

A balance will be payable only for weeks of unemployment beginning after April 16, 2003.

a. *TEUC-A Entitlement.* TEUC-A entitlement will equal the lesser of 150 percent of the MBA of regular benefits payable to the individual during the benefit year or 39 times the individual's AWBA payable during the benefit year for a week of total unemployment. If the state includes dependents' allowances in the calculation of the weekly benefit amount (WBA) for regular benefits, the same rule applies to the calculation of TEUC benefits. If the state calculates dependents' allowances separately from the WBA, the state will apply the same rule to the TEUC determination.

If an individual has already been paid TEUC or TEUC-X, the available TEUC-A balance will be reduced by the amount already paid in TEUC or TEUC-X benefits. Any TEUC-X previously paid is converted to TEUC-A and the TEUC-X determination is disregarded.

b. *TEUC-AX Entitlement.* The amount of TEUC-AX payable equals one-third of the TEUC-A entitlement. This means TEUC-AX is payable up to 13 times the WBA. Whether an individual qualifies for TEUC-AX will be determined by using the same criteria that apply to TEUC-X. Specifically, an individual must exhaust TEUC-A during an EB or TEUC-X period as authorized by the TEUC Act.

10. *Transition Payments.* TEUC-A and TEUC-AX continue to be payable to individuals with a balance in their TEUC account as of December 28, 2003, during the transition period which ends with the last week beginning on or before December 26, 2004.

11. *Reporting TEUC-A and TEUC-AX Activity.* TEUC-A and TEUC-AX activity is reportable under the existing TEUC reporting requirements for the ETA 207, ETA 218, ETA 227, ETA 539, ETA 2112, ETA 5130 and ETA 5159. Please note that form ETA 2112 has changed recently. Previously, TEUC payment totals had been reported on line 39. The totals are now reportable on line 41. For reporting purposes, no separation of TEUC-A and AX from other TEUC program activity is required, with the following exception: States are to report the total number of newly qualified TEUC-A claimants determined during the month in the comments section of the TEUC ETA 5159 report. This total should be the sum of new TEUC-A determinations for recent exhaustees (of regular, additional or extended benefits, as appropriate) plus the redeterminations of existing or previously exhausted TEUC/TEUC-X claims.

The separate financial status report (Standard Form 269) for administrative grants and costs associated with the TEUC program is to include costs associated with this extension related to displaced airline and related workers (TEUC-A and TEUC-AX).

12. *Administrative Funding.* The payment of TEUC-A and TEUC-AX will involve an increase in claims activity and one-time implementation costs.

a. *Claims.* The UI-3 report will compile workload data from the TEUC versions of the ETA 5159, ETA 207, and ETA 5130. In

addition, SWAs should enter the number of monetary redeterminations in column (a) of line 12, and a minutes per unit value of 05.000 in column (b).

b. *Implementation Supplemental Budget Requests (SBRs).* SWAs may submit an SBR for reimbursement of TEUC-A implementation costs. SBRs should be limited to one-time costs for the items listed below that are attributable to implementation of TEUC-A:

- (1) Forms and supplies (e.g., printed notices mailed to exhaustees)
- (2) Computer programming
- (3) Training and travel
- (4) Public notices on television, radio, or in the newspapers
- (5) Overhead related only to the above

Calculations for costs of SWA staff and contractors should be shown in accordance with the SBR instructions in ET Handbook No. 336. Costs for SWA staff should be included only if they are for overtime or if the positions were back-filled.

13. *OMB Approval.* The reporting instructions for the TEUC program have been approved by the Office of Management and Budget (OMB) under OMB Approval No. 1205-0433, expiration date December 31, 2004. However, OMB approval is being sought for approval of the burden hours associated with the request for employer information that is necessary for determining eligibility for TEUC-A. ETA will notify states upon OMB approval.

14. *Action Required.* Administrators are requested to provide this information and instructions to the appropriate staff.

15. *Inquiries.* Direct questions to the appropriate regional office.

16. *Attachment A:* Text of Section 4002, Public Law 108-11¹

Attachment B: Questions and Answers

Attachment C: List of Certified Air Carriers

Attachment D: Sample Employer Notice

Attachment B to UIPL No. 30-02, Change 2—Questions and Answers

1. Administrative

a. *Question:* Are new agreements between the state and the Department of Labor necessary for this extension?

Answer: No. The existing agreement remains in effect.

b. *Question:* What is the first week payable under this extension for TEUC-A?

Answer: The first week payable is the first week which begins after April 16, 2003.

c. *Question:* What is an "air carrier" for purposes of TEUC-A?

Answer: A qualifying air carrier is "an air carrier that holds a certificate issued under chapter 411 of title 49, U.S.C." That section provides that an air carrier may provide air transportation only if it holds a certificate issued under chapter 411. Certificates may be issued for charter air carriers and all-cargo air transportations. See Attachment C for a listing of all certified air carriers.

d. *Question:* How will states determine if the individual has "qualifying employment?"

Answer: Unlike other emergency extensions, including the basic TEUC program, for TEUC-A it will be necessary to verify whether at least one base period employer provided qualifying employment. We have prepared and attached a draft form that SWAs may elect to use in contacting employers (See Attachment D).

The employer's failure to respond to the notice does not absolve the agency from the responsibility to pursue the necessary information to verify the qualifying employment. The claimant's statement may be evaluated if the employer does not respond, but the state must meet the same standards required for any nonmonetary determination as stated in the Secretary of Labor's "Standards for Claim Determinations", Part V of the Employment Security Manual. This includes gathering evidentiary facts rather than conclusions, giving the claimant a reasonable opportunity to provide information when requested to do so, and obtaining the information promptly so that benefits will not be unduly delayed.

2. Claimants Potentially Eligible for TEUC Benefits Under This Extension

a. *Question:* What is the universe of claimants who are potentially eligible for TEUC-A under this extension?

Answer: All claimants that meet the definition of "eligible individual" as defined by Public Law 108-11 and otherwise meet the requirements for a TEUC benefit extension.

b. *Question:* Does the extended period for which TEUC-A is payable apply to all TEUC claims?

Answer: No. Only TEUC-A and TEUC-AX are payable during the extended period ending with the last week beginning on or before December 26, 2004.

c. *Question:* Does an individual who was separated from a certified air carrier prior to September 11, 2001, satisfy the definition of an "eligible individual"?

Answer: No. The definition of an "eligible individual" includes a requirement that the individual's regular benefits for the "applicable benefit year" be partially or wholly based on "qualifying employment." To be deemed "qualifying employment," the separation from such employment must have occurred on or after September 11, 2001 because of: (1) reductions in service by an air carrier as a result of a terrorist attack on the United States on September 11, 2001, or security measure taken in response to such attack; (2) a closure of an airport in the United States as a result of such terrorist action or security measure; or (3) a military conflict with Iraq that has been authorized by Congress.

d. *Question:* Does an individual who satisfies the definition of "eligible individual" but who exhausted TEUC in June 2002 and is still unemployed potentially qualify for benefits under this extension?

Answer: Yes.

e. *Question:* Does an "eligible individual" with intervening employment since separation from "qualifying employment" who does not qualify for a new regular claim, based on the intervening employment, continue to meet the definition of an

¹ Attachment A is available in the www.workforcesecurity.doleta.gov Web site under Directives/Advisories.