# In the Senate of the United States, February 6, 2002.

*Resolved*, That the bill from the House of Representatives (H.R. 622) entitled "An Act to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.", do pass with the following

# **AMENDMENTS:**

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.

(a) IN GENERAL.—Any State which desires to do so
may enter into and participate in an agreement under this
Act with the Secretary of Labor (in this Act referred to as
the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written
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—

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

(B) have their 26th week of regular compensation under the State law end on or after

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

3 (2) who do not have any rights to regular com4 pensation 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 pensation in excess of 26 weeks, any extended com-21 pensation, 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 extended unemployment compensation under the agree ment.

3 (d) EXHAUSTION OF BENEFITS.—For purposes of sub4 section (b)(1)(A), an individual shall be deemed to have ex5 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 re9 ceived all regular compensation available to the indi10 vidual based on employment or wages during the in11 dividual's base period; or

(2) the individual's rights to such compensation
have been terminated by reason of the expiration of
the benefit year with respect to which such rights existed.

16 (e) WEEKLY BENEFIT AMOUNT, TERMS AND CONDI17 TIONS, ETC. RELATING TO TEMPORARY EXTENDED UNEM18 PLOYMENT COMPENSATION.—For purposes of any agree19 ment under this Act—

(1) the amount of temporary extended unemployment compensation which shall be payable to an individual for any week of total unemployment shall be
equal to the amount of regular compensation (including dependents' allowances) payable to such indi-

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1	vidual under the State law for a week for total unem-
2	ployment during such individual's benefit year;
3	(2) the terms and conditions of the State law
4	which apply to claims for regular compensation and
5	to the payment thereof shall apply to claims for tem-
6	porary extended unemployment compensation and the
7	payment thereof, except where inconsistent with the
8	provisions of this Act or with the regulations or oper-
9	ating instructions of the Secretary promulgated to
10	carry out this Act; and
11	(3) the maximum amount of temporary extended
12	unemployment compensation payable to any indi-
13	vidual for whom a temporary extended unemployment
14	compensation account is established under section $3$
15	shall not exceed the amount established in such ac-
16	count for such individual.
17	SEC. 3. TEMPORARY EXTENDED UNEMPLOYMENT COM-
18	PENSATION ACCOUNT.
19	(a) IN GENERAL.—Any agreement under this Act shall
20	provide that the State will establish, for each eligible indi-
21	vidual who files an application for temporary extended un-
22	employment compensation, a temporary extended unem-
23	ployment compensation account.

24 (b) Amount in Account.—

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

4 (2) WEEKLY BENEFIT AMOUNT.—For purposes of
5 paragraph (1), an individual's weekly benefit amount
6 for any week is an amount equal to the amount of
7 regular compensation (including dependents' allow8 ances) under the State law payable to the individual
9 for such week for total unemployment.

10 SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS11UNDER THIS ACT.

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

17 (b) DETERMINATION OF AMOUNT.—Sums under subsection (a) payable to any State by reason of such State 18 having an agreement under this Act shall be payable, either 19 in advance or by way of reimbursement (as may be deter-20 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

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.

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 be necessary for purposes of assisting States (as provided 11 in title III of the Social Security Act (42 U.S.C. 501 et 12 13 seq.)) in meeting the costs of administration of agreements under this Act. 14

#### 15 SEC. 5. FINANCING PROVISIONS.

16 (a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 17 905(a) of the Social Security Act (42 U.S.C. 1105(a))), and 18 the Federal unemployment account (as established by sec-19 tion 904(g) of such Act (42 U.S.C. 1104(g)), of the Unem-20 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 under this Act. 25

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 Accounting Office, shall make payments to the State in ac-6 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 so established) to the account of such State in the Unem-11 ployment Trust Fund (as so established). 12

#### 13 SEC. 6. FRAUD AND OVERPAYMENTS.

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

(1) shall be ineligible for any further benefits
under this Act in accordance with the provisions of
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

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

## 19 SEC. 7. DEFINITIONS.

In this Act, the terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State
agency", "State law", and "week" have the respective meanings given such terms under section 205 of the Federal-State

Extended Unemployment Compensation Act of 1970 (26
 U.S.C. 3304 note).
 SEC. 8. APPLICABILITY.
 An agreement entered into under this Act shall apply
 to weeks of unemployment—
 (1) beginning after the date on which such agree ment is entered into; and
 (2) ending before January 6, 2003.

Amend the title so as to read: "An Act to provide for temporary unemployment compensation.".

Attest:

Secretary.



# AMENDMENTS

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