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STAFF DATA AND MATERIALS ON
**UNEMPLOYMENT
COMPENSATION**

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UNITED STATES SENATE

RUSSELL B. LONG, *Chairman*



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UNEMPLOYMENT COMPENSATION

Introduction

State unemployment compensation programs generally provide up to 26 weeks of benefits in a year to unemployed workers who are covered under these programs. A few State programs provide for a somewhat longer maximum benefit duration, and most State programs limit the duration of benefits to less than 26 weeks in the case of certain workers who do not have a history of recent steady employment.

In times of high unemployment, provision has been made for extending the duration of benefits beyond what is provided under the regular provisions of State programs to take account of the fact that during such times, it is more difficult for unemployed workers to find new jobs. The first of these programs were temporary and in 1970, a program to provide such extended benefits was made a permanent part of Federal law through the enactment of the Federal-State Extended Unemployment Compensation Act.

Provision has also been made from time to time to take account of unemployment arising from certain specific unusual circumstances. Examples of this type of legislation are the unemployment assistance provisions of the Disaster Relief Act and the trade readjustment allowances under the Trade Expansion Act. These provisions make special types of unemployment benefits available to persons whose jobs are adversely affected by natural disasters or by increased imports which result from Federal trade policy.

In recent months, much attention has been given to the problem of increased unemployment levels in this country and in particular to the impact which the energy crisis has had and may continue to have on unemployment. A number of legislative proposals have been put forward which address this problem. In some instances the approach taken has been that of focusing the special unemployment program on those individual unemployed workers who are directly affected by the energy crisis in a manner analogous to the approach of the Disaster Relief Act and the Trade Expansion Act. This is the approach taken in S. 2589, the Energy Emergency Act, which was vetoed by the President and in S. 3267, the Standby Energy Emergency Authority and Contingency Planning Act, which was subsequently introduced by Senator Henry M. Jackson. An alternative approach has been taken in other proposals which would relate to high levels of unemployment without basing benefits on the cause of that unemployment. This is the approach of S. 3257, a bill introduced by Senator Wallace F. Bennett on behalf of the Administration, which would provide additional unemployment benefits in any area with an unusually high level of unemployment.

The situation is complicated to some extent by continuing high levels of unemployment in many parts of the country which are not

necessarily related to the energy crisis. The mechanisms in permanent law for triggering extended unemployment benefits have not operated to make these extended benefits available in many States which have experienced continuing high unemployment. As a result, Congress has found it necessary four times since the extended benefit program was enacted to pass temporary legislation permitting extended benefits to be paid even though the triggering requirements of permanent law were not met.

This pamphlet outlines the provisions of the Federal-State Extended Unemployment Benefits Act as enacted in 1970, and the subsequent enactments which have been passed to supplement or make more readily available the benefits provided under that Act. The pamphlet also describes other proposals for new special programs. Also included are selected background materials and statistical data relating to the unemployment compensation programs.

Federal-State Extended Unemployment Compensation Act of 1970

✶ The Employment Security Amendments of 1970 (Public Law 91-373) established a permanent program to pay extended benefits during periods of high unemployment to workers who exhaust their basic entitlement to regular State unemployment compensation. As a condition of Federal approval of the State's unemployment insurance program, States were required to establish the new program by January 1, 1972, and all States have done so. The Federal Government and the States each pay 50 percent of the cost of benefits under this program.

✶ These extended benefits are paid to workers only during an "extended benefit" period. Such a period can exist either on a national or State basis by the triggering of either the national or the State "on" indicator.

National "On" Indicator.—There is a national "on" indicator when the rate of insured unemployment for the whole Nation equals or exceeds 4.5 percent in each of the three most recent calendar months.

✶ *State "On" Indicator.*—There is a State "on" indicator when the rate of insured unemployment for the State is at least 4 percent and when it equals or exceeds, during a moving 13-week period, 120 percent of the average rate for the corresponding 13-week period in the preceding two calendar years.

Extended Benefit Period.—An extended benefit period in a State begins after there is either a State or national "on" indicator, and continues, until the trigger conditions are no longer met but the minimum period is 13 weeks.

Benefits.—During either a national or State extended benefit period, the State is required to provide each eligible claimant with extended compensation at the individual's regular weekly benefit amount. Benefits under the Federal-State program are limited to not more than 13 weeks per individual.

Results of the Trigger Requirements of the 1970 Act

Before extended unemployment benefits are payable under the permanent provisions of the 1970 act, either a single national trigger requirement must be met or else, for benefits to be payable in a specific

State, two State trigger requirements must *both* be met. Since the program was enacted, the national trigger requirement has been met for only 3 months, and the State trigger requirements have frequently not been met by a number of States with relatively high levels of unemployment. As a result, Congress has acted several times to override the permanent requirements of the law with temporary enactments permitting benefits to be paid.

National Trigger.—Public Law 91-373 provided that extended benefits on the basis of the national trigger requirement—4.5 percent insured unemployment—could be payable no earlier than January 1, 1972, and the national trigger was, in fact, “on” as of that date since the national rate of insured unemployment had reached 4.5 percent in the months September, October, and November of 1971. An extended benefit based on the national trigger ends, however, when the national insured unemployment rate is less than 4.5 percent for three consecutive months. Since the national rate dropped to 4.3 percent in December 1971 and remained below 4.5 percent in January and February of 1972, the national trigger was “off” beginning with the week of March 5 period and has remained “off” since. Thus the national trigger has resulted in benefits being paid only once since the provision became effective—the 13 week period January 1, 1972 through March 31, 1972. As is shown in table 5 at the end of this print, the national insured unemployment rate has not been as high as 4.5 percent for an entire year since 1961.

The table below shows the national insured unemployment rates for purposes of the national trigger under the Federal-State Extended Unemployment Compensation Act of 1970.

NATIONAL INSURED UNEMPLOYMENT RATE

[In percent]

Month	1971	1972	1973	1974
January.....		4.09	2.87	3.05
February.....		4.25	2.91	3.33
March.....		4.32	2.94	.....
April.....		3.98	2.79	.....
May.....		4.00	2.81	.....
June.....		3.92	2.81	.....
July.....		3.91	2.72	.....
August.....		3.52	2.75	.....
September.....	4.85	3.54	2.78	.....
October.....	4.85	3.37	2.74	.....
November.....	4.64	3.34	2.83	.....
December.....	4.30	3.23	2.95	.....

State Trigger.—Extended benefits are payable in any State, under the permanent provisions of the extended benefits program, if the 13-week insured unemployment rate in the State is at least 4 percent and if that rate is equal to 120 percent of the rate in the comparable 13-week period of the 2 prior years. In most States, it is the second part of the State trigger which has proven most difficult to meet.

Even if a State has a sustained high rate of unemployment, it will eventually become ineligible to provide extended benefits which qualify for 50 percent Federal funding unless its insured unemployment rate is not only high but is actually continuing to rise so that it remains 20 percent higher than it was in the 2 previous years. When unemployment in a State remains at a high level for more than a year, this requirement becomes difficult to meet since the high unemployment level then becomes a part of the base to which the 20 percent increase measure is applied. In Alaska, for example, extended benefits were payable on the basis of the State trigger starting at the end of January, 1971. Alaska, however, had to stop paying extended benefits at the end of November 1971 even though it had a 6.8 percent rate of insured unemployment. This was well above the required 4.0 rate of insured unemployment but did not meet the requirement of a 20 percent increase over the 2 prior years. In the first three months of 1972, the national trigger was "on" so that extended benefits were again payable in Alaska as in other States. When the national extended benefit period ended after March, 1972, thirty eight States had insured unemployment rates in excess of 4 percent but nine of these States (including Alaska with a 14.46 percent rate) could not meet the requirement of a 20 percent increase over the prior 2 years. As is shown below, all of these 9 States had insured unemployment rates above 6.5 percent.

STATE INDICATORS FOR EXTENDED BENEFITS (APR. 1, 1972)

State	Insured unemployment rate	
	13-week rate	As percent of 2 prior years
Alaska.....	14.46	106
California.....	6.65	99
Idaho.....	6.73	112
Michigan.....	6.74	104
Montana.....	7.79	116
North Dakota.....	7.65	118
Oregon.....	7.07	96
Rhode Island.....	7.81	117
Washington.....	11.46	98

Under legislation described in the following section of this print, the mandatory application of the 120-percent trigger has been suspended under various temporary enactments since October of 1972. The most recent "trigger report" which is reproduced as table 4 on page 19 shows that there are currently 23 States which meet the 4-percent trigger but only 1 State (Michigan) which also meets the requirement of having an insured unemployment rate equal to at least 120 percent of the rate prevailing in the two prior years.

Legislation Suspending Trigger Requirements

Starting with Public Law 92-599 (enacted October 27, 1972), Congress has acted 4 times in the last year and a half to modify the trigger requirements of the permanent extended benefits act for temporary periods. Under Public Law 92-599, the 120-percent requirement in the State "off" trigger could be disregarded by a State provided the State law permitted it to do so. This provision was to expire in June, 1973. However, Public Law 93-53 (enacted July 1, 1973) extended the expiration date through December, 1973 and in addition permitted a State to ignore the 120-percent requirement for the "on" trigger as well as for the "off" trigger. However, under these 2 temporary provisions an extended benefit period could begin only if the rate of insured unemployment in the State was 4.5 percent, rather than 4 percent as required under permanent law.

Subsequently, the Senate adopted as part of H. R. 3153 a permanent provision which would permit a State to pay benefits on the basis of a 4 percent rate without regard to the 120 percent requirement. Although this bill is still in conference, a temporary provision to the same effect was enacted as part of Public Law 93-233 (enacted December 31, 1973). This provision was scheduled to expire on March 31, 1974. However, it was extended through June 1974 under Public Law 93-256 (enacted March 28, 1974).

Emergency Unemployment Compensation Act of 1971

In December, 1971, the Congress enacted Public Law 92-224 which established a program to pay "emergency unemployment compensation benefits" for up to 13 weeks to persons who had exhausted their entitlement to regular and (if applicable) extended unemployment compensation benefits. The program was temporary, with no persons eligible to receive benefits for the first time after June 30, 1972.

State "Emergency On" Indicator.—The additional 13 weeks of benefits were payable beginning the third week after there was an "emergency on" indicator in the State. An "emergency on" indicator occurred in any State when the insured unemployment rate for the State plus the average rate of those exhausting regular benefits exceeded 6.5 percent over a 13-week period and when one of the following criteria was met:

(1) There was a State or national "on" indicator for extended benefits (that is, the national rate of insured unemployment exceeded 4.5 percent in the 3 most recent months, or the State insured unemployment rate exceeded 4 percent in the previous 13 weeks and was at least 120 percent of the insured unemployment rate during the corresponding periods of the previous 2 years), or

(2) There had been such an indicator at some time during the previous year and the State met all the criteria of the State "on" indicator for extended benefits except for the 120-percent requirement.

State "Emergency Off" Indicator.—When the rate of insured unemployment plus the average rate of those exhausting regular benefits in

a State dropped below 6.5 percent for a 13-week period, there was a State "emergency off" indicator. An emergency extended benefit period in a State ended with the third week after the "emergency off" indicator except that the benefit period could not have been less than at least 26 weeks.

The original legislation, which was to be in effect only during the first six months of 1972, provided for 100 percent Federal financing with payments being made out of the Federal extended benefit account. Under this legislation, repayable advances could be made to the account, as needed, from general funds. Advances to the extended benefit account were to be repaid only if and when there was an excess of funds in the Federal Unemployment Trust Fund. On June 30, 1972, the Emergency Unemployment Compensation Act was extended (P.L. 92-329) through December 31, 1972. Along with extending the life of the emergency program, the law changed the financing by providing an increase in the Federal unemployment tax equal to 0.08 percent of taxable payrolls in 1973. This additional income was used to finance the benefits paid under the Emergency Unemployment Compensation Act for weeks ending after June 30, 1972. However, no provision was made for financing the benefits payable earlier.

Proposed Legislation Related to Energy Crisis

S. 3024 (Senator Ribicoff and Others).—S. 3024, introduced by Senator Abraham A. Ribicoff on February 19, 1974, would direct the President to make grants to the States to make assistance available to unemployed persons who are not otherwise eligible for unemployment compensation or who have exhausted their eligibility for such compensation if their unemployment is "directly or indirectly, primarily or remotely, related to a shortage of energy." Eligibility for assistance would be limited to persons who had at least 13 weeks of employment during calendar year 1973. Benefits would be paid for up to 2 years unless the individual was sooner reemployed in a suitable position. However, benefits could be terminated after a minimum period of 6 months if it were determined that the individual's unemployment was no longer attributable to an energy shortage. The amount payable would be "such assistance as the President deems appropriate" but could not exceed the maximum weekly benefit amount under the unemployment compensation program of the State in which the worker became unemployed. S. 3024 also provides for relocation allowances and for benefits under the food stamp or surplus commodity programs to be provided to eligible persons. All benefit costs would be paid from Federal general revenues.

It is estimated that the unemployment benefit costs of this bill for the 15 month period ending June 30, 1975 would be \$4 billion on the assumption that the total unemployment rate during the period would be 5.7 percent.

S. 3206 (Senator Kennedy).—S. 3206, introduced by Senator Edward M. Kennedy on March 21, 1974, would authorize the Secretary of Labor to enter into agreements under which the States would pay additional unemployment benefits during the period beginning February 1, 1974 and ending June 30, 1976. These benefits would be payable only to persons who meet the requirements for regular unemployment benefits with respect to a benefit year falling at least

partially within those dates and who had exhausted all their rights to regular and extended unemployment benefits. The amount of the weekly benefits payable to individuals would be the same (including any dependents' allowances) as the benefits for which they had qualified under the regular State unemployment insurance program and the number of weeks for which these additional benefits would be payable would be equal to the number of weeks of regular benefits for which they had qualified. However, the total number of weeks of compensation (including benefits under this bill, under the regular State program, and under the extended benefits program) could not exceed 52 weeks.

All of the cost of any additional unemployment benefits paid as a result of the provisions of S. 3206 (and all associated administrative costs) would be paid by the Federal government from general revenues. In addition, a portion of the cost of regular State unemployment benefits during the period from February 1, 1974 to June 30, 1976 would be paid from Federal general revenues under a formula based on the increase in the rate of insured unemployment in each State in each month of this period over the average rate prevailing in that State in the same month of 1971, 1972, and 1973.

It is estimated that the benefit costs of this bill for the 15 month period ending June 30, 1975 would be \$2.2 billion on the assumption that the total unemployment rate during the period would be 5.7 percent.

S. 3257 (Senator Bennett, by Request).—Title II of S. 3257, introduced on March 27, 1974 by Senator Wallace F. Bennett at the request of the Administration, incorporates a proposal for a new temporary supplemental unemployment compensation program. This proposal would authorize the Secretary of Labor to make agreements with the States under which the States would provide up to 13 weeks of additional unemployment compensation payments to people who have exhausted their rights to unemployment compensation (including, where applicable, any payments under the extended benefits program), and up to 26 weeks of payments to unemployed people who could not qualify for unemployment compensation because their former work was not covered under the State unemployment compensation program.

The proposed program would go into effect in a designated area when insured unemployment in the area was at least either (1) 4.5 percent or (2) 4.0 percent and 120 percent of the rate for the comparable period in the 12 months, October, 1972 through September, 1973. An area would be an economically integrated geographical unit with a population of at least 250,000 in which workers may readily change jobs without moving. These areas would be designated by the Secretary of Labor and all parts of a State not included in an area would constitute an area.

The provision would be in effect for a period starting 30 days after enactment and ending June 30, 1975.

The cost of the proposed program would be paid by the Federal Government out of general revenues. It is estimated that the benefit costs of this program for the 15 month period ending June 30, 1975 would be \$1 billion on the assumption that the total unemployment rate during the period would be 5.7 percent.

S. 3267 (Senator Jackson and Others).—S. 3267, introduced by Senator Henry M. Jackson on March 28, 1974, would provide benefits to persons unemployed as a result of energy shortages and not otherwise eligible for unemployment benefits during the period after enactment and up to July 1, 1975. Eligibility would be provided to individuals who had either exhausted all their rights to regular or extended unemployment benefits or who did not qualify for such benefits (including persons whose employment is not covered under the unemployment insurance program) if their unemployment was clearly attributable to “disruptions, dislocation or shortages [of energy supplies], fuel allocations, fuel pricing, consumer buying decisions influenced by such disruptions, dislocations or shortages, and governmental action associated with the disruptions, dislocations or shortages.” In making determinations of eligibility, States would use industry, business, or employer certification procedures as the Secretary of Labor directs for the purpose of minimizing costs and administrative problems which might otherwise cause delays in making payments. The disqualification rules of the State unemployment insurance program would apply to benefits under this bill. By regulation, the Secretary of Labor could limit eligibility to persons with at least one month of employment in the prior year.

The amount of benefits payable to an individual would be equal to the amount of weekly unemployment compensation for which he was most recently eligible. If the individual was not previously eligible for unemployment compensation, the amount of the benefit would be set by the State taking into account the benefit amounts provided under its unemployment program and would, in any case, have to be within the minimum and maximum levels applicable under the State program.

Benefits under this bill would be payable without limitation as to the number of weeks with respect to which an individual could be paid but the program would end on July 1, 1975. All of the cost of benefits under this bill would be paid from Federal general revenues.

S. 3267 includes an authorization of appropriations for the cost of unemployment benefits under the bill of \$500 million for fiscal year 1974.

The unemployment provisions of S. 3267 are generally similar to the unemployment provisions of S. 2589, the Energy Emergency Act, which was vetoed by the President. It is estimated that the benefit costs of the unemployment provisions of S. 2589 for the fifteen-month period ending June 30, 1975 would (in the absence of any limitation on the authorization of appropriations) be \$3.8 billion on the assumption that the total unemployment rate during the period would be 5.7 percent.

Tables and Statistical Material

Employment Covered Under State Unemployment Compensation Programs

General Rule.—In general, persons working for private employers meeting certain minimum requirements are covered under State unemployment compensation programs. In 34 States, any employer with one employee in 20 or more weeks of the year is subject to the program. Eight States require coverage in the case of employers with at least one employee at any time, and the remaining States base coverage on either a different duration of employment or on the amount of compensation paid by the employer.

Special Categories.—Federal employees and members of the armed services, while excluded from coverage under State unemployment insurance programs, are covered under a special Federal program. Federal law does require coverage of individuals who work for non-profit organizations which have 4 or more employees in 20 or more weeks, and 19 States require coverage in the case of non-profit organizations with 1 or more employees.

State and local.—Except in certain limited cases (e.g. State hospitals), Federal law does not require State coverage of State or local government employees. However, most States or local government employees. However, most States provide some form of coverage for at least some employees. About half of the States provide mandatory coverage for State employees and permit election of coverage by local government subdivisions.

Major Exclusions.—There are certain types of employment which are generally (although not universally) excluded from unemployment insurance coverage. Some of the major exclusions are:

Agricultural employment (covered in D.C., Hawaii, Minnesota, and Puerto Rico);

Domestic service (covered under certain conditions, in Arkansas, D.C., Hawaii, and New York);

Self-employment (partially covered in California).

TABLE 1.—EMPLOYMENT COVERED UNDER STATE UNEMPLOYMENT COMPENSATION PROGRAMS (DEFINITION OF EMPLOYER)

State	1 employee			Alternative payroll conditions (4 States) ¹	Nonprofit employers 1 or more ³ (19 States)
	In 20 weeks ¹ (34 States)	At any time (8 States)	Other (10 States)		
Alabama.....	X				
Alaska.....		X			
Arizona.....	X				
Arkansas.....			10 days		X
California.....			Over \$100 in qtr.		X
Colorado.....	X				
Connecticut.....	X				X
Delaware.....	X				
District of Columbia.....		X			X
Florida.....	X				
Georgia.....	X				
Hawaii.....		X ²			X
Idaho.....	X			\$300 in qtr.	X
Illinois.....	X				
Indiana.....	X				
Iowa.....	X				X
Kansas.....	X				
Kentucky.....	X				
Louisiana.....	X				
Maine.....	X				
Maryland.....		X			X
Massachusetts.....			13 weeks ¹		X
Michigan.....	X			\$1,000 in yr.	X
Minnesota.....	X ²				X
Mississippi.....	X				
Missouri.....	X				
Montana.....			Over \$500 in yr.		X

TABLE 1.—EMPLOYMENT COVERED UNDER STATE UNEMPLOYMENT COMPENSATION PROGRAMS (DEFINITION OF EMPLOYER)—Continued

State	1 employee			Alternative payroll conditions (4 States) ¹	Nonprofit employers 1 or more ³ (19 States)
	In 20 weeks ¹ (34 States)	At any time (8 States)	Other (10 States)		
Nebraska.....	X				
Nevada.....			\$225 in qtr.		
New Hampshire..	X				X
New Jersey.....			\$1,000 in yr.		X
New Mexico.....	X			\$450 in qtr.	X
New York.....			\$300 in qtr.		
North Carolina..	X				
North Dakota....	X				
Ohio.....	X				
Oklahoma.....	X				
Oregon.....			X	\$225 in qtr.	X
Pennsylvania.....		X			
Puerto Rico.....		X			X
Rhode Island.....		X			X
South Carolina..	X				
South Dakota....	X				
Tennessee.....	X				
Texas.....	X				
Utah.....			\$140 in qtr.		
Vermont.....	X				
Virginia.....	X				
Washington.....		X			X
West Virginia....	X				
Wisconsin.....	X				
Wyoming.....			\$500 in yr.		

¹ Or a quarterly payroll of \$1,500 during a calendar year or preceding calendar year, except in Idaho, Michigan, New Mexico, Oregon.

² Also covers employers of 20, *Hawaii*, and 4, *Minnesota*, or more agr.cultural workers in 20 weeks.

³ All other States cover nonprofit organizations that employ 4 or more in 20 weeks as required by Federal law.

Note: Data in table correct as of January 1974.

Unemployment Compensation Benefits

Eligibility.—In order to be eligible to receive any unemployment insurance benefits, unemployed workers must have met certain qualifying requirements during a base year which precedes their benefit year. In some States the qualifying requirement is a certain amount of wages; in other States the requirement is in terms of work during a certain number of weeks or during a certain number of quarters. And, some States impose both types of requirement. In all but 9 States, the qualifying requirements can be satisfied only by persons with some employment during at least 2 quarters of the base year.

Benefit Amounts.—The amount of benefits paid to an unemployed worker each week varies according to the level of his earnings during the base year or, in most States, during that quarter of the base year in which his earnings were highest. Formulas vary from State to State but the largest number of States pay a benefit equal to about 50 percent of average weekly wages. In 11 States benefits include special allowances based on the number of dependents. For about 40 percent of all beneficiaries, the amount of the weekly benefit is determined by the maximum limit which the State places on weekly benefit amounts rather than by the formula.

Maximum Benefits.—The limit on the maximum amount payable per week in the various States ranges from \$49 to \$147. In 29 States, the maximum weekly benefit payable under the unemployment insurance program is determined as a percentage of average weekly wages in employment covered by that program in the State. The percentage varies from 50 to 66% depending on the State. In the remaining States the maximum is a fixed dollar amount.

Partial Unemployment.—Persons who work less than full-time during a week may qualify for partial unemployment benefits if their earnings are below an amount specified by each State. Benefits are determined in the regular manner but are reduced by the amount of earnings in excess of a specified earnings disregard. (Montana does not provide benefits for partial unemployment, although some partially employed persons can qualify for full benefits in that State.)

TABLE 2.—WEEKLY STATE UNEMPLOYMENT COMPENSATION BENEFITS FOR TOTAL UNEMPLOYMENT

State	Weekly benefit amount ¹		Average (October 1973)	Required total earnings in base year ²		Minimum work in base year (weeks) ³
	Minimum	Maximum		For mini- mum benefit	For maxi- mum benefit	
Alabama.....	\$15	\$68	\$47	\$525	\$2,633	2Q
Alaska.....	¹ 23	¹ 120	50	750	8,500	2Q
Arizona.....	10	60	54	375	2,231	2Q
Arkansas.....	15	79	50	450	2,370	2Q
California.....	25	90	59	750	2,748	—
Colorado.....	25	93	68	750	9,569	—
Connecticut.....	¹ 20	¹ 147	67	600	3,920	2Q
Delaware.....	10	85	64	360	3,060	—
District of Columbia.....	¹ 14	117	80	450	4,002	2Q
Florida.....	10	64	49	400	2,520	2Q
Georgia.....	12	65	51	432	2,340	2Q
Hawaii.....	5	98	68	150	2,940	14
Idaho.....	17	78	53	520	2,503	2Q
Illinois.....	10	¹ 105	57	800	1,759	2Q
Indiana.....	20	¹ 75	46	500	1,225	2Q
Iowa.....	10	75	60	300	1,590	2Q
Kansas.....	18	73	55	540	2,190	2Q
Kentucky.....	12	70	56	344	2,198	2Q
Louisiana.....	10	70	55	300	2,100	—
Maine.....	12	65	52	600	1,419	—
Maryland.....	¹ 13	78	61	360	2,808	2Q
Massachusetts..	¹ 25	¹ 135	65	1,200	1,200	—
Michigan.....	¹ 18	¹ 92	57	350	1,400	14
Minnesota.....	15	85	58	540	3,042	18
Mississippi.....	10	49	41	360	1,764	2Q

¹ Amounts include dependents' allowances in 11 States which provide such allowances (in the case of minimum benefits the table assumes 1 dependent). For a worker with no dependents, the maximum weekly benefits in these States are: Alaska: \$90; Connecticut: \$92; Illinois: \$60; Indiana: \$50; Massachusetts: \$90; Michigan: \$56; Ohio: \$77; Pennsylvania: \$96; and Rhode Island: \$82.

² In some States larger total earnings may be required in order for the benefits to be paid for the maximum number of weeks. See table 3.

³ Number of weeks of work in base year required to qualify for minimum benefits. "2Q" denotes that State directly or indirectly requires work in at least 2 quarters of the base year.

TABLE 2.—WEEKLY STATE UNEMPLOYMENT COMPENSATION BENEFITS FOR TOTAL UNEMPLOYMENT—Continued

State	Weekly benefit amount ¹		Average (October 1973)	Required total earnings in base year ²		Minimum work in base year (weeks) ³
	Minimum	Maximum		For minimum benefit	For maximum benefit	
Missouri.....	12	67	53	480	2,680	20
Montana.....	12	65	48	455	2,522	20
Nebraska.....	12	68	52	600	1,800	20
Nevada.....	16	80	65	528	2,640	—
New Hampshire..	14	80	59	600	6,600	20
New Jersey.....	10	85	69	255	2,142	17
New Mexico.....	14	67	50	423	2,145	20
New York.....	20	75	61	600	2,980	20
North Carolina..	12	64	45	550	7,400	20
North Dakota....	15	68	50	600	2,720	20
Ohio.....	¹ 16	¹ 114	56	400	3,040	20
Oklahoma.....	16	60	45	500	2,301	20
Oregon.....	23	76	54	700	6,040	18
Pennsylvania....	¹ 17	¹ 104	69	440	3,800	20
Rhode Island....	¹ 17	¹ 102	62	400	2,982	20
South Carolina..	10	83	49	300	3,198	20
South Dakota....	19	59	47	590	1,866	20
Tennessee.....	14	62	47	504	2,232	20
Texas.....	15	63	51	500	2,325	20
Utah.....	10	87	57	700	2,356	19
Vermont.....	15	77	60	600	3,060	20
Virginia.....	20	70	56	720	2,520	20
Washington.....	17	81	62	1,200	2,012	⁴ 16
West Virginia....	12	84	47	700	11,000	—
Wisconsin.....	23	92	64	792	3,276	18
Wyoming.....	10	67	50	800	1,650	20
Puerto Rico.....	7	50	36	150	1,500	20

¹ Amounts include dependents' allowances in 11 States which provide such allowances (in the case of minimum benefits the table assumes 1 dependent). For a worker with no dependents, the maximum weekly benefits in these States are: Alaska: \$90; Connecticut: \$92; Illinois: \$60; Indiana: \$50; Massachusetts: \$90; Michigan: \$56; Ohio: \$77; Pennsylvania: \$96; and Rhode Island: \$82.

² In some States larger total earnings may be required in order for the benefits to be paid for the maximum number of weeks. See table 3.

³ Number of weeks of work in base year required to qualify for minimum benefits. "20" denotes that State directly or indirectly requires work in at least 2 quarters of the base year.

⁴ Alternative requirement is 600 hours of employment.

Note: Data in table correct as of January 1974.

Duration of Regular Unemployment Benefits

Maximum Potential Duration.—In all States, regular unemployment benefits for total unemployment may be paid for no more than a specified number of weeks in an individual's benefit year. This maximum duration is 26 weeks in 42 States. Puerto Rico with a 20 week limit is the only jurisdiction with a smaller maximum. Eight States and the District of Columbia provide more than 26 weeks. Utah has the largest number of weeks allowable—36.

Minimum Potential Duration.—In 9 jurisdictions, any worker who is eligible for any unemployment benefits may, if he continues to be unemployed, receive benefits for up to the maximum number of weeks. In the remaining States, however, individual workers may be subject to an additional restriction which will limit the number of weeks during which they can draw benefits to something less than the maximum. Typically, these restrictions provide that the total amount of benefits paid to a worker cannot exceed some percentage (for example, 33½ percent) of his wages during his base year. Alternatively, some States provide that unemployment benefits cannot be paid for a number of weeks which exceeds some percentage of the number of weeks in which the individual was employed during his base year.

TABLE 3.—DURATION (IN WEEKS) OF REGULAR UNEMPLOYMENT BENEFITS¹

State	Minimum potential duration	Maximum potential duration	Earnings in base year required for maximum benefits ²
Alabama.....	11	26	\$5,302
Alaska.....	14	28	8,500
Arizona.....	12	26	4,678
Arkansas.....	10	26	6,159
California.....	12	26	4,678
Colorado.....	7	26	9,569
Connecticut.....	26	26	3,920
Delaware.....	17	26	4,700
District of Columbia.....	17	34	7,954
Florida.....	10	26	6,552
Georgia.....	9	26	6,630
Hawaii.....	26	26	2,940
Idaho.....	10	26	6,507
Illinois.....	10	26	2,975
Indiana.....	12	26	5,200
Iowa.....	10	26	5,850
Kansas.....	10	26	5,691
Kentucky.....	15	26	5,459
Louisiana.....	12	28	4,898
Maine.....	11	26	5,069

See footnotes at end of table.

TABLE 3.—DURATION (IN WEEKS) OF REGULAR UNEMPLOYMENT BENEFITS ¹—Continued

State	Minimum potential duration	Maximum potential duration	Earnings in base year required for maximum benefits ²
Maryland.....	26	26	\$2,808
Massachusetts.....	4	30	7,497
Michigan.....	11	26	3,500
Minnesota.....	13	26	6,253
Mississippi.....	12	26	3,819
Missouri.....	8	26	5,226
Montana.....	13	26	2,822
Nebraska.....	17	26	5,253
Nevada.....	11	26	6,237
New Hampshire.....	26	26	6,600
New Jersey.....	12	26	4,410
New Mexico.....	18	30	3,348
New York.....	26	26	2,980
North Carolina.....	26	26	7,400
North Dakota.....	18	26	4,760
Ohio.....	20	26	3,952
Oklahoma.....	10	26	4,677
Oregon.....	10	26	6,040
Pennsylvania.....	30	30	3,800
Rhode Island.....	12	26	6,262
South Carolina.....	10	26	6,471
South Dakota.....	10	26	4,599
Tennessee.....	12	26	4,833
Texas.....	9	26	6,063
Utah.....	10	36	7,379
Vermont.....	26	26	3,060
Virginia.....	12	26	5,460
Washington.....	8	30	7,289
West Virginia.....	26	26	11,000
Wisconsin.....	14	34	7,826
Wyoming.....	11	26	5,803
Puerto Rico.....	20	20	1,500

¹ Based on benefits for total unemployment. Amounts payable can be stretched out over a longer period in the case of partial unemployment.

² Based on maximum weekly benefit amount paid for maximum number of weeks.

Note: Data in table correct as of January 1974.

State Indicators for Federal-State Extended Unemployment Compensation

An additional 13 weeks of extended unemployment benefits with 50 percent Federal funding are payable to those who have exhausted their regular benefits under State unemployment compensation programs under the provisions of the Federal-State Extended Unemployment Compensation Act if certain trigger requirements are met. The national trigger—a national 4.5 percent rate of insured unemployment—has not been met during the past 2 years. The State trigger is met if the State insured unemployment rate over a 13 week period is 4 percent and if that rate also equals 120 percent of the insured unemployment rate in the comparable period of the 2 prior years. Table 4 shows that 23 States meet the first part of the requirement as of March 2, 1974 but no State meets the second part of the requirement. (Subsequent to this date, however, one State—Michigan—has met both requirements). Under temporary provisions of Public Law 93-256, States which meet the first part of the trigger requirement (4 percent insured unemployment) may, at their option, participate in the program without meeting the 120 percent requirement.

TABLE 4.—STATE INDICATORS FOR FEDERAL-STATE EXTENDED UNEMPLOYMENT COMPENSATION ACT (AS OF MAR. 2, 1974)

State	Insured unemployment rate	
	13-week rate (percent)	As percent of 2 prior years
Alabama.....	2.87	80
Alaska ¹	12.70	102
Arizona.....	2.92	101
Arkansas.....	3.91	76
California.....	4.74	83
Colorado.....	(²)	(²)
Connecticut.....	4.30	68
Delaware.....	3.96	122
District of Columbia.....	2.13	105
Florida ³	(1.63)	(75)
Georgia.....	1.67	112
Hawaii.....	4.57	97
Idaho.....	5.74	98
Illinois.....	(²)	(²)
Indiana.....	2.68	89
Iowa.....	2.38	75
Kansas.....	3.00	87
Kentucky.....	3.38	86
Louisiana.....	3.33	81
Maine.....	5.68	75

See footnotes at end of table.

TABLE 4.—STATE INDICATORS FOR FEDERAL-STATE EXTENDED
UNEMPLOYMENT COMPENSATION ACT (AS OF MAR. 2,
1974)—Continued

State	Insured unemployment rate	
	13-week rate (percent)	As percent of 2 prior years
Maryland.....	2.91	75
Massachusetts ³	(6.42)	(90)
Michigan ⁴	6.08	115
Minnesota.....	4.38	95
Mississippi.....	2.02	84
Missouri.....	3.73	88
Montana.....	5.96	88
Nebraska.....	2.77	96
Nevada.....	6.24	91
New Hampshire.....	2.96	97
New Jersey ¹	7.29	107
New Mexico.....	4.19	97
New York ¹	4.74	88
North Carolina.....	1.74	82
North Dakota.....	4.91	75
Ohio.....	2.52	81
Oklahoma.....	2.50	65
Oregon.....	6.53	102
Pennsylvania.....	4.44	89
Puerto Rico.....	11.92	87
Rhode Island ¹	7.03	101
South Carolina.....	1.83	85
South Dakota.....	2.63	76
Tennessee.....	2.96	92
Texas.....	1.23	75
Utah.....	4.50	92
Vermont.....	6.10	85
Virginia.....	1.02	85
Washington ¹	9.14	83
West Virginia.....	4.48	80
Wisconsin.....	3.75	85
Wyoming.....	1.93	69

¹ Extended benefits are currently payable under temporary provisions in Public Law 93-233 which will be continued through June 1974 by provisions of P.L. 93-256.

² Data not available.

³ Indicators as of Feb. 23, 1974.

⁴ The rate in Michigan has now increased sufficiently that benefits are payable under the permanent provisions of the extended benefits act.

TABLE 5.—UNEMPLOYMENT: 1960-73
[Rates in percent]

Year	National unemployment rate		Number of States ¹ with insured unemployment of at least—	
	Total	Insured	4 percent	4.5 percent
1960.....	5.5	4.7	33	26
1961.....	6.7	5.7	43	39
1962.....	5.5	4.3	29	24
1963.....	5.7	4.3	27	24
1964.....	5.2	3.7	20	13
1965.....	4.5	2.9	7	5
1966.....	3.8	2.2	4	2
1967.....	3.8	2.5	5	3
1968.....	3.6	2.2	2	2
1969.....	3.5	2.1	3	2
1970.....	4.9	3.5	12	9
1971.....	5.9	4.1	19	16
1972.....	5.6	3.3	18	14
1973.....	4.9	2.8	(²)	(²)

¹ Includes Puerto Rico for years 1961-72; Puerto Rico's rate of insured unemployment exceeded 4.5 percent in each of these years.

² Not available.

Note: The insured unemployment rate represents the average weekly number of insured unemployed as a percentage of the average number of persons in covered employment.

TABLE 6.—EXHAUSTION OF REGULAR UNEMPLOYMENT
BENEFITS: 1960-73

Year	Total exhaustions ¹ (millions)	Exhaustions as percent of all beneficiaries
1960.....	1.6	26.1
1961.....	2.4	30.4
1962.....	1.6	27.4
1963.....	1.6	25.3
1964.....	1.4	23.8
1965.....	1.1	21.5
1966.....	.8	18.0
1967.....	.9	19.3
1968.....	.8	19.6
1969.....	.8	19.8
1970.....	1.3	24.4
1971.....	2.0	30.5
1972.....	1.8	28.9
1973 ²	1.5	29.0

¹ Number of persons who were unemployed for a sufficiently long period that they received all of the benefits for which they were eligible under the regular State unemployment program.

² Estimated on the basis of data for January through October.

Appendix A

**Federal-State Extended Unemployment Compensation Act and
Amendments**

Federal-State Extended Unemployment Compensation Act and
Amendments

EXCERPT FROM PUBLIC LAW 91-373, AUGUST 10, 1970

* * * * *

TITLE II—FEDERAL-STATE EXTENDED UNEMPLOYMENT
COMPENSATION PROGRAM

SHORT TITLE

SEC. 201. This title may be cited as the "Federal-State Extended
Unemployment Compensation Act of 1970".

PAYMENT OF EXTENDED COMPENSATION

State Law Requirements

SEC. 202. (a)(1) For purposes of section 3304(a)(11) of the Internal Revenue Code of 1954, a State law shall provide that payment of extended compensation shall be made, for any week of unemployment which begins in the individual's eligibility period, to individuals who have exhausted all rights to regular compensation under the State law and who have no rights to regular compensation with respect to such week under such law or any other State unemployment compensation law or to compensation under any other Federal law and are not receiving compensation with respect to such week under the unemployment compensation law of the Virgin Islands or Canada. For purposes of the preceding sentence, an individual shall have exhausted his rights to regular compensation under a State law (A) when no payments of regular compensation can be made under such law because such individual has received all regular compensation available to him based on employment or wages during his base period, or (B) when his rights to such compensation have terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(2) Except where inconsistent with the provisions of this title, the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for extended compensation and to the payment thereof.

Individuals' Compensation Accounts

(b)(1) The State law shall provide that the State will establish, for each eligible individual who files an application therefor, an extended compensation account with respect to such individual's benefit year. The amount established in such account shall be not less than whichever of the following is the least:

(A) 50 per centum of the total amount of regular compensation (including dependents' allowances) payable to him during such benefit year under such law,

(B) thirteen times his average weekly benefit amount, or

(C) thirty-nine times his average weekly benefit amount, reduced by the regular compensation paid (or deemed paid) to him during such benefit year under such law;

except that the amount so determined shall (if the State law so provides) be reduced by the aggregate amount of additional compensation paid (or deemed paid) to him under such law for prior weeks of unemployment in such benefit year which did not begin in an extended benefit period.

(2) For purposes of paragraph (1), an individual's weekly benefit amount for a week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

EXTENDED BENEFIT PERIOD

Beginning and Ending

SEC. 203. (a) For purposes of this title, in the case of any State, an extended benefit period—

(1) shall begin with the third week after whichever of the following weeks first occurs:

(A) a week for which there is a national "on" indicator, or

(B) a week for which there is a State "on" indicator; and

(2) shall end with the third week after the first week for which there is both a national "off" indicator and a State "off" indicator.

Special Rules

(b) In the case of any State—

(A) no extended benefit period shall last for a period of less than thirteen consecutive weeks, and

(B) no extended benefit period may begin by reason of a State "on" indicator before the fourteenth week after the close of a prior extended benefit period with respect to such State.

(2) When a determination has been made that an extended benefit period is beginning or ending with respect to a State (or all the States), the Secretary shall cause notice of such determination to be published in the Federal Register.

Eligibility Period

(c) For purposes of this title, an individual's eligibility period under the State law shall consist of the weeks in his benefit year which begin in an extended benefit period and, if his benefit year ends within such extended benefit period, any weeks thereafter which begin in such extended benefit period.

National "On" and "Off" Indicators

(d) For purposes of this section—

(1) There is a national "on" indicator for a week if for each of the three most recent calendar months ending before such week, the rate of insured unemployment (seasonally adjusted) for all States equaled or exceeded 4.5 per centum (determined by reference to the average monthly covered employment for the first four of the most recent six calendar quarters ending before the month in question).

(2) There is a national "off" indicator for a week if for each of the three most recent calendar months ending before such week, the rate of insured unemployment (seasonally adjusted) for all States was less than 4.5 per centum (determined by reference to the average monthly covered employment for the first four of the most recent six calendar quarters ending before the month in question).

State "On" and "Off" Indicators

(e) For purposes of this section—

(1) There is a State "on" indicator for a week if the rate of insured unemployment under the State law for the period consisting of such week and the immediately preceding twelve weeks—

(A) equaled or exceeded 120 per centum of the average of such rates for the corresponding thirteen-week period ending in each of the preceding two calendar years, and

(B) equaled or exceeded 4 per centum.

(2) There is a State "off" indicator for a week if, for the period consisting of such week and the immediately preceding twelve weeks, either subparagraph (A) or subparagraph (B) of paragraph (1) was not satisfied.

For purposes of this subsection, the rate of insured unemployment for any 13-week period shall be determined by reference to the average monthly covered employment under the State law for the first four of the most recent six calendar quarters ending before the close of such period.

Rate of Insured Unemployment; Covered Employment

(f)(1) For purposes of subsections (d) and (e), the term "rate of insured unemployment" means the percentage arrived at by dividing—

(A) the average weekly number of individuals filing claims for weeks of unemployment with respect to the specified period, as determined on the basis of the reports made by all State agencies (or, in the case of subsection (e), by the State agency) to the Secretary, by

(B) the average monthly covered employment for the specified period.

(2) Determinations under subsection (d) shall be made by the Secretary in accordance with regulations prescribed by him.

(3) Determinations under subsection (e) shall be made by the State agency in accordance with regulations prescribed by the Secretary.

PAYMENTS TO STATES

Amount Payable

SEC. 204. (a)(1) There shall be paid to each State an amount equal to one-half of the sum of—

(A) the sharable extended compensation, and

(B) the sharable regular compensation,
paid to individuals under the State law.

(2) No payment shall be made to any State under this subsection in respect to compensation for which the State is entitled to reimbursement under the provisions of any Federal law other than this Act.

Sharable Extended Compensation

(b) For purposes of subsection (a)(1)(A), extended compensation paid to an individual for weeks of unemployment in such individual's eligibility period is sharable extended compensation to the extent that the aggregate extended compensation paid to such individual with respect to any benefit year does not exceed the smallest of the amounts referred to in subparagraphs (A), (B), and (C) of section 202(b)(1).

Sharable Regular Compensation

(c) For purposes of subsection (a)(1)(B), regular compensation paid to an individual for a week of unemployment is sharable regular compensation—

(1) if such week is in such individual's eligibility period (determined under section 203(c)), and

(2) to the extent that the sum of such compensation, plus the regular compensation paid (or deemed paid) to him with respect to prior weeks of unemployment in the benefit year, exceeds twenty-six times (and does not exceed thirty-nine times) the average weekly benefit amount (including allowances for dependents) for weeks of total unemployment payable to such individual under the State law in such benefit year.

Payment on Calendar Month Basis

(d) There shall be paid to each State either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his 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 upon the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency.

Certification

(e) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this section. The Secretary of the Treasury, prior to audit

or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, by transfers from the extended unemployment compensation account to the account of such State in the Unemployment Trust Fund.

DEFINITIONS

SEC. 205. For purposes of this title—

(1) The term "compensation" means cash benefits payable to individuals with respect to their unemployment.

(2) The term "regular compensation" means compensation payable to an individual under any State unemployment compensation law (including compensation payable pursuant to 5 U.S.C. chapter 85), other than extended compensation and additional compensation.

(3) The term "extended compensation" means compensation (including additional compensation and compensation payable pursuant to 5 U.S.C. chapter 85) payable for weeks of unemployment beginning in an extended benefit period to an individual under those provisions of the State law which satisfy the requirements of this title with respect to the payment of extended compensation.

(4) The term "additional compensation" means compensation payable to exhaustees by reason of conditions of high unemployment or by reason of other special factors.

(5) The term "benefit year" means the benefit year as defined in the applicable State law.

(6) The term "base period" means the base period as determined under applicable State law for the benefit year.

(7) The term "Secretary" means the Secretary of Labor of the United States.

(8) The term "State" includes the District of Columbia and the Commonwealth of Puerto Rico.

(9) The term "State agency" means the agency of the State which administers its State law.

(10) The term "State law" means the unemployment compensation law of the State, approved by the Secretary under section 3304 of the Internal Revenue Code of 1954.

(11) The term "week" means a week as defined in the applicable State law.

APPROVAL OF STATE LAWS

SEC. 206. Section 3304(a) of the Internal Revenue Code of 1954 is amended by inserting after paragraph (10) (added by section 121(a) of this Act) the following new paragraph:

"(11) extended compensation shall be payable as provided by the Federal-State Extended Unemployment Compensation Act of 1970;"

EFFECTIVE DATES

SEC. 207. (a) Except as provided in subsection (b)—

(1) in applying section 203, no extended benefit period may begin with a week beginning before January 1, 1972; and

(2) section 204 shall apply only with respect to weeks of unemployment beginning after December 31, 1971.

(b)(1) In the case of a State law approved under section 3304(a)(11) of the Internal Revenue Code of 1954, such State law may also provide that an extended benefit period may begin with a week established pursuant to such law which begins earlier than January 1, 1972, but not earlier than 60 days after the date of the enactment of this Act.

(2) For purposes of paragraph (1) with respect to weeks beginning before January 1, 1972, the extended benefit period for the State shall be determined under section 203(a) solely by reference to the State "on" indicator and the State "off" indicator.

(3) In the case of a State law containing a provision described in paragraph (1), section 204 shall also apply with respect to weeks of unemployment in extended benefit periods determined pursuant to paragraph (1).

(c) Section 3304(a)(11) of the Internal Revenue Code of 1954 (as added by section 206) shall not be a requirement for the State law of any State—

(1) in the case of any State the legislature of which does not meet in a regular session which closes during the calendar year 1971, with respect to any week of unemployment which begins prior to July 1, 1972; or

(2) in the case of any other State, with respect to any week of unemployment which begins prior to January 1, 1972.

* * * * *

SEC. 305. EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT

(a) Title IX of the Social Security Act is amended by striking out section 905 and inserting in lieu thereof the following new section:

"EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT

"ESTABLISHMENT OF ACCOUNT

"SEC. 905. (a) There is hereby established in the Unemployment Trust Fund an extended unemployment compensation account. For the purposes provided for in section 904(e), such account shall be maintained as a separate book account.

"TRANSFERS TO ACCOUNT

"(b)(1) Except as provided by paragraph (3), the Secretary of the Treasury shall transfer (as of the close of July 1970, and each month thereafter), from the employment security administration account to the extended unemployment compensation account established by subsection (a), an amount determined by him to be equal, in the case of any month before April 1972, to one-fifth, and in the case of any month after March 1972, to one-tenth, of the amount by which—

"(A) transfers to the employment security administration account pursuant to section 901(b)(2) during such month, exceed

"(B) payments during such month from the employment security administration account pursuant to section 901 (b)(3) and (d).

If for any such month the payments referred to in subparagraph (B) exceed the transfers referred to in subparagraph (A), proper adjustments shall be made in the amounts subsequently transferred.

“(2) Whenever the Secretary of the Treasury determines pursuant to section 901(f) that there is an excess in the employment security administration account as of the close of any fiscal year beginning after June 30, 1972, there shall be transferred (as of the beginning of the succeeding fiscal year) to the extended unemployment compensation account the total amount of such excess or so much thereof as is required to increase the amount in the extended unemployment compensation account to whichever of the following is the greater:

“(A) \$750,000,000, or

“(B) the amount (determined by the Secretary of Labor and certified by him to the Secretary of the Treasury) equal to one-eighth of 1 percent of the total wages subject (determined without any limitation on amount) to contributions under all State unemployment compensation laws for the calendar year ending during the fiscal year for which the excess is determined.

“(3) The Secretary of the Treasury shall make no transfer pursuant to paragraph (1) as of the close of any month if he determines that the amount in the extended unemployment compensation account is equal to (or in excess of) the limitation provided in paragraph (2).

“TRANSFERS TO STATE ACCOUNTS

“(c) Amounts in the extended unemployment compensation account shall be available for transfer to the accounts of the States in the Unemployment Trust Fund as provided in section 204(e) of the Federal-State Extended Unemployment Compensation Act of 1970.

“ADVANCES TO EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT AND REPAYMENT

“(d) There are hereby authorized to be appropriated, without fiscal year limitation, to the extended unemployment compensation account, as repayable advances (without interest), such sums as may be necessary to carry out the purposes of the Federal-State Extended Unemployment Compensation Act of 1970. Amounts appropriated as repayable advances shall be repaid, without interest, by transfers from the extended unemployment compensation account to the general fund of the Treasury, at such times as the amount in the extended unemployment compensation account is determined by the Secretary of the Treasury, in consultation with the Secretary of Labor, to be adequate for such purpose. Any amount transferred as a repayment under this subsection shall be credited against, and shall operate to reduce, any balance of advances repayable under this subsection.”

(b) Section 903(a)(1) of the Social Security Act is amended to read as follows: “(1) If as of the close of any fiscal year after the fiscal year ending June 30, 1972, the amount in the extended unemployment compensation account has reached the limit provided in section 905 (b)(2) and the amount in the Federal unemployment account has reached the limit provided in section 902(a) and all advances pursuant

to section 905(d) and section 1203 have been repaid, and there remains in the employment security administration account any amount over the amount provided in section 901(f)(3)(A), such excess amount, except as provided in subsection (b), shall be transferred (as of the beginning of the succeeding fiscal year) to the accounts of the States in the Unemployment Trust Fund."

* * * * *

EXCERPT FROM PUBLIC LAW 92-599, OCTOBER 27, 1972

* * * * *

AMENDMENT TO FEDERAL-STATE EXTENDED UNEMPLOYMENT
COMPENSATION ACT OF 1970

SEC. 501. Section 203(e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new sentence: "Effective with respect to compensation for weeks of unemployment beginning before July 1, 1973, and beginning after the date of the enactment of this sentence (or, if later, the date established pursuant to State law), the State may by law provide that the determination of whether there has been a State 'off' indicator ending any extended benefit period shall be made under this subsection as if paragraph (1) did not contain subparagraph (A) thereof."

EXCERPT FROM PUBLIC LAW 93-53, JULY 1, 1973

* * * * *

SEC. 5. Section 203(e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following: "Effective with respect to compensation for weeks of unemployment beginning before January 1, 1974, and beginning after the date of the enactment of this sentence (or, if later, the date established pursuant to State law), the State by law may provide that the determination of whether there has been a State 'off' indicator ending any extended benefit period shall be made under this subsection as if paragraph (1) did not contain subparagraph (A) thereof and may provide that the determination of whether there has been a State 'on' indicator beginning any extended benefit period shall be made under this subsection as if (i) paragraph (1) did not contain subparagraph (A) thereof, (ii) the 4 per centum contained in subparagraph (B) thereof were 4.5 per centum, and (iii) paragraph (1) of subsection (b) did not contain subparagraph (B) thereof. In the case of any individual who has a week with respect to which extended compensation was payable pursuant to a State law referred to in the preceding sentence, if the extended benefit period under such law does not expire before January 1, 1974, the eligibility period of such individual for purposes of such law shall end with the thirteenth week which begins after December 31, 1973."

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EXCERPT FROM PUBLIC LAW 93-233, DECEMBER 31, 1973

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PROVISIONS RELATING TO UNEMPLOYMENT COMPENSATION

SEC. 20. Section 203(2) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new sentence: "Effective with respect to compensation for weeks of unemployment beginning before April 1, 1974, and beginning after December 31, 1973 (or, if later, the date established pursuant to State law), the State may by law provide that the determination of whether there has been a State 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if paragraph (1) did not contain subparagraph (A) thereof."

EXCERPT FROM PUBLIC LAW 93-256, MARCH 28, 1974

* * * * *

SEC. 2. The last sentence of section 203(e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 (as added by section 20 of Public Law 93-233) is amended by striking out "April" and inserting in lieu thereof "July".

Appendix B

**Emergency Unemployment Compensation Act of 1971 and
Amendments**

Emergency Unemployment Compensation Act of 1971 and Amendments

EXCERPT FROM PUBLIC LAW 92-224, DECEMBER 29, 1971

* * * * *

TITLE II—EMERGENCY UNEMPLOYMENT COMPENSATION

SHORT TITLE

SEC. 201. This title may be cited as the "Emergency Unemployment Compensation Act of 1971".

FEDERAL-STATE AGREEMENTS

SEC. 202. (a) Any State, the State unemployment compensation law of which is approved by the Secretary of Labor (hereinafter in this title referred to as the "Secretary"), under section 3304 of the Internal Revenue Code of 1954, which desires to do so, may enter into and participate in an agreement with the Secretary under this title, if such State law contains (as of the date such agreement is entered into) a requirement that extended compensation be payable thereunder as provided by the Federal-State Extended Unemployment Compensation Act of 1970. Any State which is a party to an agreement under this title may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

(b) Any such agreement shall provide that the State agency of the State will make payments of emergency compensation—

(1) to individuals who—

(A)(i) have exhausted all rights to regular compensation under the State law;

(ii) have exhausted all rights to extended compensation, or are not entitled thereto, because of the ending of their eligibility period for extended compensation, in such State;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law; and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of the Virgin Islands or Canada.

(2) for any week of unemployment which begins in—

(A) an emergency benefit period (as defined in subsection (c)(3)); and

(B) the individual's period of eligibility (as defined in section 205(b)).

(c)(1) For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted his rights to regular compensation under a State law when—

(A) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to him based on employment or wages during his base period; or

(B) his rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(2) For purposes of subsection (b)(1)(B), an individual shall be deemed to have exhausted his rights to extended compensation under a State law when no payments of extended compensation under a State law can be made under such law because such individual has received all the extended compensation available to him from his extended compensation account (as established under State law in accordance with section 202(b)(1) of the Federal-State Extended Unemployment Compensation Act of 1970).

(3) (A)(i) For purposes of subsection (b)(2)(A), in the case of any State, an emergency benefit period—

(I) shall begin with the third week after a week for which there is a State “emergency on” indicator; and

(II) shall end with the third week after the first week for which there is a State “emergency off” indicator.

(ii) In the case of any State, no emergency benefit period shall last for a period of less than 26 consecutive weeks.

(iii) When a determination has been made that an emergency benefit period is beginning or ending with respect to any State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(B)(i) For purposes of subparagraph (A), there is a State “emergency on” indicator for a week if—

(I) the rate of unemployment (as determined under subparagraph (C)) in the State for the period consisting of such week and the immediately preceding 12 weeks equaled or exceeded 6.3 per centum; and

(II) there (a) is a State or National “on” indicator for such week (as determined under subsections (d) and (e) of section 201 of the Federal-State Extended Unemployment Compensation Act of 1970), or (b) there is neither a State nor National “on” indicator for such week (as so determined), but (1) within the 52-week period ending with such week there has been a State or National “on” indicator for a week (as so determined), and (2) there would be a State “on” indicator for such week except for the provisions of section 203 (e)(1)(A) of the Federal-State Extended Unemployment Compensation Act of 1970.

(ii) For purposes of subparagraph (A), there is a State “emergency off” indicator for a week if, for the period consisting of such week and the immediately preceding 12 weeks, the rate of unemployment (as determined under subparagraph (C)) is less than 6.5 per centum.

(C)(i) For purposes of subparagraph (B), the term "rate of unemployment" means—

(I) the rate of insured unemployment (as determined under section 203(f) of the Federal-State Extended Unemployment Compensation Act of 1970), plus

(II) the 13-week exhaustion rate (as determined under clause (ii)).

(ii) The "13-week exhaustion rate" is the percentage arrived at by dividing—

(I) 25 per centum of the sum of the exhaustions, during the most recent 12 calendar months ending before the week with respect to which such rate is computed, of regular compensation under the State law, by

(II) the average monthly covered employment (as that term is used in section 203(f) of the Federal-State Extended Unemployment Compensation Act of 1970) of the State with respect to the 13-week period referred to in subparagraph (B)(ii).

(d) For purposes of any agreement under this title—

(1) the amount of the emergency compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowance-) payable to him during his benefit year under the State law; and

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall (except where inconsistent with the provisions of this title or regulations of the Secretary promulgated to carry out this title) apply to claims for emergency compensation and the payment thereof.

(e)(1) Any agreement under this title with a State shall provide that the State will establish, for each eligible individual who files an application for emergency compensation, an emergency compensation account.

(2) The amount established in such account for any individual shall be equal to the lesser of—

(A) 50 per centum of the total amount of regular compensation (including dependents' allowances) payable to him with respect to the benefit year (as determined under the State law) on the basis of which he most recently received regular compensation; or

(B) thirteen times his average weekly benefit amount (as determined for purposes of section 202(b)(1)(C) of the Federal-State Extended Unemployment Compensation Act of 1970) for his benefit year.

(f) No emergency compensation shall be payable to any individual under an agreement entered into under this title for any week prior to the week following the week in which such agreement is entered into, or if later, the first week beginning more than 30 days after the date of enactment of this Act. No emergency compensation shall be payable to any individual under such an agreement for any week ending after—

(1) June 30, 1972, or

(2) September 30, 1972, in the case of an individual who (for a week ending before July 1, 1972) had a week with respect to which emergency compensation was payable under such agreement.

PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF
EMERGENCY COMPENSATION

SEC. 203. (a) There shall be paid to each State which has entered into an agreement under this title an amount equal to 100 per centum of the emergency compensation paid to individuals by the State pursuant to such agreement.

(b) No payment shall be made to any State under this section in respect of compensation for which the State is entitled to reimbursement under the provisions of any Federal law other than this title.

(c) Sums payable to any State by reason of such State's having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which would 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.

FINANCING PROVISIONS

SEC. 204. (a)(1) Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this title.

(2) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(b) There are hereby authorized to be appropriated, without fiscal year limitation, to the extended unemployment compensation account, as repayable advances (without interest), such sums as may be necessary to carry out the purposes of this title. Amounts appropriated as repayable advances and paid to the States under section 203 shall be repaid, without interest, as provided in section 903(b)(3) of the Social Security Act.

(c) Section 903(b) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(3) The amount which, but for this paragraph, would be transferred to the account of a State under subsection (a) or paragraph (1) of this subsection shall (after applying paragraph (2) of this subsection) be reduced (but not below zero) by the balance of that portion of the advances made under section 204(b) of the Emergency Unemployment Compensation Act of 1971 which was used for payments to such State under section 203 of such Act. An amount equal to

the sum by which such amount is reduced shall be transferred to the general fund of the Treasury. Any amount transferred as a repayment under this paragraph shall be credited against, and shall operate to reduce, any balance repayable under this paragraph by the State to which (but for this paragraph) such amount would have been payable."

DEFINITIONS

SEC. 205. For purposes of this title—

(a) the terms "compensation", "regular compensation", "extended compensation", "base period", "benefit year", "State", "State agency", "State law", and "week" shall have the meaning assigned to them under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970;

(b) the term "period of eligibility" means, in the case of any individual, the weeks in his benefit year which begin in an extended benefit period or an emergency benefit period and, if his benefit year ends within such extended benefit period, any weeks thereafter which begin in such extended benefit period or in such emergency benefit period; and

(c) the term "extended benefit period" shall have the meaning assigned to such term under section 203 of the Federal-State Extended Unemployment Compensation Act of 1970.

For purposes of any State law which refers to an extension under Federal law of the duration of benefits under the Federal-State Extended Unemployment Compensation Act of 1970, this title shall be treated as amendatory of such Act.

REPORT BY SECRETARY OF LABOR

SEC. 206. (a) The Secretary of Labor shall conduct a comprehensive study and review of the program established by the Emergency Unemployment Compensation Act of 1971, with a view to submitting to the Congress the report required to be submitted under subsection (b). Such study and review shall be conducted with particular regard to (1) the benefit payments made under such program, (2) projections of benefit payments which will be payable under such program after the period covered by such report, (3) the desirability of continuing such program after the period prescribed in section 202(f), and (4) the funding of the benefits payable under such program and the funding of benefits thereunder if such program should be continued after the period prescribed in section 202(f).

(b) On or before May 1, 1972, the Secretary of Labor shall submit to the Congress a full and complete report on the study and review provided for in subsection (a). Such report shall cover the period ending March 31, 1972, and shall contain the recommendations of the Secretary of Labor with respect to such program, including but not limited to, the operation and funding of such program, and the desirability of extending such program after the period prescribed in section 202(f).

PUBLIC LAW 92-329, JUNE 30, 1972

SEC. 1. Section 202(f) of Public Law 92-224 (relating to termination dates for purposes of the Emergency Unemployment Compensation Act of 1971) is amended—

(1) by striking out "June 30, 1972" and inserting in lieu thereof "December 31, 1972",

(2) by striking out "September 30, 1972" and inserting in lieu thereof "March 31, 1973", and

(3) by striking out "July 1, 1972" and inserting in lieu thereof "January 1, 1973".

SEC. 2. (a) Section 3301 of the Internal Revenue Code of 1954 (relating to rate of Federal unemployment tax) is amended by adding at the end thereof the following new sentence: "In the case of wages paid during the calendar year 1973, the rate of such tax shall be 3.28 percent in lieu of 3.2 percent."

(b) Section 6157(b) of the Internal Revenue Code of 1954 (relating to payment of Federal unemployment tax on quarterly or other time period basis) is amended by adding at the end thereof the following new sentence: "In the case of wages paid in any calendar quarter or other period during 1973, the amount of such wages shall be multiplied by 0.58 percent in lieu of 0.5 percent."

(c) Section 905(b)(1) of the Social Security Act is amended by adding at the end thereof the following new sentence: "In the case of any month after March 1973 and before April 1974, the first sentence of this paragraph shall be applied by substituting 'thirteen fifty-eighths' for 'one-tenth'."

(d) Section 903(b)(3) of the Social Security Act is amended by adding at the end thereof the following new sentence: "No reduction shall be made under this subsection in the amount transferable to the account of any State by reason of emergency compensation paid to any individual for a week of unemployment ending after June 30, 1972."

(e) The second sentence of section 204(b) of the Emergency Unemployment Compensation Act of 1971 is amended to read as follows: "Amounts appropriated as repayable advances and paid to the States under section 203 shall be repaid, without interest (1) in the case of weeks of unemployment ending before July 1, 1972, as provided in section 903(b)(3) of the Social Security Act, and (2) in the case of weeks of unemployment ending after June 30, 1972, as provided in section 905(d) of such Act."

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