To provide for the temporary funding of the expansion of eligibility of unemployment compensation to respond to the COVID-19 public health emergency, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. COTTON introduced the following bill; which was read twice and referred to the Committee on ____________________

A BILL

To provide for the temporary funding of the expansion of eligibility of unemployment compensation to respond to the COVID-19 public health emergency, and for other purposes.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
3 SECTION 1. SHORT TITLE.
4 This Act may be cited as the “Coronavirus Unem-
5 ployment Insurance Expansion Act”.


SEC. 2. TEMPORARY FUNDING OF THE EXPANSION OF ELIGIBILITY OF UNEMPLOYMENT COMPENSATION.

(a) Federal-State Agreements.—Any State which desires to do so may enter into and participate in an agreement under this section with the Secretary of Labor (in this section referred to as the “Secretary”). Any State which is a party to an agreement under this title may, upon providing 30 days’ written notice to the Secretary, terminate such agreement.

(b) Provisions of Agreement.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of regular compensation in cases where—

(1) an individual’s employer temporarily ceases operations due to the COVID–19 emergency;

(2) an individual is quarantined with the expectation of returning to work and is not receiving pay due to the COVID–19 emergency; and

(3) an individual must stop receiving pay in order to care for family members or dependents due to the COVID–19 emergency.

(c) Payments to States.—

(1) Full reimbursement.—There shall be paid to each State which has entered into an agree-
ment under this section an amount equal to 100 per-
cent of—

(A) the total amount of regular compensa-
tion paid to individuals by the State by reason
of such agreement; and

(B) any additional administrative expenses
incurred by the State by reason of such agree-
ment (as determined by the Secretary).

(2) TERMS OF PAYMENTS.—Sums payable to
any State by reason of such State's having an agree-
ment under this section shall be payable, either in
advance or by way of reimbursement (as determined
by the Secretary), in such amounts as the Secretary
estimates the State will be entitled to receive under
this section for each calendar month, reduced or in-
creased, as the case may be, by any amount by
which the Secretary finds that his estimates for any
prior calendar month were greater or less than the
amounts which should have been paid to the State.
Such estimates may be made on the basis of such
statistical, sampling, or other method as may be
agreed upon by the Secretary and the State agency
of the State involved.

(d) FUNDING.—

(1) COMPENSATION.—
(A) In general.—Funds in the Federal unemployment account (as established by section 905(g)) of the Unemployment Trust Fund (as established by section 904(a)) shall be used to make payments under subsection (c)(1)(A).

(B) 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) to the Federal unemployment account such sums as the Secretary of Labor estimates to be necessary to make payments described in subparagraph (A). There are appropriated from the general fund of the Treasury, without fiscal year limitation, the sums referred to in the preceding sentence and such sums shall not be required to be repaid.

(2) Administrative expenses.—

(A) In general.—Funds in the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used to
make payments to States and Indian Tribes pursuant to subsection (e)(1)(B).

(B) 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) to the employment security administration account such sums as the Secretary of Labor estimates to be necessary to make payments described in subparagraph (A).

There are appropriated from the general fund of the Treasury, without fiscal year limitation, the sums referred to in the preceding sentence and such sums shall not be required to be repaid.

(3) CERTIFICATIONS.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this section.

(e) APPLICABILITY.—An agreement entered into under this section shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending on or before the earlier of—
(A) the date of the termination of the national emergency declared by the President under the National Emergencies Act (50 U.S.C. 1601 et seq.) with respect to the Coronavirus Disease 2019 (COVID-19); or

(B) December 31, 2020.

(f) FRAUD AND OVERPAYMENTS.—The provisions of section 4005 of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 122 Stat. 2356) shall apply with respect to compensation paid under an agreement under this section to the same extent and in the same manner as in the case of emergency unemployment compensation under title IV of such Act.

(g) DEFINITIONS.—For purposes of this section, the terms “regular compensation”, “State”, “State agency”, “State law”, and “week” have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

SEC. 3. EMERGENCY FLEXIBILITY FOR UNEMPLOYMENT LAWS.

Notwithstanding any other law, if a State modifies its unemployment compensation law and policies (including with respect to work search, waiting week, good cause, and employer experience rating) on an emergency tem-
porary basis as needed to respond to the spread of COVID–19, such modifications shall be disregarded for the purposes of applying section 303 of the Social Security Act and section 3304 of the Internal Revenue Code of 1986 to such State law.