Public Law 102–318
102d Congress

An Act

To extend the emergency unemployment compensation program, to revise the trigger provisions contained in the extended unemployment compensation program, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.
This Act may be cited as the “Unemployment Compensation Amendments of 1992”.

TITLE I—EXTENSION OF EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM

SEC. 101. EXTENSION OF PROGRAM.

(a) GENERAL RULE.—Sections 102(f)(1) and 106(a)(2) of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) are each amended by striking “July 4, 1992” and inserting “March 6, 1993”.

(b) WEEKS OF BENEFITS AVAILABLE DURING EXTENSION.—Subparagraph (A) of section 102(b)(2) of such Act is amended by striking clause (ii) and the flush paragraph at the end thereof and inserting the following:

“(ii) REDUCTION FOR WEEKS AFTER JUNE 13, 1992.—
In the case of weeks beginning after June 13, 1992—
“(I) clause (i) of this subparagraph shall be applied by substituting ‘26’ for ‘33’, and by substituting ‘20’ for ‘26’, and
“(II) subparagraph (A) of paragraph (1) shall be applied by substituting ‘100 percent’ for ‘130 percent’.

“(iii) REDUCTION FOR WEEKS IN 7-PERCENT PERIOD.—
In the case of weeks beginning in a 7-percent period—
“(I) clause (ii) of this subparagraph shall not apply,
“(II) clause (i) of this subparagraph shall be applied by substituting ‘15’ for ‘33’, and by substituting ‘10’ for ‘26’, and
“(III) subparagraph (A) of paragraph (1) shall be applied by substituting ‘60 percent’ for ‘130 percent’.

“(iv) REDUCTION FOR WEEKS IN 6.8-PERCENT PERIOD.—
In the case of weeks beginning in a 6.8-percent period—
“(I) clauses (ii) and (iii) of this subparagraph shall not apply,
“(II) clause (i) of this subparagraph shall be applied by substituting ‘13’ for ‘33’, and by substituting ‘7’ for ‘26’, and
“(III) subparagraph (A) of paragraph (1) shall be applied by substituting ‘50 percent’ for ‘130 percent’.
“(v) 7-PERCENT PERIOD; 6.8-PERCENT PERIOD.—For purposes of this subparagraph—
“(I) A 7-percent period means a period which begins with the second week after the first week for which the requirements of subclause (II) are met and a 6.8 percent period means a period which begins with the second week after the first week for which the requirements of subclause (III) are met.
“(II) The requirements of this subclause are met for any week if the average rate of total unemployment (seasonally adjusted) for all States for the period consisting of the most recent 2-calendar month period (for which data are published before the close of such week) is at least 6.8 percent, but less than 7 percent.
“(III) The requirements of this subclause are met for any week if the average rate of total unemployment (seasonally adjusted) for all States for the period consisting of the most recent 2-calendar month period (for which data are published before the close of such week) is less than 6.8 percent.

In no event shall a 7-percent period occur after a 6.8-percent period occurs and a 6.8-percent period, once begun, shall continue in effect for all weeks for which benefits are provided under this Act.
“(vi) LIMITATIONS ON REDUCTIONS.—In the case of an individual who is receiving emergency unemployment compensation for a week preceding the first week for which a reduction applies under clause (ii), (iii), or (iv) of this subparagraph, such reduction shall not apply to such individual for the first week of such reduction or any week thereafter for which the individual meets the eligibility requirements of this Act.”

(c) MODIFICATION TO FINAL PHASE-OUT.—Paragraph (2) of section 102(f) of such Act is amended to read as follows:
“(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week prior to or including March 6, 1993, emergency unemployment compensation shall continue to be payable to such individual for any week thereafter for which the individual meets the eligibility requirements of this Act. No compensation shall be payable by reason of the preceding sentence for any week beginning after June 19, 1993.”

(d) CONFORMING AMENDMENT.—
(1) Subparagraph (B) of section 102(b)(2) of such Act is amended by striking “subparagraph (A)(ii)” and inserting “clauses (ii), (iii), and (iv) of subparagraph (A)”.
(2) Section 101(e) of such Act is amended—

26 USC 3304 note.

Termination date.

26 USC 3304 note.
(A) by striking "(e) Election.—Notwithstanding" and inserting:

"(e) ELECTION BY STATES; WEEKS OF BENEFITS DURING PHASE-OUT.—

(1) Election by States.—Notwithstanding",

(B) by adding at the end of paragraph (1), as redesignated by subparagraph (A), the following new sentence: "The preceding sentence shall not be applicable with respect to any extended compensation period which begins after March 6, 1993, nor shall the special rule in section 203(b)(1)(B) of the Federal-State Extended Unemployment Compensation Act of 1970 (or the similar provision in any State law) operate to preclude the beginning of an extended compensation period after March 6, 1993, because of the ending of an earlier extended compensation period under the preceding sentence."

and

(C) by adding at the end thereof the following new paragraph:

"(2) Weeks of Benefits During Phase-Out.—Notwithstanding subsection (b)(1)(B) or any other provision of law, whenever an extended compensation period is beginning in a State (and is not triggered off under paragraph (1)) an individual, who is entitled to extended compensation in the new extended compensation period (whether or not the individual applies therefor) and also has remaining entitlement to emergency unemployment compensation under this Act, shall be entitled to compensation under the program in which the individual's monetary entitlement (as of the beginning of the first week of the extended compensation period) is the greater."

(e) Effective Date.—The amendments made by this section apply to weeks of unemployment beginning after June 13, 1992.

SEC. 102. MODIFICATION TO ELIGIBILITY REQUIREMENTS.

(a) Individual Not Ineligible by Reason of Subsequent Entitlement to Regular Benefits.—Section 101 of such Act is amended by adding at the end thereof the following new subsection:

"(f) Certain Rights to Regular Compensation Disregarded.—If an individual exhausted his rights to regular compensation for any benefit year, such individual's eligibility to receive emergency unemployment compensation under this Act in respect of such benefit year shall be determined without regard to any rights to regular compensation for a subsequent benefit year if such individual does not file a claim for regular compensation for such subsequent benefit year."

(b) Effective Date.—

(1) In General.—The amendment made by this section shall apply to weeks of unemployment beginning after the date of the enactment of this Act.

(2) Transition Rules.—

(A) Waiver of Recovery of Certain Overpayments.—On and after the date of the enactment of this Act, no repayment of any emergency unemployment compensation shall be required under section 105 of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) if the individual would have been entitled to receive such compensation had the amendment made
by subsection (a) applied to all weeks beginning on or before the date of the enactment of this Act.

(B) WAIVER OF RIGHTS TO CERTAIN REGULAR BENEFITS.—

If—

(i) before the date of the enactment of this Act, an individual exhausted his rights to regular compensation for any benefit year, and

(ii) after such exhaustion, such individual was not eligible to receive emergency unemployment compensation by reason of being entitled to regular compensation for a subsequent benefit year, such individual may elect to defer his rights to regular compensation for such subsequent benefit year with respect to weeks beginning after such date of enactment until such individual has exhausted his rights to emergency unemployment compensation in respect of the benefit year referred to in clause (i), and such individual shall be entitled to receive emergency unemployment compensation for such weeks in the same manner as if he had not been entitled to the regular compensation to which the election applies.

SEC. 103. TECHNICAL MODIFICATION FOR REIMBURSABLE EMPLOYERS.

(a) GENERAL RULE.—Subsection (d) of section 104 of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) is amended by striking "as may be necessary" and inserting "as the Secretary estimates to be necessary".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 104. TREATMENT OF PERSIAN GULF CRISIS RESERVISTS.

If—

(1) an individual who was a member of a reserve component of the Armed Forces was called for active duty after August 2, 1990, and before March 1, 1991,

(2) such individual was receiving regular compensation, extended compensation, or a trade readjustment allowance for the week in which he was so called,

(3) such individual served on such active duty for at least 90 consecutive days, and

(4) such individual was entitled to regular compensation on the basis of his services on such active duty, but the weekly benefit amount was less than the benefit amount he received for the week referred to in paragraph (2), such individual's weekly benefit amount under the Emergency Unemployment Compensation Act of 1991 for any week beginning after the date of the enactment of this Act shall be not less than the benefit amount he received for the week referred to in paragraph (2).

SEC. 105. TREATMENT OF RAILROAD WORKERS.

(a) EXTENSION OF PROGRAM.—

(1) IN GENERAL.—Sections 501(b)(1) and (2) of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) are each amended by striking "July 4, 1992", and inserting "March 6, 1993".

(2) CONFORMING AMENDMENTS.—
45 USC 352.

(A) Section 501(a) of such Act is amended by striking "July 1992" and inserting "March 1993".

(B) Paragraph (2) of section 501(d) of such Act is amended to read as follows:

"(2) PHASE-OUT.—

(A) BENEFITS ON OR AFTER JUNE 14, 1992.—Effective on and after June 14, 1992, paragraph (1) of this section shall be applied by substituting '100' for '130' each place it appears, and by substituting '10' for '13' each place it appears.

(B) REDUCTIONS UNDER EMERGENCY COMPENSATION EXTENSION PROVISIONS.—

(i) Effective on and after the date on which a reduction in benefits is imposed under section 102(b)(2)(A)(iii), subparagraph (A) of this paragraph and subparagraphs (B) and (C) of paragraph (1) shall not apply and subparagraph (A) of paragraph (1) shall be applied by substituting '50' for '130'.

(ii) Effective on and after the date on which a reduction in benefits is imposed under section 102(b)(2)(A)(iv), subparagraph (A) of this paragraph and subparagraphs (B) and (C) of paragraph (1) shall not apply and subparagraph (A) of paragraph (1) shall be applied by substituting '35' for '130'.

(C) LIMITATIONS ON REDUCTIONS.—Notwithstanding subparagraphs (A) and (B), in the case of an individual who is receiving extended benefits under section 2(c) of the Railroad Unemployment Insurance Act for periods with 10 or more but less than 15 years of service, or extended benefits by reason of this section, for any day during a week which precedes a period for which a reduction under this paragraph takes effect, such reduction shall not apply for purposes of determining the amount of benefits payable to such individual for any day thereafter for which the individual meets the eligibility requirements of this section and the Railroad Unemployment Insurance Act.

(b) TERMINATION OF BENEFITS.—Section 501 of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) is amended by adding at the end the following new subsection:

"(e) TERMINATION OF BENEFITS.—In the case of an individual who is receiving extended benefits by reason of this section on March 6, 1993, such benefits shall not continue to be payable to such individual after June 19, 1993."

SEC. 106. EFFECT OF CERTAIN MILITARY SERVICE ON TRADE ADJUSTMENT ASSISTANCE.

(a) TRADE ADJUSTMENT ASSISTANCE.—Paragraph (2) of section 231(a) of the Trade Act of 1974 (19 U.S.C. 2291(a)(2)) is amended—

(1) by striking "or" at the end of subparagraph (B),

(2) by inserting "or" at the end of subparagraph (C),

(3) by inserting immediately after subparagraph (C) the following new subparagraph:

"(D) is on call-up for purposes of active duty in a reserve status in the Armed Forces of the United States, provided such active duty is 'Federal service' as defined in 5 U.S.C. 8521(a)(1),"
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(4) by striking “paragraph (A) or (C), or both,” and inserting “subparagraph (A) or (C), or both (and not more than 26 weeks, in the case of weeks described in subparagraph (B) or (D))”,

(b) Effective Date.—The amendments made by subsection (a) shall apply to weeks beginning after August 1, 1990.

SEC. 107. FINANCING PROVISIONS.

Section 104 of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) is amended by adding at the end thereof the following new subsection:

“(e) Transfer of Funds.—Notwithstanding any other provision of law, the Secretary of the Treasury shall transfer from the general fund of the Treasury (from funds not otherwise appropriated)—

“(1) to the extended unemployment compensation account (as established by section 905 of the Social Security Act) such sums as are necessary to make payments to States under this Act by reason of the amendments made by sections 101 and 102 of the Unemployment Compensation Amendments of 1992, and

“(2) to the employment security administration account (as established by section 901 of the Social Security Act) such sums as may be necessary for purposes of assisting States in meeting administrative costs by reason of the amendments made by sections 101, 102, 201, and 202 of the Unemployment Compensation Amendments of 1992.

There is hereby appropriated from such accounts the sums referred to in the preceding sentence and such sums shall not be required to be repaid.”

TITLE II—MODIFICATIONS TO EXTENDED BENEFITS PROGRAM

SEC. 201. MODIFICATION OF TRIGGER PROVISIONS.

(a) In General.—Section 203 of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new subsection:

“ALTERNATIVE TRIGGER

“(f)(1) Effective with respect to compensation for weeks of unemployment beginning after March 6, 1993, the State may by law provide that for purposes of beginning or ending any extended benefit period under this section—

“(A) there is a State ‘on’ indicator for a week if—

“(i) the average rate of total unemployment in such State (seasonally adjusted) for the period consisting of the most recent 3 months for which data for all States are published before the close of such week equals or exceeds 6.5 percent, and

“(ii) the average rate of total unemployment in such State (seasonally adjusted) for the 3-month period referred to in clause (i) equals or exceeds 110 percent of such average rate for either (or both) of the corresponding 3-month periods ending in the 2 preceding calendar years; and
(B) there is a State ‘off’ indicator for a week if either the requirements of clause (i) or clause (ii) of subparagraph (A) are not satisfied. Notwithstanding the provision of any State law described in this paragraph, any week for which there would otherwise be a State ‘on’ indicator shall continue to be such a week and shall not be determined to be a week for which there is a State ‘off’ indicator.

“(2) For purposes of this subsection, determinations of the rate of total unemployment in any State for any period (and of any seasonal adjustment) shall be made by the Secretary.”

(b) ADDITIONAL WEEKS OF BENEFITS AVAILABLE DURING PERIODS OF HIGH UNEMPLOYMENT.—Subsection (b) of section 202 of such Act is amended by adding at the end thereof the following new paragraph:

“(3)(A) Effective with respect to weeks beginning in a high unemployment period, paragraph (1) shall be applied by substituting—

“(i) ‘80 per centum’ for ‘50 per centum’ in subparagraph (A),

“(ii) ‘twenty’ for ‘thirteen’ in subparagraph (B), and

“(iii) ‘forty-six’ for ‘thirty-nine’ in subparagraph (C).

“(B) For purposes of subparagraph (A), the term ‘high unemployment period’ means any period during which an extended benefit period would be in effect if section 203(f)(1)(A)(i) were applied by substituting ‘8 percent’ for ‘6.5 percent’.

(c) CONFORMING AMENDMENT.—Paragraph (2) of section 204(c) of such Act is amended by inserting “, forty-six in any case where section 202(b)(3)(A) applies” after “thirty-nine”.

SEC. 202. MODIFICATION OF ELIGIBILITY REQUIREMENTS FOR UNEMPLOYMENT BENEFITS.

(a) EARNINGS TEST.—

(1) IN GENERAL.—Paragraph (5) of section 202(a) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by striking “which one of the foregoing methods” and inserting “which one or more of the foregoing methods”.

(2) EFFECTIVE DATE.—

(A) IN GENERAL.—Notwithstanding any other provision of law, the amendment made by paragraph (1) shall apply for purposes of extended unemployment compensation and emergency unemployment compensation to weeks of unemployment beginning on or after the date of the enactment of this Act.

(B) WAIVER OF RECOVERY OF CERTAIN OVERTPAYMENTS.—On and after the date of the enactment of this Act, no repayment of any emergency unemployment compensation shall be required under section 105 of the Emergency Unemployment Compensation Act of 1991 (Public Law 102–164, as amended) if the individual would have been entitled to receive such compensation had the amendment made by paragraph (1) applied to all weeks beginning before the date of the enactment of this Act.

(b) SUSPENSION OF CERTAIN ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—Section 202(a) of such Act is amended by adding at the end thereof the following new paragraph:
TITLE III—MODIFICATIONS TO FEDERAL UNEMPLOYMENT TAX

SEC. 301. INFORMATION REQUIRED WITH RESPECT TO TAXATION OF UNEMPLOYMENT BENEFITS.

(a) INFORMATION ON UNEMPLOYMENT BENEFITS.—
(1) GENERAL RULE.—The State agency in each State shall provide to an individual filing a claim for compensation under the State unemployment compensation law a written explanation of the Federal and State income taxation of unemployment benefits and of the requirements to make payments of estimated Federal and State income taxes.

(2) STATE AGENCY.—For purposes of this subsection, the term "State agency" has the meaning given such term by section 3306(e) of the Internal Revenue Code of 1986.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1992.

SEC. 302. MAILING OF CERTAIN INFORMATION PERMITTED.

(a) GENERAL RULE.—Section 302 of the Social Security Act (42 U.S.C. 502) is amended by adding at the end thereof the following new subsection:

"(c) No portion of the cost of mailing a statement under section 6050B(b) of the Internal Revenue Code of 1986 (relating to unemployment compensation) shall be treated as not being a cost for the proper and efficient administration of the State unemployment compensation law by reason of including with such statement information about the earned income credit provided by section 32 of the Internal Revenue Code of 1986. The preceding sentence shall not apply if the inclusion of such information increases the postage required to mail such statement."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 303. EXTENSION OF EXISTING TREATMENT OF CERTAIN AGRICULTURAL WORKERS.

(a) GENERAL RULE.—Subparagraph (B) of section 3306(c)(1) of the Internal Revenue Code of 1986 is amended by striking "January 1, 1993" and inserting "January 1, 1995".

(b) REPORT.—Not later than February 1, 1994, the Advisory Council on Unemployment Compensation shall submit a report to the Committee on Ways and Means of the House of Representatives.
and the Committee on Finance of the Senate on its recommendations with respect to the treatment of agricultural labor performed by aliens.

SEC. 304. EXTENSION OF PERIOD FOR REPAYMENT OF FEDERAL LOANS TO STATE UNEMPLOYMENT FUNDS.

(a) GENERAL RULE.—If the Secretary of Labor determines that a State meets the requirements of subsection (b), paragraph (2) of section 3302(c) of the Internal Revenue Code of 1986 shall be applied with respect to such State for taxable years after 1991—

(1) by substituting “third” for “second” in subparagraph (A)(i),
(2) by substituting “fourth or fifth” for “third or fourth” in subparagraph (B), and
(3) by substituting “sixth” for “fifth” in subparagraph (C).

(b) REQUIREMENTS.—A State meets the requirements of this subsection if, during calendar year 1992 or 1993, the State amended its unemployment compensation law to increase estimated contributions required under such law by at least 25 percent.

(c) SPECIAL RULE.—This section shall not apply to any taxable year after 1994 unless—

(1) such taxable year is in a series of consecutive taxable years as of the beginning of each of which there was a balance referred to in section 3302(c)(2) of such Code, and
(2) such series includes a taxable year beginning in 1992, 1993, or 1994.

TITLE IV—MODIFICATION TO REGULAR STATE UNEMPLOYMENT COMPENSATION PROGRAMS

SEC. 401. TREATMENT OF SHORT-TIME UNEMPLOYMENT COMPENSATION PROGRAMS.

(a) AUTHORIZATION OF PROGRAMS.—

(1) Paragraph (4) of section 3304(a) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of subparagraph (C), by inserting “and” at the end of subparagraph (D) and by adding at the end thereof the following new subparagraph:

“(E) amounts may be withdrawn for the payment of short-time compensation under a plan approved by the Secretary of Labor;”

(2) Subsection (f) of section 3306 of such Code is amended by striking “and” at the end of paragraph (2) by striking the period at the end of paragraph (3) and inserting “; and”, and by adding at the end thereof the following new paragraph:

“(4) amounts may be withdrawn for the payment of short-time compensation under a plan approved by the Secretary of Labor.”

(3) Section 303(a)(5) of the Social Security Act is amended by inserting before “; and” the following: “Provided further, That amounts may be withdrawn for the payment of short-time compensation under a plan approved by the Secretary of Labor”.

42 USC 503.
(b) ASSISTANCE IN IMPLEMENTING PROGRAMS.—In order to assist States in establishing and implementing short-time compensation programs—

(1) the Secretary of Labor (hereinafter in this section referred to as the “Secretary”) shall develop model legislative language which may be used by States in developing and enacting short-time compensation programs and shall propose such revisions of such legislative language as may be appropriate, and

(2) the Secretary shall provide technical assistance and guidance in developing, enacting, and implementing such programs. The initial model legislative language referred to in paragraph (1) shall be developed not later than January 1, 1993.

(c) REPORTS.—

(1) INITIAL REPORT.—Not later than January 1, 1995, the Secretary shall submit to the Congress a report on the implementation of this section. Such report shall include an evaluation of short-time compensation programs and shall contain such recommendations as the Secretary may deem advisable.

(2) SUBSEQUENT REPORTS.—After the submission of the report under paragraph (1), the Secretary shall submit such additional reports on the implementation of short-time compensation programs as the Secretary deems appropriate.

(d) DEFINITIONS.—For purposes of this section—

(1) SHORT-TIME COMPENSATION PROGRAM.—The term “short-time compensation program” means a program under which—

(A) individuals whose workweeks have been reduced by at least 10 percent are eligible for unemployment compensation;

(B) the amount of unemployment compensation payable to any such individual is a pro rata portion of the unemployment compensation which would be payable to the individual if the individual were totally unemployed;

(C) eligible employees are not required to meet the availability for work or work search test requirements while collecting short-time compensation benefits, but are required to be available for their normal workweek;

(D) eligible employees may participate in an employersponsored training program to enhance job skills if such program has been approved by the State agency; and

(E) there is a reduction in the number of hours worked by employees in lieu of imposing temporary layoffs.

(2) STATE.—The term “State” includes the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

TITLE V—REVENUE PROVISIONS

SEC. 501. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.