

II. Program-Specific Recovery Plan for Recovery.gov (Q 2.8 of Guidance)	
DOL Agency MAX ID and name: Employment and Training Administration	
Recovery Program: Unemployment Insurance – Extension of the Emergency Unemployment Compensation, 2008 (EUC08) and Federal Additional Compensation Program (FAC)	
Does this program align with an existing PART program?	No
Does this program align with an existing CFDA program?	17.225
1. Objectives:	
Program Purpose	The Federal-State Unemployment Insurance (UI) Program provides unemployment benefits to eligible workers who are unemployed because of a lack of suitable work, and meet other eligibility requirements. States operate UI programs under their own laws, which must conform to Federal law. DOL provides program leadership and technical assistance, allocates administrative funds, and exercises performance oversight of States' compliance with Federal UI laws and regulations.
Public Benefits	<p>The EUC08 program provides weekly UI benefits to individuals who have exhausted their regular State-financed UI benefits (or Unemployment Compensation for Federal Employees (UCFE) or Unemployment Compensation for Ex-Servicemembers (UCX)). The Federal Aviation Compensation (FAC) program provides a weekly \$25 supplement to individuals receiving regular UI, Emergency Unemployment Compensation, Extended Benefits (EB), UCFE, UCX, Trade Readjustment Allowances (TRA), Disaster Unemployment Assistance Short-Time Compensation (STC), and Self-Employment Assistance (SEA).</p> <p>By temporarily replacing part of unemployed workers' lost wages, the Federal-State Unemployment Insurance program minimizes individual financial hardship resulting from unemployment and helps to stabilize the economy during economic downturns. The EUC08 programs and FAC further these purposes.</p>
2. Projects and Activities:	
Kinds and scope of projects and activities to be performed	<p>The Assistance for Unemployed Workers and Struggling Families Act, Title II of Division B of the American Recovery and Reinvestment Act (Public Law No. 111-5) , enacted February 17, 2009, made the following changes affecting the Unemployment Compensation (UC) program:</p> <ul style="list-style-type: none"> • Extended the Emergency UI program, commonly known as EUC08 (Estimated cost over 2009-2014: \$23.7 billion) • Created a new federally-funded program which temporarily increases UI benefits by \$25 a week (Estimated cost over 2009-2014: \$8.7 billion)
Benefit Programs	<p><u>Emergency Unemployment Compensation (EUC08)</u></p> <p>On March 4, 2009, the Department issued Unemployment Insurance Program Letter No. 23-08, Change 4 to advising States about the program, which had been scheduled to expire for new applications on March</p>

31, 2009, and for “phase-out” benefits on August 27, 2009 but is now extended as follows:

- The period during which an individual may initially establish eligibility for the First-Tier of EUC08 is extended to the week of unemployment ending on or before December 31, 2009.
- Similarly, the beginning of the “phase-out” period is extended to the last week (as determined under the applicable state law) ending on or before December 31, 2009. This is the provision for otherwise eligible individuals to continue receiving payments until the earlier of exhaustion of benefits or program termination.
- The Second-Tier augmentation period is also extended for qualified individuals whose First-Tier EUC08 accounts are exhausted on or before December 31, 2009.
- The expiration date of the program is extended. Under the new expiration date, no First or Second-Tier EUC08 payments may be made for any week of unemployment beginning after May 31, 2010.

States will continue to draw down funds for benefit payments from the Extended Unemployment Compensation Account using the Automated Standard Application for Payment (ASAP) system and should include those amounts on the ETA 2112 (OMB No. 1205-0154), line 23 (currently labeled “Fed Emergency Compensation”), columns C and E. Administrative funds will be provided through the UI-3 (OMB No. 1205-0132) process.

Federal Additional Compensation

On February 23, 2009, the Department issued Unemployment Insurance Program Letter No. 11-09 to provide states with instructions for implementing and operating the new temporary FAC program.

The FAC program provides a \$25 weekly supplement to the unemployment compensation of eligible claimants. This \$25 supplement, as well as any additional administrative expenses incurred by the State in paying the supplement, is 100 percent funded from Federal general revenues.

FAC is payable to individuals who are otherwise entitled under state law to receive regular UI for weeks of unemployment. FAC is also payable to individuals receiving UCFE, UCX, EUC08, EB, TRA, DUA, STC, and payments under the SEA program. However, FAC is not payable as a supplement to state additional compensation.

The FAC program is administered through voluntary agreements between States and the U.S. Department of Labor. FAC is payable the week following the week in which the agreement is signed. In most states, where the week of unemployment ends on Saturday, the first week for which FAC may be paid is the week ending February 28, 2009. FAC is not payable for any week beginning after June 30, 2010. Accordingly, in states where the week of unemployment ends on Saturday, the last week that FAC benefits may be paid is the week ending July 3, 2010.

States are required to submit a separate financial status report (ETA 9130) for administrative grants and cost

	<p>associated with the FAC program.</p> <p>The Department provides oversight, technical assistance, and training to state and regional office staff on the FAC and EUC08 programs as well as the related EB program. Additionally, Federal staff monitors States' implementation and subsequent operations of FAC and EUC08 programs. Staff also develops program review guides, conducts program reviews of states' operations, and provides ongoing technical assistance where needed. In FY 2009 and FY 2010, the Department will dedicate \$1,725,000 of Recovery Act funds towards administrative activities.</p>
3. Characteristics:	
Types of Financial Awards to be used	D Direct Payments with Unrestricted Use
Type of Recipient	State
Type of Beneficiary	State, Individual
4. Major Planned Program Milestones:	
Issue Guidance(s)	<p>Unemployment Insurance Program Letter (UIPL) No. 23-08, Change 4 advised States about the extension of the EUC08 program. This document is available at http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2716.</p> <p>Completed March 4, 2009</p>
	<p>Unemployment Insurance Program Letter No. 11-09 provided States with instructions for implementing and operating the new temporary FAC program. This document is available at http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2713</p> <p>Completed: February 23, 2009</p>
	<p>Unemployment Insurance Program Letter No. 13-09 informed States of the opportunity to submit Supplemental Budget Requests (SBR) for costs associated with the implementation of the FAC program. This document is available at http://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=2714</p> <p>Completed: February 24, 2009</p>
	<p>The FAC program is administered through voluntary agreements between states and the Department. FAC is payable in a State the week following the week in which the agreement is signed. In most States, where the week of unemployment ends on Saturday, the first week for which FAC may be paid is the week ending February 28, 2009. The Department has been tracking the completion of agreements with States. All States have executed FAC agreements.</p> <p>Completed: February 21, 2009</p>
Tracking FAC Agreements	
	Completed: February 21, 2009

Availability of Funds	EUC08 Program: States will continue to draw down funds for benefit payments from the Extended Unemployment Compensation Account using the Automated Standard Application for Payment (ASAP) system and should include those amounts on the ETA 2112 (OMB No. 1205-0154), line 23 (currently labeled "Fed Emergency Compensation"), columns C and E. Administrative funds will be provided through the UI-3 (OMB No. 1205-0132) process. No First or Second-Tier EUC08 payments may be made for any week of unemployment beginning after May 31, 2010.
	Expected Completion Date: Ongoing through May 31, 2010
	FAC Program: Each State that has entered into an agreement to pay FAC receives monthly allotment projected to equal 100 percent of the estimated amount of FAC to be paid to individuals by the state under the agreement and in full accordance with the Act and these instructions. States' drawdown of allotments are monitored, and monthly amounts adjusted, as needed. States request funds from a general fund account established by the U.S. Treasury to pay FAC. All requests go through the ASAP system. Drawdown requests must adhere to the funding mechanism stipulated in the Treasury-State Agreement executed under the Cash Management Improvement Act of 1990. Requests are funded in the same manner as all ASAP transactions elected by the States (FEDWIRE or ACH to the state benefit payment account). An agreement entered into under this program applies to weeks of unemployment – (A) beginning after the date on which such agreement is entered into; and (B) ending before January 1, 2010.
	Expected Completion Date: Ongoing through May 31, 2010
Tracking of EUC08 Payments	The Department continues to monitor the Total Unemployment Rate (TUR) and the Insured Unemployment (IUR) of States to determine when States may begin paying Second-Tier EUC08 benefits.
	Expected Completion Date: December 31, 2009
Technical Assistance	The Department provides other technical assistance on UI program policy and operations upon the request of the State agency. Outreach is provided through the routine monitoring activities conducted by the Regional and National Offices.
	Expected Completion Date: Ongoing through May 31, 2010
5. Monitoring and Evaluation:	
Funding for these programs is currently available to States.	
<p>The Department is responsible for ensuring that States implement the various activities included in the Recovery Act, including the use of the funding for these programs according to various operating instructions/guidance provided to the states. ETA is responsible for conducting program reviews in each of the States. These comprehensive State reviews will include:</p> <ul style="list-style-type: none"> • Activities related to the EUC08 program; • Activities related to the new federally-funded program – FAC, which temporarily increases UI benefits by \$25 a week; • Adherence to federal reporting guidelines, as well as ensure accuracy in the reporting process as required by the Recovery Act; • Overpayment detection and prevention activities, including the state's implementation of the National Directory of New Hires in Benefit Accuracy Measurement (BAM) program and their Benefit Payment Control operations the new Federally-funded programs created by 	

the Recovery Act;

- Follow-up on corrective action plans (if applicable) in their FY 2009 State Quality Service Plan that affect the new Federally-funded program created by the Recovery Act.

6. Measures:

Measure Text (EUC08)	EUC08 Claims filed since April 1, 2009
Measure Type	Output
Measure Frequency	Monthly
Direction of Measure	Increasing
Unit of Measure	Claims
Explanation of Measure	Cumulative number of claims filed since April 1, 2009. The EUC08 claims estimate was developed using model based on past program results and the unemployment rate. The projected cumulative number of claims for the EUC08 program is 79.5 million claims.
Year	2009 - 2014
Original Program Target	NA
Revised Full Program Target	NA
Targeted ARRA Increment	0
Actual	
Goal Lead	Cheryl Atkinson
Measure Text (EUC08)	EUC08 benefits paid since April 1, 2009
Measure Type	Output
Measure Frequency	Monthly
Direction of Measure	Increasing
Unit of Measure	Dollars
Explanation of Measure	Cumulative UI Benefits paid to claimants as part of the EUC08 Program since April 1, 2009. The estimated EUC08 benefits paid was developed using model based on past program results and the unemployment rate. The projected cumulative benefits paid are \$23.7 billion.
Year	2009 - 2014
Original Program Target	NA
Revised Full Program Target	NA
Targeted ARRA Increment	0
Actual	
Goal Lead	Cheryl Atkinson
Measure Text (FAC)	UI Benefit Payments that include the Federal Additional Compensation
Measure Type	Output

Measure Frequency	Monthly
Direction of Measure	Increasing
Unit of Measure	Payments
Explanation of Measure	Number of UI Benefit Payments that include the Federal Additional Compensation. The Federal Additional Compensation (FAC) claims estimate was developed using model based on past program results and the unemployment rate. The projected cumulative number of claims for the FAC program is 347.3 million claims.
Year	2009 – 2014
Original Program Target	NA
Revised Full Program Target	NA
Targeted ARRA Increment	0
Actual	
Goal Lead	Cheryl Atkinson
Measure Text (FAC)	Benefits paid to individuals as part of the Federal Additional Compensation Program.
Measure Type	Output
Measure Frequency	Monthly
Direction of Measure	Increasing
Unit of Measure	Dollars
Explanation of Measure	Amount of Benefits paid to individuals as part of Federal Additional Compensation Program. The estimated FAC benefits paid was developed using model based on past program results and the unemployment rate. The projected cumulative benefits paid are \$8.7 billion.
Year	2009 - 2014
Original Program Target	NA
Revised Full Program Target	NA
Targeted ARRA Increment	0
Actual	
Goal Lead	Cheryl Atkinson
7. Transparency and Accountability:	
<p>Consistent with the transparency and accountability objectives of the Recovery Act and specific reporting instructions issued by ETA, the States are expected to report to the Department on a monthly basis on activities related to the EUC08 and FAC programs. The Department continuously collects and publishes extensive operational and financial data on the UI program. These data are available on the ETA Web site: http://workforcesecurity.doleta.gov/unemploy/finance.asp.</p> <p>The Department provides other technical assistance on UI program policy and operations upon the request of the State agency. Outreach is provided through the routine monitoring activities conducted by the Regional and National Offices.</p>	

8. Federal Infrastructure Investments:
NA
9. Barriers to Effective Implementation:
<p>Several States have indicated they must complete modifications to their Information Technology systems. In addition, States must hire and train new and existing staff to accommodate the unprecedented numbers of new claims and extensions to eligible claims that have severely impacted the UI system. ETA has proposed the following solutions:</p> <ul style="list-style-type: none"> • Work through ETA's regional offices to advise States that Unemployment Insurance Program Letter 09-98 expresses the Department's position concerning the application of state-wide personnel actions such as hiring freezes, shutdowns, and furloughs to the UI program. • Work with States to determine what technical assistance is needed to help States develop new and innovative ways to train staff, and provide on-site assistance as needed. • From funds already appropriated to ETA, provide supplemental budget funds to support States in upgrading their claims processing technology systems to handle the increased claims.
10. Environmental Review Compliance:
NA