

<b>EMPLOYMENT AND TRAINING ADMINISTRATION          ADVISORY SYSTEM          U.S. DEPARTMENT OF LABOR          Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> EB
	<b>CORRESPONDENCE SYMBOL</b> OWS/DL
	<b>DATE</b> January 2, 2009

**ADVISORY:** UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 7-09

**TO:** STATE WORKFORCE AGENCIES

**FROM:** BRENT R. ORRELL *Brent R. Orrell*  
 Deputy Assistant Secretary

**SUBJECT:** Federal-State Extended Unemployment Compensation Act of 1970-  
 Temporary Change in Federal Sharing for First Week of Extended  
 Benefits

1. Purpose. To advise states of the temporary change in Federal sharing for the first week of extended benefits (EB) under the Federal-State Extended Unemployment Compensation Act of 1970 (FSEUCA).
2. References. The Unemployment Compensation Extension Act of 2003, Public Law (P.L.) 110-449 enacted on November 21, 2008; FSEUCA (26 U.S.C. 3304 note); 20 CFR 615.14; and Unemployment Insurance Program Letter No. 14-81
3. Background. In general, the benefit costs of EB, as well as certain weeks of "regular" state unemployment compensation (known as "sharable regular compensation"), are shared equally by the states and the Federal government. However, Federal law prohibits Federal sharing of benefit costs for the first week of EB or the first week of sharable regular compensation if the state compensates beneficiaries for the first week of regular state benefit eligibility "at any time or under any circumstances." See section 204(a)(2) of FSEUCA; 20 CFR 615.14(c)(3). As a result, states with no waiting week or states that, under certain conditions, pay what would otherwise be a waiting week are ineligible for Federal sharing for the first week of EB or sharable regular compensation.
4. Temporary Change. Section 5 of P.L. 110-449 temporarily suspends this prohibition on Federal sharing of the costs of the first week of EB or sharable regular compensation for weeks of unemployment beginning after November 21, 2008, and ending on or before December 8, 2009. As a result, as long as states continue to meet all other applicable conditions in FSEUCA, all states qualify for Federal sharing for the first week of EB or sharable regular compensation occurring during this period.
5. Action. Administrators are to provide this information to the appropriate staff.
6. Inquiries. Direct questions to the appropriate Regional Office.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> Continuing
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