

TRAINING AND EMPLOYMENT NOTICE	NO. 16-08
	DATE November 6, 2008

TO: STATE WORKFORCE AGENCIES

FROM: CHERYL ATKINSON *Cheryl Atkinson*
Administrator
Office of Workforce Security

SUBJECT: Fiscal Year (FY) 2009 Unemployment Insurance (UI)
Administrative Funding

1. **Purpose.** To inform state workforce agencies that 100 percent reimbursement for unemployment insurance (UI) above-base administrative expenses is provided for under the FY 2009 continuing resolution (CR) and that states may request a portion of their first quarter FY 2009 above-base funds in advance of the end of the quarter.
2. **Background.** On September 30, 2008, the President signed into law the "Consolidated Security, Disaster Assistance and Continuing Appropriations Act, 2009". In Division A, the Act includes a FY 2009 Continuing Appropriations Resolution which provides financing for Federal agencies and programs from October 1, 2008, through March 6, 2009. In general, the funding provided during the CR period is equal to the FY 2008 appropriated level. For state unemployment insurance operations, this includes the \$110 million provided in FY 2008 supplemental appropriations which covered an administrative funding shortfall that was experienced during the first three quarters of FY 2008.
3. **Above Base Reimbursement Rate.** The funds available under the CR are sufficient to reimburse 100 percent of the first quarter of FY 2009 above base earnings. In the event of a full year CR, the administrative funding that would be made available would continue to be sufficient to reimburse 100 percent of above base earnings. While final appropriations levels await further congressional action, based on the appropriation committees' actions to date, we do not anticipate a shortfall for the full year.
4. **Above Base Reimbursement Schedule and Opportunity for Advances.** State reports (UI-3s) that convert the workload data into staff year costs and determine each state's above base payment are due on the 1st day of the second month following the end of each quarter. Generally, above base payments are made within

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U.S. DEPARTMENT OF LABOR
WASHINGTON, D.C. 20210**

30 days of the report due date. Payments for the first quarter of FY 2009 would normally be distributed in late February or early March.

Due to the substantial increase in claims and other workloads that a number of states are currently experiencing, some states may need a portion of their above base funds in advance in order to hire sufficient staff to handle the current claims levels. If your state wishes to request a portion of its first quarter FY 2009 above base earnings in advance of the normal distribution schedule, please contact your Regional Office to make this request.

5. **Action**. State Administrators are requested to notify appropriate state staff.
6. **Inquiries**. Inquiries should be directed to the appropriate Regional Office.