for purposes of assisting States (as provided*
12 *in title III of the Social Security Act (42 U.S.C. 501 et*
13 *seq.)) in meeting the costs of administration of agreements*
14 *under this Act.*

15 **SEC. 5. FINANCING PROVISIONS.**

16 (a) *IN GENERAL.*—*Funds in the extended unemploy-*
17 *ment compensation account (as established by section*
18 *905(a) of the Social Security Act (42 U.S.C. 1105(a)), and*
19 *the Federal unemployment account (as established by sec-*
20 *tion 904(g) of such Act (42 U.S.C. 1104(g))), of the Unem-*
21 *ployment Trust Fund (as established by section 904(a) of*
22 *such Act (42 U.S.C. 1104(a))) shall be used, in accordance*
23 *with subsection (b), for the making of payments (described*
24 *in section 4(a)) to States having agreements entered into*
25 *under this Act.*

1 (b) *CERTIFICATION.*—*The Secretary shall from time to*
2 *time certify to the Secretary of the Treasury for payment*
3 *to each State the sums described in section 4(a) which are*
4 *payable to such State under this Act. The Secretary of the*
5 *Treasury, prior to audit or settlement by the General Ac-*
6 *counting Office, shall make payments to the State in ac-*
7 *cordance with such certification by transfers from the ex-*
8 *tended unemployment compensation account, as so estab-*
9 *lished (or, to the extent that there are insufficient funds in*
10 *that account, from the Federal unemployment account, as*
11 *so established) to the account of such State in the Unem-*
12 *ployment Trust Fund (as so established).*

13 **SEC. 6. FRAUD AND OVERPAYMENTS.**

14 (a) *IN GENERAL.*—*If an individual knowingly has*
15 *made, or caused to be made by another, a false statement*
16 *or representation of a material fact, or knowingly has*
17 *failed, or caused another to fail, to disclose a material fact,*
18 *and as a result of such false statement or representation*
19 *or of such nondisclosure such individual has received any*
20 *temporary extended unemployment compensation under*
21 *this Act to which such individual was not entitled, such*
22 *individual—*

23 (1) *shall be ineligible for any further benefits*
24 *under this Act in accordance with the provisions of*
25 *the applicable State unemployment compensation law*

1 *relating to fraud in connection with a claim for un-*
2 *employment compensation; and*

3 *(2) shall be subject to prosecution under section*
4 *1001 of title 18, United States Code.*

5 *(b) REPAYMENT.—In the case of individuals who have*
6 *received any temporary extended unemployment compensa-*
7 *tion under this Act to which such individuals were not enti-*
8 *tled, the State shall require such individuals to repay those*
9 *benefits to the State agency, except that the State agency*
10 *may waive such repayment if it determines that—*

11 *(1) the payment of such benefits was without*
12 *fault on the part of any such individual; and*

13 *(2) such repayment would be contrary to equity*
14 *and good conscience.*

15 *(c) RECOVERY BY STATE AGENCY.—*

16 *(1) IN GENERAL.—The State agency may recover*
17 *the amount to be repaid, or any part thereof, by de-*
18 *ductions from any regular compensation or tem-*
19 *porary extended unemployment compensation payable*
20 *to such individual under this Act or from any unem-*
21 *ployment compensation payable to such individual*
22 *under any Federal unemployment compensation law*
23 *administered by the State agency or under any other*
24 *Federal law administered by the State agency which*
25 *provides for the payment of any assistance or allow-*

1 *ance with respect to any week of unemployment, dur-*
2 *ing the 3-year period after the date such individuals*
3 *received the payment of the temporary extended un-*
4 *employment compensation to which such individuals*
5 *were not entitled, except that no single deduction may*
6 *exceed 50 percent of the weekly benefit amount from*
7 *which such deduction is made.*

8 (2) *OPPORTUNITY FOR HEARING.*—*No repayment*
9 *shall be required, and no deduction shall be made,*
10 *until a determination has been made, notice thereof*
11 *and an opportunity for a fair hearing has been given*
12 *to the individual, and the determination has become*
13 *final.*

14 (d) *REVIEW.*—*Any determination by a State agency*
15 *under this section shall be subject to review in the same*
16 *manner and to the same extent as determinations under*
17 *the State unemployment compensation law, and only in*
18 *that manner and to that extent.*

19 **SEC. 7. DEFINITIONS.**

20 *In this Act, the terms “compensation”, “regular com-*
21 *ensation”, “extended compensation”, “additional com-*
22 *ensation”, “benefit year”, “base period”, “State”, “State*
23 *agency”, “State law”, and “week” have the respective mean-*
24 *ings given such terms under section 205 of the Federal-State*

1 *Extended Unemployment Compensation Act of 1970 (26*
2 *U.S.C. 3304 note).*

3 **SEC. 8. APPLICABILITY.**

4 *An agreement entered into under this Act shall apply*
5 *to weeks of unemployment—*

6 *(1) beginning after the date on which such agree-*
7 *ment is entered into; and*

8 *(2) ending before January 6, 2003.*

Attest:

Secretary.

107TH CONGRESS
2D SESSION

H. R. 3090

AMENDMENT