

112TH CONGRESS  
1ST SESSION

# H. R. 3346

To amend title IV of the Supplemental Appropriations Act, 2008 to provide for the continuation of certain unemployment benefits, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 3, 2011

Mr. DOGGETT (for himself, Mr. LEVIN, Mr. STARK, Mr. McDERMOTT, Mr. LEWIS of Georgia, Mr. NEAL, Mr. BECERRA, Mr. BLUMENAUER, Mr. PASCRELL, Ms. BERKLEY, Mr. CROWLEY, Mr. RANGEL, Mr. DINGELL, Mr. GENE GREEN of Texas, Mr. REYES, Mr. PETERS, Mr. JOHNSON of Georgia, Mr. PAYNE, Ms. DELAURO, Ms. LEE of California, Mr. TOWNS, Ms. NORTON, Ms. WOOLSEY, Mr. KILDEE, Mr. MEEKS, Mr. GEORGE MILLER of California, Mr. SERRANO, Ms. MOORE, Mr. NADLER, Mr. JACKSON of Illinois, Ms. BROWN of Florida, Mr. FRANK of Massachusetts, Mr. DEUTCH, Ms. SCHAKOWSKY, Mrs. MALONEY, Mr. COHEN, Ms. EDWARDS, Mr. HINOJOSA, Mr. HASTINGS of Florida, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. ANDREWS, Mr. CUMMINGS, Mr. AL GREEN of Texas, Mr. WATT, Mr. BERMAN, Ms. JACKSON LEE of Texas, Mr. GONZALEZ, Ms. VELÁZQUEZ, Ms. SLAUGHTER, Mr. TIERNEY, Mr. DICKS, Mr. CARNAHAN, and Mr. CICILLINE) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend title IV of the Supplemental Appropriations Act, 2008 to provide for the continuation of certain unemployment benefits, 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; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the  
 5 “Emergency Unemployment Compensation Extension Act  
 6 of 2011”.

7 (b) **TABLE OF CONTENTS.**—The table of contents of  
 8 this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—EXTENSION OF UNEMPLOYMENT PROGRAMS**

Sec. 101. Temporary extension of unemployment insurance provisions.

Sec. 102. Modification of indicators under the extended benefit program.

Sec. 103. Additional extended unemployment benefits under the Railroad Un-  
 employment Insurance Act.

**TITLE II—STATE AND EMPLOYER ASSISTANCE**

Sec. 201. Extension of temporary assistance for States with advances.

Sec. 202. FUTA credit reductions for 2011 contingent on voluntary agree-  
 ments.

Sec. 203. Assistance contingent on voluntary agreements.

Sec. 204. Solvency bonus.

9 **TITLE I—EXTENSION OF**  
 10 **UNEMPLOYMENT PROGRAMS**

11 **SEC. 101. TEMPORARY EXTENSION OF UNEMPLOYMENT IN-**  
 12 **SURANCE PROVISIONS.**

13 (a) **IN GENERAL.**—(1) Section 4007 of the Supple-  
 14 mental Appropriations Act, 2008 (Public Law 110–252;  
 15 26 U.S.C. 3304 note) is amended—

16 (A) by striking “January 3, 2012” each place  
 17 it appears and inserting “January 3, 2013”;

1 (B) in the heading for subsection (b)(2), by  
2 striking “JANUARY 3, 2012” and inserting “JANUARY  
3 3, 2013”; and

4 (C) in subsection (b)(3), by striking “June 9,  
5 2012” and inserting “June 8, 2013”.

6 (2) Section 2005 of the Assistance for Unemployed  
7 Workers and Struggling Families Act, as contained in  
8 Public Law 111–5 (26 U.S.C. 3304 note; 123 Stat. 444),  
9 is amended—

10 (A) by striking “January 4, 2012” each place  
11 it appears and inserting “January 4, 2013”; and

12 (B) in subsection (c), by striking “June 11,  
13 2012” and inserting “June 11, 2013”.

14 (3) Section 5 of the Unemployment Compensation  
15 Extension Act of 2008 (Public Law 110–449; 26 U.S.C.  
16 3304 note) is amended by striking “June 10, 2012” and  
17 inserting “June 10, 2013”.

18 (b) FUNDING.—Section 4004(e)(1) of the Supple-  
19 mental Appropriations Act, 2008 (Public Law 110–252;  
20 26 U.S.C. 3304 note) is amended—

21 (1) in subparagraph (F), by striking “and” at  
22 the end; and

23 (2) by inserting after subparagraph (G) the fol-  
24 lowing:

1           “(H) the amendments made by section  
2           101(a)(1) of the Emergency Unemployment  
3           Compensation Extension Act of 2011; and”.

4           (c) EFFECTIVE DATE.—The amendments made by  
5 this section shall take effect as if included in the enact-  
6 ment of the Tax Relief, Unemployment Insurance Reau-  
7 thorization, and Job Creation Act of 2010 (Public Law  
8 111–312).

9   **SEC. 102. MODIFICATION OF INDICATORS UNDER THE EX-**  
10                           **TENDED BENEFIT PROGRAM.**

11           (a) EXTENSION.—Section 203 of the Federal-State  
12 Extended Unemployment Compensation Act of 1970 (26  
13 U.S.C. 3304 note) is amended—

14                   (1) in subsection (d), by striking “December  
15           31, 2011” and inserting “December 31, 2012”; and

16                   (2) in subsection (f)(2), by striking “December  
17           31, 2011” and inserting “December 31, 2012”.

18           (b) INDICATOR.—Section 203(d) of the Federal-State  
19 Extended Unemployment Compensation Act of 1970 (26  
20 U.S.C. 3304 note) is amended by adding at the end the  
21 following: “Effective with respect to compensation for  
22 weeks of unemployment beginning on or after January 1,  
23 2012 (or, if later, the date established pursuant to State  
24 law) and ending on or before December 31, 2012, the  
25 State may by statute, regulation, or other issuance having

1 the force and effect of law provide that the determination  
2 of whether there has been a State ‘on’ or ‘off’ indicator  
3 beginning or ending any extended benefit period shall be  
4 made under this subsection, disregarding subparagraph  
5 (A) of paragraph (1) and disregarding ‘either subpara-  
6 graph (A) or’ in paragraph (2).”.

7 (c) ALTERNATIVE TRIGGER.—Section 203(f) of the  
8 Federal-State Extended Unemployment Compensation Act  
9 of 1970 (26 U.S.C. 3304 note) is amended—

10 (1) by redesignating paragraph (3) as para-  
11 graph (4); and

12 (2) by inserting after paragraph (2) the fol-  
13 lowing:

14 “(3) Effective with respect to compensation for weeks  
15 of unemployment beginning on or after January 1, 2012  
16 (or, if later, the date established pursuant to State law)  
17 and ending on or before December 31, 2012, the State  
18 may by statute, regulation, or other issuance with the  
19 force and effect of law provide that the determination of  
20 whether there has been a State ‘on’ or ‘off’ indicator be-  
21 ginning or ending any extended benefit period shall be  
22 made under this subsection, disregarding clause (ii) of  
23 paragraph (1)(A) and as if paragraph (1)(B) had been  
24 amended by striking ‘either the requirements of clause (i)  
25 or (ii)’ and inserting ‘the requirements of clause (i)’.”.

1 **SEC. 103. ADDITIONAL EXTENDED UNEMPLOYMENT BENE-**  
2 **FITS UNDER THE RAILROAD UNEMPLOY-**  
3 **MENT INSURANCE ACT.**

4 (a) EXTENSION.—Section 2(c)(2)(D)(iii) of the Rail-  
5 road Unemployment Insurance Act, as added by section  
6 2006 of the American Recovery and Reinvestment Act of  
7 2009 (Public Law 111–5) and as amended by section 9  
8 of the Worker, Homeownership, and Business Assistance  
9 Act of 2009 (Public Law 111–92) and section 505 of the  
10 Tax Relief, Unemployment Insurance Reauthorization,  
11 and Job Creation Act of 2010 (Public Law 111–312), is  
12 amended—

13 (1) by striking “June 30, 2011” and inserting  
14 “June 30, 2012”; and

15 (2) by striking “December 31, 2011” and in-  
16 serting “December 31, 2012”.

17 (b) CLARIFICATION ON AUTHORITY TO USE  
18 FUNDS.—Funds appropriated under either the first or  
19 second sentence of clause (iv) of section 2(c)(2)(D) of the  
20 Railroad Unemployment Insurance Act shall be available  
21 to cover the cost of additional extended unemployment  
22 benefits provided under such section 2(c)(2)(D) by reason  
23 of the amendments made by subsection (a) as well as to  
24 cover the cost of such benefits provided under such section  
25 2(c)(2)(D), as in effect on the day before the date of the  
26 enactment of this Act.

1 **TITLE II—STATE AND EMPLOYER**  
2 **ASSISTANCE**

3 **SEC. 201. EXTENSION OF TEMPORARY ASSISTANCE FOR**  
4 **STATES WITH ADVANCES.**

5 Section 1202(b)(10)(A) of the Social Security Act  
6 (42 U.S.C. 1322(b)(10)(A)) is amended, in the matter be-  
7 fore clause (i), by striking “2010—” and inserting “2010  
8 and the 12-month period beginning on October 1, 2011—  
9 ”.

10 **SEC. 202. FUTA CREDIT REDUCTIONS FOR 2011 CONTIN-**  
11 **MENT ON VOLUNTARY AGREEMENTS.**

12 (a) IN GENERAL.—Section 3302(c) of the Internal  
13 Revenue Code of 1986 is amended—

14 (1) by redesignating paragraph (3) as para-  
15 graph (4), and

16 (2) by inserting after paragraph (2) the fol-  
17 lowing new paragraph:

18 “(3)(A) If a State has entered into a voluntary  
19 agreement under section 203 of the Emergency Un-  
20 employment Compensation Extension Act of 2011,  
21 the provisions of paragraph (2) shall be applied with  
22 respect to the taxable year beginning January 1,  
23 2011, or any succeeding taxable year, by deeming  
24 January 1, 2012, to be the first January 1 occurring  
25 after January 1, 2010. For purposes of paragraph

1 (2), consecutive taxable years in the period com-  
2 mencing January 1, 2012, shall be determined as if  
3 the taxable year which begins on January 1, 2012,  
4 were the taxable year immediately succeeding the  
5 taxable year which began on January 1, 2010. No  
6 taxpayer shall be subject to credit reductions under  
7 this paragraph for the taxable year beginning Janu-  
8 ary 1, 2011.

9 “(B) If the voluntary agreement specified in  
10 subparagraph (A) is terminated under section  
11 203(e) of the Emergency Unemployment Compensa-  
12 tion Extension Act of 2011, subparagraph (A) shall  
13 not be effective for any taxable year.”.

14 (b) EFFECTIVE DATE.—The amendments made by  
15 subsection (a) shall apply to taxable years beginning after  
16 December 31, 2010.

17 **SEC. 203. ASSISTANCE CONTINGENT ON VOLUNTARY**  
18 **AGREEMENTS.**

19 (a) IN GENERAL.—The amendment made by section  
20 201 shall not apply with respect to any State with which  
21 the Secretary of Labor has not entered into a voluntary  
22 agreement under this section.

23 (b) APPLICATION.—Any State that has 1 or more  
24 outstanding repayable advances from the Federal unem-  
25 ployment account under section 1201 of the Social Secu-

1 rity Act (42 U.S.C. 1321) may apply to the Secretary of  
2 Labor to enter into a voluntary agreement under this sec-  
3 tion.

4 (c) REQUIREMENTS.—An application described in  
5 subsection (b) shall be submitted within such time, and  
6 in such form and manner, as the Secretary of Labor may  
7 require, except that any such application shall include cer-  
8 tification by the State that during the period of the agree-  
9 ment—

10 (1) the method governing the computation of  
11 regular compensation under the State law of the  
12 State will not be modified in a manner such that the  
13 average weekly benefit amount of regular compensa-  
14 tion which will be payable during the period of the  
15 agreement will be less than the average weekly ben-  
16 efit amount of regular compensation which would  
17 have otherwise been payable under the State law as  
18 in effect on the date of the enactment of this sub-  
19 section;

20 (2) the State law of the State will not be modi-  
21 fied in a manner such that any unemployed indi-  
22 vidual who would be eligible for regular compensa-  
23 tion under the State law in effect on such date of  
24 enactment would be ineligible for regular compensa-  
25 tion during the period of the agreement or would be

1 subject to any disqualification during the period of  
2 the agreement that the individual would not have  
3 been subject to under the State law in effect on such  
4 date of enactment; and

5 (3) the State law of the State will not be modi-  
6 fied in a manner such that the maximum amount of  
7 regular compensation that any unemployed indi-  
8 vidual would be eligible to receive in a benefit year  
9 during the period of the agreement will be less than  
10 the maximum amount of regular compensation that  
11 the individual would have been eligible to receive  
12 during a benefit year under the State law in effect  
13 on such date of enactment.

14 (d) DECISION.—The Secretary of Labor shall review  
15 any application received from a State to enter into a vol-  
16 untary agreement under this section and, within 30 days  
17 after the date of receipt, approve or disapprove the appli-  
18 cation and notify the Governor of the State of the Sec-  
19 retary's decision, including—

20 (1) if approved, the effective date of the agree-  
21 ment; and

22 (2) if disapproved, the reasons why it was dis-  
23 approved.

24 (e) TERMINATION.—

1           (1) IN GENERAL.—If, after reasonable notice  
2           and opportunity for a hearing, the Secretary of  
3           Labor finds that a State with which the Secretary  
4           has entered into an agreement under this section  
5           has modified State law so that it no longer contains  
6           the provisions specified in paragraph (1), (2), or (3)  
7           of subsection (c) or has failed to comply substan-  
8           tially with any of those provisions, the agreement  
9           shall be terminated, effective as of such date as the  
10          Secretary shall determine, but in no event later than  
11          December 31, 2012.

12           (2) EFFECT WITH RESPECT TO REPAYABLE AD-  
13          VANCES.—If an agreement under this section with a  
14          State is terminated, then, effective as of the termi-  
15          nation date of such agreement, paragraph (10) of  
16          section 1202(b) of the Social Security Act shall, for  
17          purposes of such State, be applied as if subpara-  
18          graph (A) of such paragraph had been amended by  
19          striking the date specified in such subparagraph (in  
20          the matter before clause (i) thereof) and inserting  
21          the termination date of such agreement.

22          (f) REGULATIONS.—Any regulations or guidance nec-  
23          essary to carry out this title or any of the amendments  
24          made by this title may be prescribed by—



1       mined under subsection (b) for purposes of such  
2       quarter; plus

3               “(B) an additional 2 percentage points.

4       “(2) For purposes of this subsection, a State shall  
5       be considered to be a ‘solvent State’ if the outstanding  
6       balance for such State of advances under title XII is equal  
7       to zero. A determination as to whether or not a State is  
8       a solvent State shall be made by the Secretary of Labor—

9               “(A) for each State;

10              “(B) for each quarter to which this subsection  
11       applies; and

12              “(C) based on such date or period (before the  
13       1st day of such quarter), and otherwise in such  
14       manner, as the Secretary of Labor shall determine  
15       in consultation with the Secretary of the Treasury.

16       “(3) This subsection applies to each quarter in cal-  
17       endar year 2012.

18       “(4) Nothing in this subsection shall have the effect  
19       of causing the amount which is credited under subsection  
20       (e) to any account in the Fund for any quarter to be less  
21       than the amount which (disregarding this subsection)  
22       would otherwise have been so credited to such account for  
23       such quarter.”.

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