

From: Cheryl Atkinson s/s, Administrator,  
Office of Workforce Security.

Subject: Temporary Extended

Unemployment Compensation (TEUC)  
Act of 2002—Additional TEUC for  
Displaced Airline and Related Workers.

1. *Purpose.* To respond to questions concerning implementation of the TEUC extension for displaced airline and related workers.

2. *References.* Title II of the Job Creation and Worker Assistance Act of 2002 (The Temporary Extended Unemployment Compensation Act of 2002), Public Law 107-147, signed by the President on March 9, 2002; Public Law 108-1, signed by the President on January 8, 2003; UIPL No. 30-02 dated July 5, 2002; UIPL No. 30-02, Change 1 dated January 9, 2003; UIPL No. 30-02, Change 2 dated April 25, 2003; Section 4002 of Public Law 108-11, signed by the President on April 16, 2003; Section 205 of the Federal-State Extended Unemployment Compensation Act of 1970, as amended; Section 233 of the Trade Act of 1974; 20 CFR Part 615; ET Handbook No. 401; ET Handbook No. 410.

3. *Background.* This advisory continues the Department's guidance concerning the TEUC program extension for airline and related workers (hereafter referred to as TEUC-A) by answering questions submitted by states. The answers address specific circumstances consistent with the Department's interpretation of Section 4002 of Public Law 108-11 which creates special rules for determining eligibility for TEUC-A. Please note: There is a typographical error in Attachment A to UIPL No. 30-02, Change 2, page 3. Section (3) ADDITIONAL WEEKS OF BENEFITS, (B) should read as follows: "in subsection (c)(1), by inserting "1/3 of" after "equal to".

Rescissions: None

Expiration Date: Continuing.

The attached questions and answers are organized by category in order to make it easier to find questions and answers of interest.

4. *Action Required.* Administrators are requested to provide this advisory to appropriate staff and ensure adherence to the guidance.

5. *Inquiries.* Inquiries should be directed to your Regional Office.

6. *Attachment.* Questions and Answers for Clarification of Section 4002 of Public Law 108-11.

Attachment to UIPL No. 30-02, Change 3—Questions and Answers for Clarification of Section 4002, of Public Law 108-11

#### 1. Administrative

a. *Question:* Item 7.a. of UIPL No. 30-02, Change 2, indicates that "To satisfy this requirement, State Workforce Agencies (SWAs) must send written notifications to each individual who was laid off from a base period employer on or after September 11, 2001. SWAs must send immediate written notification to each such individual who has exhausted all available TEUC benefits from the beginning of the TEUC program." Shouldn't a notice be sent to anyone laid off after September 11, 2001, regardless of whether he/she exhausted TEUC?

*Answer:* No. If a claimant's most recent separation from each base period employer was prior to September 11, 2001, written notice is not sent because the claimant is not eligible for TEUC-A. Written notices must be sent to individuals who were laid off from a base period employer on or after September 11, 2001, and who are exhaustees for TEUC purposes, because whether or not they exhausted TEUC, they are potentially eligible for TEUC-A. The statement pertaining to immediate notification of TEUC exhaustees was intended to identify potentially eligible claimants that should be notified quickly because they may still be unemployed and without benefits. Other potentially eligible claimants that must be provided written notice as soon as possible are those claimants laid off by a base period employer after September 11, 2001, that have a remaining balance on their TEUC claim. These claimants are generally in benefit status or have returned to work and are not in need of an immediate TEUC-A determination in order to have benefits available.

b. *Question:* For TEUC or TEUC-X exhaustees, are initial claims required to initiate a determination of TEUC-A eligibility?

*Answer:* Yes, depending on each individual claimant's situation, e.g., quarter change, benefit year ending, intervening employment, etc. The state must follow the same procedures as apply when there is a break or quarter change during the TEUC claim. The state must determine if the claimant still meets the basic requirements for TEUC.

c. *Question:* Must states determine if an individual has "qualifying employment" prior to making any TEUC-A payments? If so, should they allow their standard time for employers to respond?

*Answer:* Yes to both questions. Until the state has determined that the claimant is an "eligible individual," no TEUC-A account may be established. However, if the claimant has not previously received a TEUC determination, the state must issue a TEUC determination and make payments pending redetermination to TEUC-A, if appropriate. Employers are to be given the same amount of time to respond to the request for information as they are normally given under state law.

d. *Question:* If a claimant is currently in basic TEUC status, must the state automatically commence converting the individual to TEUC-A?

*Answer:* No. Claims may not be automatically converted to TEUC-A. The state must first determine if the claimant is an "eligible individual" for TEUC-A purposes. Potentially eligible claimants receiving basic TEUC or TEUC-X must be advised of the TEUC-A option. States should advise claimants in current claim status of the TEUC-A option early enough to allow for the TEUC-A determination to be made before the claimant exhausts to prevent an interruption of payments to TEUC-A eligible claimants.

e. *Question:* Do all base period employers need to be notified or just the employer that the claimant identifies as being in "qualifying employment?"

*Answer:* In general, each base period employer from which the claimant was laid off on or after September 11, 2001, must be contacted because the state may not issue an ineligible determination without establishing that the claimant does not have "qualifying employment." However, in cases where the claimant appears on a qualified employer's list of individuals that were separated for one of the qualifying reasons, there is no need to contact other employers because the state has sufficient information to determine that the claimant is an "eligible individual."

f. *Question:* An individual is about to exhaust regular benefits and the state is prepared to notify the individual of the TEUC program. Because the individual will be eligible for basic TEUC, is it necessary to immediately investigate the claimant's eligibility for TEUC-A?

*Answer:* No. However, states should notify individuals of the TEUC-A option at the time of the TEUC initial claim in order to identify claims needing TEUC-A determinations. Notice of TEUC-A should be given no later than at the time of the issuance of the basic TEUC monetary determination. This notice will provide enough time for a TEUC-A determination before exhaustion of TEUC to avoid interruptions in payments to TEUC-A eligible claimants.

Upon finding that the individual is eligible for TEUC-A, the state will redetermine the claim to TEUC-A and report a redetermination in the comments section of the ETA 5159 as a TEUC-A redetermination.

g. *Question:* What is the last date that a new TEUC-A claim can be effective?

*Answer:* The last week for which a TEUC-A determination can be effective is the week that ends prior to December 29, 2003. That is the week ending December 27, 2003, for all states except New York where it is December 28, 2003.

h. *Question:* What is the last week for which TEUC-A can be paid?

*Answer:* The last week a TEUC-A claim can be paid is the last week beginning on or before December 26, 2004. That is the week beginning December 26, 2004, for all states except New York where it is December 20, 2004.

#### 2. Applicable Benefit Year for TEUC-A Purposes

a. *Question:* If an individual has received TEUC based on a prior benefit year and has also received TEUC based on a subsequent benefit year that is redetermined to TEUC-A, must the amounts of TEUC previously paid for both TEUC claims be deducted to establish the remaining TEUC-A balance?

*Answer:* No. Only the TEUC benefits paid based on the same benefit year as the TEUC-A claim are deductible.

b. *Question:* An individual who has a TEUC-A claim is determined eligible for regular benefits for a new benefit year. Upon exhaustion of the regular benefits based on the new benefit year, may the claimant elect to receive TEUC-A based on the prior claim instead of the most recent benefit year?

*Answer:* No. The determination of TEUC-A eligibility must be based on the "applicable benefit year," which in the scenario cited above is the most recent