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Unemployment Insurance (UI) Benefits: Permanent-Law Programs and the COVID-19 Pandemic Response

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Unemployment Insurance (UI) Benefits: Permanent-Law Programs and the COVID-19 Pandemic Response

SUMMARY

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The Unemployment Insurance (UI) system is constructed as a joint federal-state partnership, in which the Unemployment Compensation (UC) program and the UC benefit are the foundation of the UI system. The U.S. Department of Labor (DOL) provides oversight of state UC programs and the state administration of federal UI benefits. Although there are broad requirements under federal law regarding UC benefits and financing, the specifics are set out under each state's laws, resulting in 53 different UC programs operated in the 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. States operate their own UC programs and administer any temporary, federal UI benefits. Each state's UC laws determine the weekly benefit amount and the number of weeks of UC available to unemployed workers. Most states provide up to 26 weeks of UC to eligible individuals who become involuntarily unemployed for economic reasons and meet state-established eligibility rules.

The UI system's two main objectives are to provide temporary and partial wage replacement to involuntarily unemployed workers and to stabilize the economy during recessions. The two permanent-law UI benefits—UC and Extended Benefits (EB)—are countercyclical, with spending and weekly benefit payments that increase automatically during a recession. Congress often supplements these permanently authorized economic stabilization measures by enacting temporary UI benefit expansions during recessions. In response to the recent recession caused by the COVID-19 pandemic, Congress created several temporary, now-expired UI programs through the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136); extended these programs through Division N, Title II, Subtitle A, of the Consolidated Appropriations Act, 2021 (P.L. 116-260; the Continued Assistance for Unemployed Workers Act of 2020, or "Continued Assistance Act"); and further extended them through Title IX, Subtitle A, of the American Rescue Plan Act of 2021 (ARPA; P.L. 117-2):

- Federal Pandemic Unemployment Compensation (FPUC) provided a $300 per week supplement for all UI benefits for weeks of unemployment beginning on or after December 27, 2020 through September 4, 2021 (September 5, 2021, in New York; for subsequent UI benefit expiration dates provided below, the benefit expiration date in New York fell one calendar day later, based upon its state's definition of *week*).
- Pandemic Emergency Unemployment Compensation (PEUC) provided a total of 49 additional weeks of federally financed UI benefits for individuals who exhausted state and federal UI benefits and were able to work, available for work, and actively seeking work, subject to COVID-19-related flexibilities, through September 4, 2021.
- Pandemic Unemployment Assistance (PUA) provided a total of 75 weeks of a temporary, federal UI program for individuals who were (1) not otherwise eligible for UI benefits (e.g., self-employed, independent contractors, gig economy workers); (2) unemployed, partially unemployed, or unable to work due to a specific COVID-19-related reason; and (3) not able to telework and are not receiving any paid leave. The PUA benefit was available through September 4, 2021.

Additionally, the Continued Assistance Act authorized an additional, temporary UI benefit:

- Mixed Earner Unemployment Compensation (MEUC) provided, at state option, a $100 per week benefit augmentation for unemployed workers with income from both wage-and-salary jobs and self-employment who were not currently receiving PUA. MEUC was available in most states for weeks of unemployment beginning on or after December 27, 2020, through September 4, 2021.

All temporary UI measures enacted in response to the COVID-19 pandemic expired at the beginning of September 2021. When authorized, FPUC, PEUC, PUA, and MEUC were all payable through voluntary agreements between DOL and states. Each agreement required that the state administer the benefits. All states agreed to administer FPUC, PEUC, and PUA, and all but two states (Idaho and South Dakota) agreed to administer MEUC. However, 26 of the states announced terminations to some or all of their agreements to pay COVID-19 UI benefits prior to the end of the federal authorization of the programs. Since then, DOL reported that state courts in Indiana and Maryland issued orders prohibiting early termination from some or all of the COVID-19 UI programs. (Additional legal challenges were reported in other states but do not appear to have reestablished participation.) For additional information on legislative proposals introduced to make changes to UI programs and benefits, see CRS Report R46789, *Unemployment Insurance: Legislative Issues in the 117th Congress*.

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The Unemployment Insurance (UI) system is constructed as a joint federal-state partnership providing temporary and partial wage replacement to involuntarily unemployed workers. The Unemployment Compensation (UC) program and the UC benefit provide the foundation of the UI system. Although there are broad requirements under federal law regarding UC benefits and financing, the specifics are set out under each state's laws, resulting in 53 different UC programs operated in the 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. The U.S. Department of Labor (DOL) provides oversight of state UC programs and state administration of federal UI benefits. States operate their own permanent-law UC programs and also administer any temporary, federal UI benefits. Each state's UC laws determine the weekly benefit amount and the number of weeks of UC available to an unemployed worker. Most states provide up to 26 weeks of UC to eligible individuals who become involuntarily unemployed for economic reasons and meet state-established eligibility rules.

The UI system's main objectives are to provide temporary and partial wage replacement to involuntarily unemployed workers and to stabilize the economy during recessions.[1] The two permanently authorized UI programs—UC and Extended Benefits (EB)—provide weekly, countercyclical payments that increase automatically during a recession. The intent to provide economic stability is reflected in the UI system's funding and benefit structure. During economic expansions, states fund approximately 85%-90% of all UC expenditures—as almost all UC benefits are state-financed by state unemployment taxes. In comparison, federal UC expenditures are relatively small during these expansions (approximately 10%-15%) and are primarily made to the states via administrative grants financed by federal unemployment tax revenue.[2]

When employment grows, state and federal UC tax revenues rise and spending on UC benefits falls because fewer workers are unemployed.[3] In a recession, UC tax revenue decreases and UC program spending increases as more workers lose their jobs and receive UC benefits. The increased amount of UC payments to unemployed workers mitigates the economic impact of their lost earnings by injecting additional funds into the economy.

To support the UC program's economic stabilization efforts during higher unemployment periods, federal law includes an automatic extension of the regular UC benefit through the permanently authorized EB program. The UI system is designed to supplement the weeks of UC payments by automatically triggering the availability of up to an additional 13 or 20 weeks of EB payments. Triggering on to EB requires that a state meets certain unemployment thresholds (the state also has options to adopt certain additional unemployment triggers). In practice, the required EB

[1] See, for example, President Franklin Roosevelt's remarks at the signing of the Social Security Act on August 14, 1935: "This law, too, represents a cornerstone in a structure which is being built but is by no means complete. It is a structure intended to lessen the force of possible future depressions. It will act as a protection to future Administrations against the necessity of going deeply into debt to furnish relief to the needy. The law will flatten out the peaks and valleys of deflation and of inflation. It is, in short, a law that will take care of human needs and at the same time provide the United States an economic structure of vastly greater soundness," available at http://www.ssa.gov/history/fdrstmts.html#signing.

[2] For a description of administrative grants to the states, see CRS In Focus IF10838, *Funding the State Administration of Unemployment Compensation (UC) Benefits*.

[3] For a description of federal and state unemployment taxes, see CRS Report R44527, *Unemployment Compensation: The Fundamentals of the Federal Unemployment Tax (FUTA)*.

trigger is set to such a high level of unemployment that the majority of states do not trigger onto EB in most recessions.[4] The weekly EB payment is the same as the underlying UC benefit amount, and thus, it also varies by state.

Congress often supplements these UI system stabilization efforts by enacting temporary UI benefit expansions—such as the now-expired benefits created under the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136).

Temporary Federal Extensions of UI: Congressional Response to Recessions

Since the creation of the UI program in 1935, Congress has acted nine times—1958, 1961, 1971, 1974, 1982, 1991, 2002, 2008, and 2020—to create temporary additional UI benefits.[5] These temporary benefits extended the number of weeks an individual might claim UC benefits (ranging from an additional 6 weeks to 53 weeks) and included expiration dates for the additional benefits. Congress often extended the authorization of these temporary benefits as well as expanded and contracted the benefits as the labor market recovered from the recession. Some weeks of additional benefits were conditional on state economic conditions.[6] Additionally, in response to the 2020 recession, Congress created a separate benefit (Pandemic Unemployment Assistance) for those individuals who were traditionally unable to access regular UI benefits because of the nature of their employment. All temporary, now-expired programs that were enacted in 2020 in response to the COVID-19 pandemic are discussed in the "Temporary COVID-19 Pandemic UI Programs" section of this report.

During the COVID-19 pandemic-related recession, individuals may have received benefits under multiple, temporarily and permanently authorized UI programs. **Figure 1** at the end of this report provides the flow of all UI benefits that were available from March 13, 2021, through September 4, 2021, in participating states.

Permanently Authorized UI Programs: UC and EB

As noted, there are two permanently authorized benefit programs (UC and EB) in the UI system. In general, when eligible workers lose their jobs, the joint federal-state UC program may provide up to 26 weeks (in most states) of income support through weekly UC benefit payments. [7] UC

[4] Janet L. Norwood et al., *Collected Findings and Recommendations: 1994-1996*, Advisory Council on Unemployment Compensation, Washington, DC, 1996, pp. 2-4. For additional information on EB law changes over time, see Table A-1 in CRS Report RL34340, *Extending Unemployment Compensation Benefits During Recessions*.

[5] See CRS Report RL34340, *Extending Unemployment Compensation Benefits During Recessions*, for details of the congressional response to recessions from 1980 through 2014. The recession that began in January 1980 was the only recession since 1958 that did not have a temporary, federal UI program; however, the EB program had a national trigger at that time (which was removed, effective August 13, 1981, by P.L. 97-35, the Omnibus Budget Reconciliation Act of 1981) and, thus, EB was available for all states.

[6] Ibid, see "Table A-1. Summary of Extended Unemployment Compensation Programs."

[7] Certain groups of workers may qualify for income support from additional UI programs, including Trade Adjustment Assistance (TAA), Reemployment Trade Adjustment Assistance (RTAA), and Disaster Unemployment Assistance (DUA). Workers who lose their jobs because of international competition may qualify for income support through the TAA program or the RTAA program (for certain workers aged 50 or older). Workers may be eligible to receive DUA benefits if they are not eligible for regular UC and their unemployment may be directly attributed to a declared natural disaster. For more information on the TAA and RTAA programs, see CRS In Focus IF10570, *Trade Adjustment Assistance for Workers (TAA)*.

benefits may be extended for up to 13 weeks or 20 weeks by the EB program, depending on state economic conditions and state law options.[8] (For an overview of EB, see the "Extended Benefits" section.)

Unemployment Compensation

The Social Security Act of 1935 (P.L. 74-271) authorizes the joint federal-state UC program to provide weekly unemployment benefits. Most states provide up to a maximum of 26 weeks of UC benefits.[9] Although federal laws and regulations provide broad guidelines on UC benefit coverage, eligibility, and determination, the specifics regarding UC benefits are determined by each jurisdiction. This results in essentially 53 different programs.[10]

Eligibility

In general, UC eligibility is based on attaining qualified wages and employment in covered work over a 12-month period (called a *base period*) prior to unemployment. All states require a worker to have earned a certain amount of wages or to have worked for a certain period of time (or both) within the base period to be eligible to receive UC benefits. The methods states use to determine eligibility vary greatly. In addition, each state's UC law requires individuals to have lost their jobs through no fault of their own, and recipients must be able to work, available for work, and actively seeking work.[11] These eligibility requirements help ensure that UC benefits are directed toward workers with recent labor market experience who are unemployed because of economic conditions.[12] Self-employed workers—potentially including independent contractors and gig economy workers—are the largest group of workers generally excluded from eligibility for UC benefits.[13]

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[8] For example, during the week of August 23, 2020, 51 jurisdictions had some type of EB available (only Idaho and South Dakota were triggered off, see https://oui.doleta.gov/unemploy/trigger/2020/trig_082320.html). By August 22, 2021, 10 jurisdictions had some type of EB available (see https://oui.doleta.gov/unemploy/trigger/2021/trig_082221.html). For the current EB trigger notice, select "Extended Benefits Trigger Notice" at https://oui.doleta.gov/unemploy/claims_arch.asp.

[9] Former federal workers may be eligible for unemployment benefits through the Unemployment Compensation for Federal Employees (UCFE) program, 5 U.S.C. §§8501-8508. Former U.S. military servicemembers may be eligible for unemployment benefits through the Unemployment Compensation for Ex-Servicemembers (UCX) program, 5 U.S.C. §§8521-8525. For more information on the Unemployment Compensation for Ex-Servicemembers (UCX) program, see CRS Report RS22440, *Unemployment Compensation (Insurance) and Military Service*. Both UCFE and UCX benefit and duration amounts are based upon the underlying state UC laws of the official duty station.

[10] The District of Columbia, Puerto Rico, and the U.S. Virgin Islands are considered states under federal UI law.

[11] In some cases, a worker may be eligible for benefits based upon quitting a job for a *good cause* reason. In all states, individuals who leave their work voluntarily must meet the state's good cause requirements if they are not to be disqualified from receiving UC. In many states, good cause is explicitly restricted to reasons connected with the work, attributable to the employer, or involving fault on the part of the employer. (For those states, see Table 5.1 in DOL, *2020 Comparison of State Unemployment Insurance Laws*, available at https://oui.doleta.gov/unemploy/pdf/uilawcompar/2020/nonmonetary.pdf.)

[12] Summary details on various aspects of state UC programs, including eligibility requirements, are provided in DOL, *2021 Comparison of State Unemployment Insurance Laws*, available at https://oui.doleta.gov/unemploy/comparison/2020-2029/comparison2021.asp.

[13] For additional information on gig economy workers, see CRS Report R44365, *What Does the Gig Economy Mean for Workers?*.

Benefit Amount

UC benefit calculations are generally based on wages for covered work over the 12-month base period. Most state benefit formulas replace half of a claimant's average weekly wage up to a weekly maximum. All states disregard some earnings during unemployment as an incentive to take short-term or part-time work while searching for a permanent position. States also disregard earnings in situations of partial unemployment, in which individuals have their work hours reduced (rather than being laid off). Generally, in partial unemployment situations, a worker's net UC payment equals the difference between the underlying UC weekly benefit amount and a proportion of earnings (after a small disregard).[14]

Similarly, there is considerable variation by state in the maximum weekly UC benefit amounts. In July 2021, the maximum weekly benefit amount ranged from $235 (Mississippi) to $855 (Massachusetts). Additionally, in states that provide dependents' allowances, the maximum benefit was $1,282 (Massachusetts, requiring 18 dependents for the maximum payment).[15] The 12-month average, national weekly benefit amount was $350 as of December 2021.[16]

Benefit Duration

Until 2011, all state UC programs offered at least 26 weeks as the maximum duration available in the state. Nothing in federal law requires states to set their UC benefit duration maximum at 26 weeks. Thus, states have the discretion to offer fewer than 26 weeks as the maximum or to set their own higher UC benefit durations via their state UC laws.[17] (Two states provide more than 26 weeks of UC benefits: Montana provides up to 28 weeks[18] and Massachusetts provides up to 30 weeks, depending on local economic conditions.[19]) Ten states have decreased their maximum UC durations,[20] but three of these states (Georgia, Kansas, and North Carolina) temporarily restored their UC maximum durations to 26 weeks in response to the COVID-19 pandemic (two of these states—Georgia and Kansas—continue to have up to 26 weeks of UC available):

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[14] For information on earnings disregards and partial unemployment, see Table 3.8 in DOL, *2021 Comparison of State Unemployment Insurance Laws*, available at https://oui.doleta.gov/unemploy/pdf/uilawcompar/2021/monetary.pdf#page=19.

[15] See DOL, *Significant Provisions of State Unemployment Insurance Laws, Effective July 2021*, available at https://oui.doleta.gov/unemploy/content/sigpros/2020-2029/July2021.pdf. Dependents' allowances are amounts paid on top of the weekly benefit amount in some states, using each state's definition of "dependent."

[16] DOL provides monthly state and national UC program data at https://oui.doleta.gov/unemploy/claimssum.asp.

[17] In the early decades of the UC program, there was more variation in the maximum duration of UC benefits across states, which also tended to be lower than 26 weeks. Yet since the 1960s—and until the 2011 state law changes—all states had chosen to provide up to at least 26 weeks of UC benefits to eligible individuals. Puerto Rico is an exception to this pattern of state convergence on 26 weeks as the maximum UC benefit duration in the 1960s. When it originally entered the federal-state UC system in 1961, Puerto Rico provided a lower maximum UC benefit duration (i.e., up to 16 weeks in 1961 and then up to 20 weeks for most of the 1970-1990 period). Puerto Rico did not provide up to 26 weeks of UC benefits until 1991. For more information on state UC benefit duration, including changes over time, see DOL's report series on "Significant Provisions of State UI Laws," available at https://oui.doleta.gov/unemploy/statelaws.asp#RecentSigProLaws.

[18] When EB benefits are available in Montana, the total duration of UC and EB is capped at either 39 weeks (26 + 13) or 46 weeks (26 + 20).

[19] When EB benefits are available in Massachusetts, the maximum duration of UC benefits is capped at 26 weeks.

[20] See DOL, "Maximum Potential Weeks of UI Benefits for New Claimants," available at https://oui.doleta.gov/unemploy/docs/potential_weeks_map.pdf.

- Alabama: 14 weeks[21] (14-20 weeks, variable duration based on state unemployment conditions);
- Arkansas: 16 weeks;
- Florida: 19 weeks[22] (12-23 weeks, variable duration based on state unemployment conditions);
- Georgia: temporarily restored to 26 weeks due to the pandemic[23] (14-20 weeks, variable duration based on state unemployment conditions);
- Idaho: 20 weeks[24] (20-26 weeks, variable duration based on state unemployment conditions);
- Kansas: temporarily restored to 26 weeks due to the pandemic[25] (16-26 weeks, variable duration based on state unemployment conditions);
- Michigan: 20 weeks;[26]
- Missouri: 20 weeks;
- North Carolina: 12 weeks[27] (12-20 weeks, variable duration based on state unemployment conditions); and
- South Carolina: 20 weeks.

Financing

The UC program is financed by federal taxes under the Federal Unemployment Tax Act (FUTA) and by state payroll taxes under the State Unemployment Tax Acts (SUTA).[28] The 0.6% effective net FUTA tax paid by employers on the first $7,000 of each employee's earnings (no more than $42 per worker per year) funds federal and state administrative costs, loans to insolvent state UC accounts, the federal share (50%) of EB payments under permanent law, and state employment

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[21] Alabama also provides a five-week "training extension" for certain UC claimants; see https://labor.alabama.gov/newsfeed/news_covid19/UC%20program%20flowchart%20graphic.pdf.

[22] Beginning January 1, 2022, for new UC claims filed, the maximum duration is 12 weeks. See https://floridajobs.org/news-center/DEO-Press/2022/01/03/florida-department-of-economic-opportunity-provides-weekly-reemployment-assistance-updates—december-28.

[23] See https://dol.georgia.gov/blog-post/2020-03-26/emergency-rules-adopted-03-26-20. As of June 27, 2021, up to 26 weeks of UC benefits are still available in Georgia; see https://dol.georgia.gov/gdol-covid-19-information.

[24] Current information on Idaho is from an email to CRS from the Idaho Department of Labor, January 31, 2022.

[25] See https://www.dol.ks.gov/docs/default-source/home-page-news/2020/unemployment-insurance-benefits-expansion-to-26-weeks.pdf?Status=Temp&sfvrsn=6c76881f_2. As of December 2, 2021, up to 26 weeks of UC benefits are still available in Kansas; see https://www.dol.ks.gov/ui-programs.

[26] Michigan had temporarily restored its state UC duration back up to 26 weeks due to the pandemic until March 2021. For initial authority to restore up to 26 weeks of UC benefits through calendar year 2020, see Michigan Department of Labor and Economic Opportunity, "Governor Whitmer Signs Bipartisan Bills Extending Unemployment Benefits to 26 Weeks, Calls on the Republican Legislature to Make Them Permanent," press release, October 20, 2020, https://www.michigan.gov/leo/0,5863,7-336-94422_97241_98585_99416_98657-542855—,00.html. For extension of authority to restore up to 26 weeks of UC benefits through March 2021, see Michigan Department of Labor and Economic Opportunity, "Governor Whitmer Signs $106 Million Bipartisan Relief Bill, Bills Extending Unemployment Benefits to 26 Weeks," press release, December 29, 2020, https://www.michigan.gov/whitmer/0,9309,7-387-90499_90640-548444—,00.html.

[27] Currently in North Carolina, for new UC claims filed, the maximum duration is 12 weeks; see https://des.nc.gov/apply-unemployment/unemployment-benefit-basics.

[28] For information on FUTA, see CRS Report R44527, *Unemployment Compensation: The Fundamentals of the Federal Unemployment Tax (FUTA)*.

services. States levy their own payroll taxes on employers to fund regular UC benefits and the state share of the EB program under permanent law. Federal law requires that the SUTA tax rate of an employer be based on the amount of UC benefits paid to former employees. Generally, the more UC benefits paid to its former employees, the higher the tax rate of the employer—up to a maximum established by state law.

Extended Benefits

Federal law includes an automatic extension of the regular UC benefit with the permanently authorized EB program if specific economic conditions exist at the state level. The EB program was established by the Federal-State Extended Unemployment Compensation Act of 1970 (P.L. 91-373; 26 U.S.C. §3304, note) and may provide up to 13 or 20 weeks of additional weeks of UI benefits.[29]

Extended Benefit Triggers

The EB program is active, or triggered on, when a state's three-month general unemployment rate (Total Unemployment Rate, TUR) or its programmatic Insured Unemployment Rate (IUR) meets certain thresholds.[30] Under federal EB law, all states must pay up to 13 weeks of EB if the IUR for the previous 13 weeks is at least 5%, and is 120% of the average of the rates for the same 13-week period in each of the two previous years. Additionally, states may choose to enact up to two other optional thresholds. (States may choose one, two, or none.) If the state chooses one or more of the EB trigger options, it would provide the following:

- Option 1—based upon the IUR
  - up to an additional 13 weeks of benefits if the state's IUR is at least 6%, regardless of previous years' averages.
- Option 2—based upon the TUR
  - up to an additional 13 weeks of benefits if the state's TUR is at least 6.5% and is at least 110% of the state's average TUR for the same 13 weeks in either of the previous two years;
  - up to an additional 20 weeks of benefits if the state's TUR is at least 8% and is at least 110% of the state's average TUR for the same 13 weeks in either of the previous two years (this is designated as a high unemployment period [HUP] for EB).

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[29] For the current EB trigger notice, select "Extended Benefits Trigger Notice" at https://oui.doleta.gov/unemploy/claims_arch.asp.

[30] The total unemployment rate (TUR) is the three-month average of the ratio of unemployed workers to all workers (employed and unemployed) in the labor market. The TUR is essentially a three-month average version of the unemployment rate published by the Bureau of Labor Statistics (BLS) and based on data from the BLS's monthly Current Population Survey (CPS). The insured unemployment rate (IUR) is the ratio of UC claimants divided by individuals in UC-covered jobs. The IUR uses a different base of workers in its calculations than the TUR. The IUR excludes several groups used in TUR calculations: self-employed workers, unpaid family workers, workers in certain not-for-profit organizations, and several other (primarily seasonal) categories of workers. In addition to those unemployed workers whose last jobs were in the excluded employment category, the IUR excludes the following: those who have exhausted their UC benefits (even if they are receiving EB benefits); new entrants or reentrants to the labor force; disqualified workers whose unemployment is considered to have resulted from their own actions rather than from economic conditions; and eligible unemployed persons who do not file for benefits. As a result, a state's IUR is often calculated to be much lower than its TUR.

When a state triggers off of an EB period, all EB benefit payments in the state cease immediately, regardless of individual entitlement.[31] That is, EB benefits are not phased out (grandfathered) when a state triggers off the program.[32]

Eligibility and Benefit Amount

The EB benefit amount is equal to the eligible individual's weekly regular UC benefit. The EB program imposes federal restrictions on individual eligibility for EB beyond the state requirements for regular UC. The EB program requires that a worker make a "systematic and sustained" work search. Furthermore, the worker may not receive benefits if he or she refused an offer of *suitable* work, which is defined as "any work within such individual's capabilities."[33] In addition, claimants must have worked at least 20 weeks of full-time insured employment (or the equivalent as defined by the state) in insured wages during their base period.

EB Financing

Under permanent law, FUTA revenue finance 50% of the EB payments and 100% of EB administrative costs. States fund the other half 50% of EB benefit costs, under permanent law, through their SUTA revenue.

Temporary EB Financing Changes (expired)

Section 4105 of P.L. 116-127, the Families First Coronavirus Response Act (FFCRA), as amended, temporarily provided 100% federally financed EB (with the exception of state and local employees) for states that received both halves of the emergency administrative grants authorized under FFCRA beginning with enactment of this law (March 18, 2020) through December 31, 2020.[34] The UI provisions in Division N, Title II, Subtitle A of the Consolidated Appropriations Act, 2021 (P.L. 116-260; the Continued Assistance for Unemployed Workers Act of 2020, or "Continued Assistance Act") extended the authority for this 100% federal financing of EB

[31] EB benefits on interstate claims are limited to two extra weeks unless *both* the worker's state of residence and the worker's state of previous employment are in an EB period.

[32] The Continued Assistance Act (P.L. 116-260) provided a temporary option for states that have triggered off an EB period to disregard the mandatory 13-week off period for weeks between November 1, 2020, and December 31, 2021, if state law allowed such actions.

[33] State UC programs have their own definitions related to work search and refusal of suitable work. See Tables 5.14 and 5.16 in DOL, Employment and Training Administration (ETA), *2021 Comparison of State Unemployment Insurance Laws*, available at https://oui.doleta.gov/unemploy/pdf/uilawcompar/2021/nonmonetary.pdf.

[34] Section 4102(a) of FFCRA provided up to a total of $1 billion in "emergency administrative grants" to states in calendar year 2020. Half of each state's share was available if the state met certain requirements related to UC eligibility notifications and claims access. The second half of each state's share was available if a state qualified for the first half and experienced at least a 10% increase in UC claims over the previous calendar year and met certain other requirements related to easing UC eligibility requirements for individuals affected by COVID-19. Additionally, there were reporting requirements to DOL and committees of jurisdiction within one year for states that received these grants. DOL published the state shares of these emergency administrative grants in UIPL No. 13-20, "Families First Coronavirus Response Act, Division D Emergency Unemployment Insurance Stabilization and Access Act of 2020," March 22, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=8634. As of June 11, 2020, according to DOL, all states met the statistical criteria for receiving these FFCRA grants (see https://oui.doleta.gov/unemploy/pdf/IC3MOmarch.pdf). All states requested their full allotment of these FFCRA grants by September 30, 2020.

through March 13, 2021.[35] The UI provisions in the American Rescue Plan Act of 2021 (ARPA; P.L. 117-2) further extended this authority through September 4, 2021 when it expired.[36]

Temporary Adoption of Optional EB Triggers Based Upon Expired 100% Federal Financing for EB

Some states reacted to this temporary 100% federal financing by enacting temporary EB trigger options that remained in place for the duration of the increased federal cost share. According to DOL, 13 states adopted the more responsive TUR trigger, but authorized a sunset for their TUR triggers related to availability of the 100% federal funding of EB.[37]

Temporary COVID-19 Pandemic UI Programs (Expired)

The COVID-19 pandemic dramatically disrupted the economy, as many businesses reduced operations and consumer demand shifted away from in-person commerce. The sharp fall in economic activity translated into massive and widespread employment loss. Recessions generally are a difficult time to find work, and the increased workplace hazards created by the COVID-19 pandemic further limited jobseekers' options for employment.

Responding to the COVID-19 pandemic and the resulting economic recession, the 116th Congress created several new temporary, now-expired UI benefits for unemployed workers through the CARES Act (P.L. 116-136). These temporary CARES Act UI programs (1) augmented all UI benefits, (2) created additional weeks of temporary benefits, and (3) expanded coverage to new groups of workers through a new benefit. The Continued Assistance Act (contained within P.L. 116-260) subsequently extended the authorization of these programs. See **Table 2** for the final expiration dates of the federal authorization of the temporary UI programs under the Continued Assistance Act. **Figure 1** displays the flow of all UI benefits that were available under permanent law and the temporary UI benefits as authorized by the Continued Assistance Act, which are now expired. The statutory authority for the temporary UI benefits specified that they were payable through voluntary agreements between DOL and each state that chose to provide them. While almost all states initially signed agreements to pay all of these benefits, 26 states announced terminations to their agreements to pay COVID-19 UI benefits prior to program expiration. Of those states, DOL reported that in Indiana and Maryland state courts issued temporary orders prohibiting early termination from some or all of the COVID-19 UI programs. (Additional legal challenges were reported in other states but do not appear to have reestablished participation.)

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[35] Through March 14, 2021, in New York. For the purposes of UI programs and benefits, New York defines *week* as Monday to Sunday; every other state defines *week* as Sunday to Saturday. Therefore, the benefit expiration date in New York falls one calendar day later than in other states.

[36] Through September 5, 2021, in New York.

[37] According to DOL, these states were California, Colorado, Delaware, the District of Columbia, Georgia, Illinois, Kentucky, Massachusetts, Michigan, Nevada, New York, Ohio, and Texas. Some states cited the specific federal law in their sunset date, while other states used a specific date that aligns with an upcoming expiration of the 100% federal financing of EB. Texas's EB TUR trigger statute requires that if 100% federal financing of EB is available, then Texas must promulgate a regulation to use it (based on DOL/ETA email communication with authors, January 16, 2021).

UI Benefit Augmentation: Federal Pandemic Unemployment Compensation (FPUC; $300 a week prior to expiration)

Section 2104 of the CARES Act originally created a temporary, additional, federally financed $600-a-week FPUC benefit that augmented most weekly UI benefits, including UC, Pandemic Unemployment Assistance (PUA), Pandemic Emergency Unemployment Compensation (PEUC), EB, Disaster Unemployment Assistance (DUA), Short-Time Compensation (STC), Trade Readjustment Allowance (TRA), and Self Employment Assistance (SEA).[38] When the $600 weekly FPUC benefit was available for weeks of unemployment beginning on March 29, 2020,[39] an eligible UI claimant would have received both the UI benefit plus the $600 each week. One $600 FPUC benefit was payable to an eligible UI claimant for any given week. That temporary $600 weekly augmentation of UI benefits terminated the week ending July 25, 2020.[40]

The Continued Assistance Act reauthorized (and reestablished) the temporary FPUC benefit at a lower amount of $300 per week for weeks of unemployment beginning after December 26, 2020, and ending on or before March 14, 2021.[41] ARPA extended the Continued Assistance Act's reauthorization of FPUC at $300 per week through weeks of unemployment ending on or before September 6, 2021. No FPUC benefits were payable for weeks of unemployment that began after September 4, 2021.[42]

While the $300 weekly FPUC benefit was available, an eligible UI claimant would have received both the UI benefit plus the $300 each week. One $300 FPUC benefit was payable to an eligible UI claimant for any given week. FPUC income was required to be disregarded for the purposes of Medicaid and the Children's Health Insurance Program (CHIP). During the FPUC authorization period, states were prohibited from reducing the UC benefit amount or duration.

For an explanation of the previously authorized $600-a-week version of FPUC as well as the now-concluded $300 Lost Wages Assistance (LWA) program authorized by a presidential memorandum, see the **Appendix**.

Additional Weeks of UI: Pandemic Emergency Unemployment Compensation (PEUC; up to a total of 49 weeks prior to expiration)

PEUC provided additional weeks of federally financed UI benefits for individuals who exhausted state and federal UI benefits and were able to work, available for work, and actively seeking work, subject to COVID-19-related flexibilities. PEUC was originally created as a 13-week UI extension under the CARES Act for weeks of unemployment beginning on March 29, 2020,[43] and

[38] For information on TRA, see CRS Report R44153, *Trade Adjustment Assistance for Workers and the TAA Reauthorization Act of 2015*. For information on SEA, see CRS Report R41253, *The Self-Employment Assistance (SEA) Program*.

[39] March 30, 2020, in New York.

[40] July 26, 2020, in New York.

[41] For DOL guidance on the FPUC extension in the Continued Assistance Act, see DOL, ETA, "Continued Assistance for Unemployed Workers (Continued Assistance) Act of 2020—Federal Pandemic Unemployment Compensation (FPUC) Program Reauthorization and Modification and Mixed Earners Unemployment Compensation (MEUC) Program Operating, Reporting, and Financial Instructions," UIPL No. 15-20, Change 3, January 5, 2021, https://wdr.doleta.gov/directives/corr_doc.cfm?docn=6122.

[42] September 5, 2021, in New York.

[43] March 30, 2020, in New York.

payable through weeks of unemployment ending on December 26, 2020 (December 27, 2020, in New York). The Continued Assistance Act extended the authorization for PEUC through weeks of unemployment ending on or before March 13, 2021.[44] In addition, for weeks of unemployment beginning after December 26, 2020,[45] the Continued Assistance Act authorized 11 additional weeks of PEUC benefits (not retroactive[46])—for a total of 24 weeks of PEUC.[47]

The Continued Assistance Act created a new requirement that individuals receiving EB must exhaust any remaining EB eligibility prior to being eligible to receive the additional weeks of PEUC authorized under the act.[48]

ARPA authorized 29 additional weeks of PEUC benefits payable with respect to weeks of unemployment beginning March 14, 2021 (not retroactive), and extended the authorization for PEUC through weeks of unemployment ending on or before September 6, 2021. The new PEUC expiration date effectively limited PEUC benefits to no more than an additional 25 weeks for a cumulative total of 49 weeks. There was no phase-out period authorized under ARPA. Thus, no PEUC benefits were payable for weeks of unemployment that began after September 4, 2021.[49]

ARPA also maintained the same requirement that individuals receiving EB must exhaust any remaining EB eligibility prior to being eligible to receive the additional weeks of PEUC authorized under ARPA.[50]

Expanded UI Coverage: Pandemic Unemployment Assistance (PUA; up to a total of 75 weeks prior to expiration)

PUA was a temporary federal UI program for individuals who are (1) not otherwise eligible for UI benefits (e.g., self-employed, independent contractors, gig economy workers); (2) unemployed, partially unemployed, or unable to work due to a specific COVID-19-related reason; and (3) not able to telework and are not receiving any paid leave. Under the CARES Act, PUA provided up to 39 weeks of benefits for weeks of unemployment beginning on February 2, 2020,[51] and ending December 26, 2020.[52] The Continued Assistance Act extended the

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44 March 14, 2021, in New York.

45 December 27, 2020, in New York.

46 *Not retroactive* refers here, and throughout this report, to the fact that these additional weeks were payable for weeks of unemployment only prospectively, or after enactment. The additional weeks of benefits were not payable for weeks of unemployment prior to enactment of the act.

47 The Continued Assistance Act also created a phase-out period for PEUC (since removed by ARPA). In the now-removed phase-out period, individuals who were receiving PEUC at the expiration of the program, had not exhausted available weeks of PEUC, and remained otherwise eligible, were eligible for PEUC benefits under the Continued Assistance Act until April 10, 2021.

48 For DOL guidance on the PEUC extension in the Continued Assistance Act, see DOL, ETA, "Continued Assistance for Unemployed Workers Act of 2020-Pandemic Emergency Unemployment Compensation (PEUC) Program: Extension, Transition Rule, Increase in Total Benefits, and Coordination Rules," UIPL No. 17-20, Change 2, December 31, 2020, https://wdr.doleta.gov/directives/corr_doc.cfm?docn=9291.

49 September 5, 2021, in New York.

50 For DOL guidance on the UI provisions in ARPA, including the PEUC extensions, see DOL, ETA, "American Rescue Plan Act of 2021 (ARPA)—Key Unemployment Insurance (UI) Provisions," UIPL No. 14-21, March 15, 2021, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5669.

51 February 3, 2020, in New York.

52 December 27, 2020, in New York.

authorization for PUA through weeks of unemployment ending on or before March 13, 2021.[53] In addition, for weeks of unemployment beginning December 26, 2020,[54] the act also authorized 11 additional weeks of PUA benefits (not retroactive)—for a total of 50 weeks of PUA.[55]

Generally, the PUA benefit amount was based upon the same general formula as the state's weekly benefit amount; however, it was based on recent earned income (rather than solely UI-covered wages), subject to the minimum benefit under Disaster Unemployment Assistance (DUA),[56] which is half of the state's average weekly UC benefit amount. In territories without UC programs, the PUA benefit was determined by applying DUA regulations.[57]

The Continued Assistance Act provided a new deadline for the backdating of PUA claims (previously, PUA claims could be backdated to February 2, 2020): initial applications for PUA filed after December 27, 2020, could not be backdated earlier than December 1, 2020.[58]

The Continued Assistance Act also included additional measures related to PUA, including (1) authority for states to waive recovery of PUA overpayments in cases of non-fault and hardship (retroactive for any PUA overpayment); (2) codification of the PUA appeals process to be conducted by states; and (3) requirements for additional documentation from claimants and for other PUA program integrity measures (as described in CRS Report R45478, *Unemployment Insurance: Legislative Issues in the 116th Congress*).[59]

ARPA authorized 29 additional weeks of PUA benefits payable with respect to weeks of unemployment beginning March 14, 2021 (not retroactive), and extended the authorization for PUA through weeks of unemployment ending on or before September 6, 2021. The new PUA expiration date effectively limited PUA benefits to no more than an additional 25 weeks for a

[53] March 14, 2021, in New York.

[54] December 27, 2020, in New York.

[55] The Continued Assistance Act created a phase-out period for PUA (subsequently removed by ARPA). In the now-removed phaseout, individuals who were receiving PUA at the end of that program expiration, had not exhausted available weeks of PUA, and remained otherwise eligible, were eligible for PUA benefits until April 10, 2021.

[56] For information on DUA, see CRS Report RS22022, *Disaster Unemployment Assistance (DUA)*.

[57] 20 C.F.R. Section 625.2(r)(1)(ii) defines the applicable state law to be the Hawaii Employment Security Law for Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

[58] The Continued Assistance Act included a hold harmless provision such that states may have continued to pay PUA benefits for up to four weeks of unemployment for individuals who had previously exhausted PEUC and were receiving PUA, but were eligible for the additional weeks of PEUC created under this act. Some PUA claimants were eligible for additional weeks of PEUC due to the additional weeks of PEUC provided by the CAA. States had up to four weeks to process those claims and begin to pay out PEUC to those claimants rather than continue on PUA. According to DOL guidance, "recognizing the unique circumstances states face and the number and complexity of UI programmatic changes that states must swiftly implement, should a state determine that it will not be able to transition individuals from PUA back to PEUC in that timeframe, the state must contact the appropriate ETA Regional Office to determine the earliest date that the state will be able to implement this transition," UIPL No. 9-21, p. 8.

[59] For DOL guidance on the PUA extension and additional PUA measures in the Continued Assistance Act, see DOL, ETA, "Continued Assistance to Unemployed Workers Act of 2020—Pandemic Unemployment Assistance (PUA) Program: Updated Operating Instructions and Reporting Changes," UIPL No. 16-20, Change 5, January 8, 2021, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=6973.

cumulative total of 75 weeks.[60] There was no phase-out period authorized under ARPA. Thus, no PUA benefits were payable for weeks of unemployment that began after September 4, 2021.[61]

UC and EB Offset PUA

If an individual had exhausted all available entitlement to UC, PEUC, and EB, he or she may have been eligible to collect PUA if the underlying cause of unemployment was attributable to a PUA-covered circumstance (e.g., specific COVID-19-related condition). However, the 75-week entitlement to PUA was reduced by the weeks of UC and EB received. (PEUC did not reduce the number of PUA weeks available.)

Additional UI Augmentation: Mixed Earner Unemployment Compensation (MEUC; $100 a week prior to expiration)

The Continued Assistance Act also authorized a newly created $100-a-week MEUC payment (in states that elected to participate in MEUC) in addition to the $300-a-week FPUC benefit.[62] MEUC addressed an issue raised by potential differences in benefits calculated under regular state UI programs and those calculated under PUA. Specifically, the PUA benefit was created with a higher minimum benefit than each state's UI minimum benefit (the minimum PUA benefit was 50% of the average state UI benefit amount). Because PUA was not available to anyone who qualified for state UI (or any other federal UI benefit), there was a concern related to perceived equity for unemployed workers who would qualify for PUA with a higher weekly benefit if they were not also eligible for regular state UI benefits. MEUC addressed this issue by increasing the amount of state UI benefits for individuals in this situation.

MEUC provided $100 weekly for individuals who received at least $5,000 in self-employment income in the most recent tax year (i.e., ending prior to the individual's application for state UI benefits) *and* who received a UI benefit other than PUA. Under the Continued Assistance Act, MEUC was payable only in states that opted to administer the benefit for weeks of unemployment beginning on or after December 27, 2020, and ending on or before March 13, 2021.[63]

[60] ARPA included a hold harmless provision such that states may have continued to pay PUA benefits for up to six weeks of unemployment for individuals who had previously exhausted PEUC and were receiving PUA but were eligible for the additional weeks of PEUC created under this act. After six weeks, states had to move claimants eligible for additional weeks of PEUC back to PUA. According to DOL guidance, "Based on the experience of states implementing a similar provision with the Continued Assistance Act, the Department considers six weeks of unemployment commencing after the date of enactment of ARPA (week ending April 24, 2021) an appropriate period of time for states to implement the additional amounts of PEUC and move an individual from their PUA claim back to PEUC." UIPL No. 14-21, p. 7.

[61] September 5, 2021, in New York.

[62] Other bills introduced in the 116th Congress (S. 4442, S. 4935, H.R. 925, and H.R. 7691) also included provisions for increasing the regular UI benefits of mixed earners.

[63] March 14, 2021, in New York. As of March 5, 2021, according to DOL, all states except South Dakota and Idaho had opted to pay MEUC. Mississippi signed an agreement later than other states and paid out MEUC for weeks of unemployment beginning on or after January 3, 2021. For DOL guidance on the MEUC authority in the Continued Assistance Act, see DOL, ETA, "Continued Assistance for Unemployed Workers (Continued Assistance) Act of 2020—Federal Pandemic Unemployment Compensation (FPUC) Program Reauthorization and Modification and Mixed Earners Unemployment Compensation (MEUC) Program Operating, Reporting, and Financial Instructions," UIPL No. 15-20, Change 3, January 5, 2021, https://wdr.doleta.gov/directives/corr_doc.cfm?docn=6122.

ARPA extended the now-expired MEUC authority at $100 per week in participating states until September 4, 2021.[64]

State Termination of Temporary COVID-19 Pandemic UI Programs

The statutory authority for the temporary COVID-19 pandemic UI benefits specified that they were payable through voluntary agreements between DOL and each state that chose to provide them. The law required states to provide at least a 30-day notice to DOL that they planned to terminate their agreements to administer FPUC, PEUC, and MEUC. According to DOL guidance, all signed PUA agreements also contained the requirement to provide at least a 30-day notice before terminating PUA.[65]

Through June 2021, all states had active, signed agreements to administer FPUC, PEUC, and PUA. Most states (excluding Idaho and South Dakota) agreed to provide MEUC through following the required process of amending their FPUC agreements. As mentioned earlier, 26 states announced terminations of their agreements with DOL to pay some or all of these temporary UI benefits, with effective benefit termination dates ranging from June 12, 2021, to July 31, 2021.[66]

Some state courts issued temporary orders prohibiting the state from terminating the COVID-19 UI agreements. In Indiana, PUA, PEUC and FPUC continued to be payable until the expiration of the federal authorization of those programs (September 4, 2021). However, Indiana terminated its MEUC amendment, effectively ending the program on July 19, 2021. Because of its court challenges, Maryland continued to pay PUA, PEUC, FPUC, and MEUC benefits until September 4, 2021. There also were media reports of additional legal challenges in other states that announced terminations of COVID-19 UI agreements, but those do not appear to have been successful.[67] Additional details on these state terminations, including the effective dates for benefit terminations, are provided in **Table 1**.[68]

[64] September 5, 2021, in New York.

[65] The CARES Act required that states sign agreements with DOL in order to administer PUA. According to DOL guidance, all signed PUA agreements also contained the requirement to provide at least a 30-day notice before terminating PUA. See page I-8 of DOL, ETA, "Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 – Pandemic Unemployment Assistance (PUA) Program Operating, Financial, and Reporting Instructions," UIPL No. 16-20, Change 3, April 5, 2020, https://wdr.doleta.gov/directives/attach/UIPL/UIPL_16-20.pdf.

[66] For additional information on how states may have terminated their CARES Act agreements, see CRS Insight IN11679, *States Opting Out of COVID-19 Unemployment Insurance (UI) Agreements*.

[67] See CRS Insight IN11679, *States Opting Out of COVID-19 Unemployment Insurance (UI) Agreements*. See, for example, Eleanor Mueller and Rebecca Rainey, "Labor advocates winning back federal jobless aid in state court battles," *Politico*.com, August 11, 2021; and Lisa Rowan, "Why workers are suing states for cutting off expanded unemployment benefits," *Forbes.com*, updated July 14, 2021.

[68] There were additional CARES Act UI provisions subject to temporary, voluntary cost-sharing agreements between DOL and states that are not discussed in this report. (For example, one agreement included a temporary 75% federal cost-share of UC benefits paid to former workers in state and local governments, Indian tribes, and certain nonprofit organizations. These employers would otherwise have funded 100% of the benefits paid to their former employees.) Some states that terminated agreements to pay temporary UI benefits also terminated these additional agreements. For more information on these additional voluntary agreements, see CRS Insight IN11679, *States Opting Out of COVID-19 Unemployment Insurance (UI) Agreements*.

Table 1. States that Terminated Some or All COVID-19 UI Benefits Prior to Federal Expiration

Reporting from DOL

	Program State Opted to Terminate:				
State	**FPUC**	**PEUC**	**PUA**	**MEUC**	**Effective Termination Date**
Alabama	X	X	X	X	6/19/2021
Alaska	X			X	6/19/2021
Arkansas	X	X	X	X	6/26/2021
Arizona	X			X	7/10/2021
Florida	X			X	6/26/2021
Georgia	X	X	X	X	6/26/2021
Idaho	X	X	X	N/A	6/19/2021
Indiana	Not terminated	Not terminated	Not terminated	X	7/19/2021
Iowa	X	X	X	X	6/12/2021
Louisiana	X	X	X	X	7/31/21
Maryland	Not terminated	Not terminated	Not terminated	Not terminated	NA
Mississippi	X	X	X	X	6/12/2021
Missouri	X	X	X	X	6/12/2021
Montana	X	X	X	X	6/26/2021
Nebraska	X	X	X	X	6/19/2021
New Hampshire	X	X	X	X	6/19/2021
North Dakota	X	X	X	X	6/19/2021
Ohio	X			X	6/26/2021
Oklahoma	X	X	X	X	6/26/2021
South Carolina	X	X	X	X	6/26/2021
South Dakota	X	X	X	N/A	6/26/2021
Tennessee	X	X	X	X	7/3/2021
Texas	X	X	X	X	6/26/2021
Utah	X	X	X	X	6/26/2021
West Virginia	X	X	X	X	6/19/2021
Wyoming	X	X	X	X	6/19/2021

Source: U.S. Department of Labor (DOL), Employment and Training Administration, via email, August 17, 2021.

Notes: FPUC = Federal Pandemic Unemployment Compensation, PEUC = Pandemic Emergency Unemployment Compensation, PUA = Pandemic Unemployment Assistance, MEUC = Mixed Earner Unemployment Compensation. According to DOL, state courts in Indiana and Maryland issued temporary orders prohibiting withdrawal from COVID-19 UI programs. Thus, in Indiana PUA, PEUC, and FPUC continued to be payable (MEUC was terminated, effective July 19, 2021); and in Maryland, PUA, PEUC, FPUC, and MEUC continued to be payable until program expiration. Idaho and South Dakota never signed an initial agreement to administer MEUC.

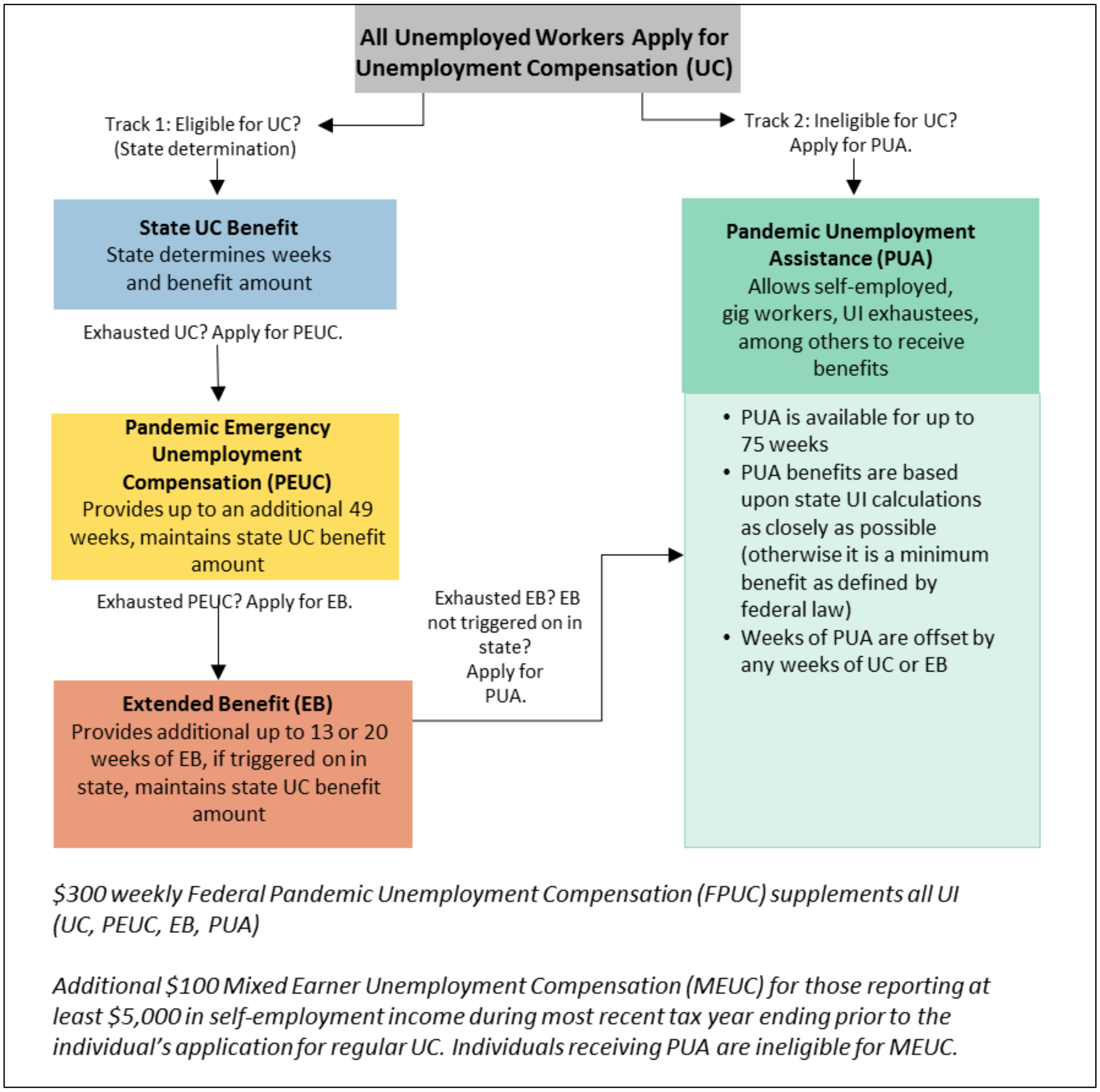
Coordination of UI Benefits

During a period of unemployment, individuals may have been eligible for benefits under multiple authorized UI programs, including the temporary, now-expired COVID-19 UI programs. **Figure 1** provides the statutory order of the flow of UI benefits from March 13, 2021, through September 4, 2021. This flow was contingent on an individual meeting all eligibility criteria for the respective programs. It was also contingent on a state having an agreement with DOL to administer the programs authorized under the CARES Act, as amended by the Continued Assistance Act and ARPA. As described above, 26 states announced an early termination of some or all of the temporary UI benefits authorized under the CARES Act, as amended. However, in two of these states (Indiana and Maryland), state courts issued temporary orders prohibiting withdrawal from COVID-19 UI programs.

Figure 1. Coordination of the Flow of UI Benefits Under the American Rescue Plan Act of 2021 (Prior to Expiration)

Benefit Availability Depended Upon State Agreement

(March 13, 2021, through September 4, 2021)



Source: CRS analysis based on the UI provisions in Title IX, Subtitle A, of the American Rescue Plan Act of 2021 (P.L. 117-2) and U.S. Department of Labor (DOL) guidance.

Notes: This coordination flow was contingent on an individual meeting all eligibility criteria for the respective programs. It was also contingent on a state having an agreement with DOL to administer each benefit.

Transition rules: (1) Individuals who were receiving EB for the week ending December 26, 2020, were required to remain on EB until those benefits were exhausted; after that point, they may have been eligible for additional PEUC if available. (2) Individuals who were receiving EB for the week ending March 13, 2021, were required to remain on EB until those benefits were exhausted; after that point, they may have been be eligible for additional PEUC if available.

PUA was the last payer. All other UI benefits must have been exhausted or unavailable. States had a temporary, six-week authorization to continue to pay PUA rather than PEUC if an individual was receiving PUA for the week ending March 13, 2021.

Federal authorization for FPUC, MEUC, PUA, and PEUC existed through September 4, 2021 (September 5, 2021, for New York).

South Dakota and Idaho did not sign agreements to offer MEUC, according to DOL.

As of August 4, 2021, according to DOL, the following 24 states terminated their agreements with DOL to pay some or all COVID-19 UI benefits prior to the expiration of the federal authorization for the benefits: Alabama, Alaska, Arkansas, Arizona, Florida, Georgia, Idaho, Iowa, Louisiana, Mississippi, Missouri, Montana, Nebraska, New Hampshire, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, West Virginia, and Wyoming.

Two additional states—Indiana and Maryland—also announced terminations of their state agreements to pay COVID-UI benefits prior to the expiration of the federal authorization. According to DOL, state courts in Indiana and Maryland issued temporary orders prohibiting early termination from some or all of the COVID-19 UI programs. (Additional legal challenges were reported in other states but do not appear to have reestablished participation.) Thus, in Indiana PUA, PEUC, and FPUC continued to be payable until the expiration of the federal authorization (but MEUC was terminated, effective July 19, 2021); and in Maryland, PUA, PEUC, FPUC, and MEUC continued to be payable.

Table 2. Temporary UI Benefit Expirations Under the American Rescue Plan Act of 2021

Benefit	Expiration Date	Phaseout Date
Federal Pandemic Unemployment Compensation (FPUC)	September 3, 2021 (September 4, 2021, in New York)	No phaseout
Pandemic Emergency Unemployment Compensation (PEUC)	September 3, 2021 (September 4, 2021, in New York)	No phaseout
Pandemic Unemployment Assistance (PUA)	September 3, 2021 (September 4, 2021, in New York)	No phaseout
Mixed Earner Unemployment Compensation (MEUC)	September 3, 2021 (September 4, 2021, in New York)	No phaseout

Source: CRS analysis of P.L. 117-2.

Notes: All UI benefits were paid with respect to a week of unemployment, subsequent to the actual week of unemployment. Thus, the expiration dates refer to the end of the last payable week of unemployment. Benefit payments for the last week of unemployment were issued to individuals after the expiration dates. Approximately half of the states attempted or successfully opted to terminate participation in temporary UI benefits prior to the expiration of the temporary programs' federal authorization.

Appendix. Expired Programs: $600 FPUC, $300 LWA

$600 Weekly Federal Pandemic Unemployment Compensation

Section 2104 of the CARES Act created a temporary, additional, federally financed $600 benefit that augmented weekly UI benefits, including UC, PUA, PEUC, EB, DUA, STC, TRA, and SEA.[69] This original FPUC was payable for weeks of unemployment beginning after a state signed an agreement with DOL through weeks ending on or before July 31, 2020.[70] When the $600 weekly FPUC benefit was available, an eligible UI claimant would have received both the UI benefit plus the $600 each week. One $600 FPUC benefit was payable to an eligible UI claimant for any given week. For most states, this meant that FPUC payments under the CARES Act ended on July 25, 2020.[71]

Shortly after the $600 weekly FPUC expired, LWA provided $300 in weekly benefits to some UI beneficiaries through September 5, 2020.[72] See the section below for details. Approximately four months later, the Continued Assistance Act reauthorized FPUC at a lower $300 weekly amount. See the section "UI Benefit Augmentation: Federal Pandemic Unemployment Compensation (FPUC; $300 a week prior to expiration)" for additional details on this reauthorized FPUC benefit.

FPUC income was required to be disregarded for the purposes of Medicaid and CHIP.

$300 Weekly Lost Wages Assistance

On August 8, 2020, President Donald Trump issued a presidential memorandum authorizing other needs assistance (ONA) under Section 408 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act; P.L. 93-288, as amended; 42 U.S.C. §5174(e)(2)) for lost wages.[73] As described in Federal Emergency Management Agency (FEMA) guidance,[74] this LWA program provided grants to states to supplement the weekly benefits of certain eligible UI claimants in participating states, subject to a cost-sharing requirement.[75]

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[69] For information on TRA, see CRS Report R44153, *Trade Adjustment Assistance for Workers and the TAA Reauthorization Act of 2015*. For information on SEA, see CRS Report R41253, *The Self-Employment Assistance (SEA) Program*.

[70] A number of state laws have provisions for extending the potential duration of benefits during periods of high unemployment for individuals in approved training who exhaust benefits, or for a variety of other reasons. Although some state laws call these programs *extended benefits*, DOL uses the term *additional benefits* (AB) to avoid confusion with the federal-state EB program. DOL has stated that FPUC is not payable to individuals receiving AB payments. The order of payment for AB within the context of the multiple programs described above is dependent on state law.

[71] July 26, 2020, in New York.

[72] September 6, 2020, in New York.

[73] The White House, "Memorandum on Authorizing the Other Needs Assistance Program for Major Disaster Declarations Related to Coronavirus Disease 2019," August 8, 2020, available at https://trumpwhitehouse.archives.gov/presidential-actions/memorandum-authorizing-needs-assistance-program-major-disaster-declarations-related-coronavirus-disease-2019/.

[74] FEMA, "Lost Wages Supplemental Payment Assistance Guidelines," available at https://www.fema.gov/disasters/coronavirus/governments/supplemental-payments-lost-wages-guidelines.

[75] Section 262 of the Continued Assistance Act provided that states may have waived overpayments under the LWA program when an individual was not at fault for the overpayment and repayment would have been contrary to equity and good conscience.

LWA grants were paid as a $300-per-week supplement in entirely federal funds to individuals with underlying weekly UI benefit amounts of at least $100, or, if a state chose to contribute an additional $100 a week in state funds, the total supplement would have been $400 a week.[76] LWA was not available to those receiving DUA.

As constructed, LWA grants were potentially available for weeks of unemployment ending between August 1, 2020, and December 27, 2020, but the program would have terminated earlier if either (1) Congress had enacted supplemental COVID-19 pandemic-related unemployment compensation (e.g., reestablished the FPUC authority, which did not occur in that period) or (2) certain conditions were met related to the balance of the Disaster Relief Fund (DRF).[77] In practical terms, the first week of unemployment covered by LWA began on August 26, 2020, and all states ended LWA payments by September 6, 2020, as the amount of available funds in the DRF precluded additional payments.[78]

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Disclaimer

[76] South Dakota and American Samoa did not participate in LWA. Guam, Kentucky, and Montana supplemented LWA with an additional $100 weekly payment. All jurisdictions participating in LWA provided up to six weeks of benefits with the following exceptions: the Commonwealth of Northern Mariana Islands agreed to provide up to three weeks, Florida provided up to four weeks, Idaho provided up to five weeks, and the U.S. Virgin Islands provided up to three weeks. (Email exchange between the authors of this report and FEMA, Office of External Affairs, February 6, 2021.)

[77] See archived CRS Insight IN11492, *COVID-19: Supplementing Unemployment Insurance Benefits (Federal Pandemic Unemployment Compensation vs. Lost Wages Assistance)*. LWA would be terminated if either FEMA expended $44 billion on LWA or the DRF balance was at or lower than $25 billion.

[78] Email exchange between the authors of this report and FEMA, Office of the Chief Financial Officer, November 9, 2020.