Employment and Training Administration Advisory System U.S. Department of Labor Washington, D.C. 20210

CLASSIFICATION
UC Incentive Payments
CORRESPONDENCE SYMBOL
DL
DATE
March 19, 2009

ADVISORY: UNEMPLOYMENT INSURANCE PROGRAM LETTER No. 14-09,

Change 1

TO: STATE WORKFORCE AGENCIES

FROM: DOUGLAS F. SMALL /s/

Deputy Assistant Secretary

SUBJECT: Special Transfers for Unemployment Compensation Modernization and

Administration and Relief from Interest on Advances

- 1. <u>Purpose</u>. To provide additional guidance to states concerning unemployment compensation (UC) modernization incentive payments, the recent special administrative transfers, and to correct guidance related to relief from interest on advances to state unemployment funds.
- 2. <u>References</u>. The Assistance for Unemployed Workers and Struggling Families Act, Title II of Division B of Public Law No. 111-5, enacted February 17, 2009; the Social Security Act (SSA); the Federal Unemployment Tax Act (FUTA); and Unemployment Insurance Program Letter (UIPL) No. 14-09.
- 3. <u>Background</u>. UIPL No. 14-09 provided guidance to states on the UC provisions of Public Law 111-5, including how to qualify for UC modernization payments. This UIPL, using a Question and Answer (Q&A) format, provides, among other things:
 - Additional guidance concerning applications for UC modernization incentive payments and on using a training benefit provision to qualify for such payments.
 - Additional guidance related to the special administrative transfer.
 - A correction to earlier guidance related to relief from interest on advances.
- 4. Action. State administrators should distribute this advisory to appropriate staff.
- 5. <u>Inquiries</u>. Questions should be addressed to your Regional Office.

RESCISSIONS	EXPIRATION DATE
None	Continuing

6. <u>Attachment</u>. QUESTIONS AND ANSWERS