MODEL DEMONSTRATION AGREEMENT

NOTE: ADDITIONAL OR DIFFERENT ELEMENTS OF A STATE AGREEMENT MAY BE REQUIRED BASED ON THE STATE'S PROPOSED DEMONSTRATION PROJECT.

The Middle Class Tax Relief and Job Creation Act of 2012

AGREEMENT BETWEEN

THE STATE OF XXXXXX

AND

THE SECRETARY OF LABOR, U.S. DEPARTMENT OF LABOR

The Secretary of Labor, U.S. Department of Labor, hereinafter referred to as the "Secretary" of the "Department," and the State of XXXXX, hereinafter referred to as "State," in order to carry out the provisions of Section 305 of the Social Security Act (the "SSA"), added by Section 2102 of the Middle Class Tax Relief and Job Creation Act of 2012, hereby agree as follows:

- I. The State will conduct the demonstration providing the benefits and services described in the application submitted and approved by the Secretary in accordance with Section 305, SSA.
- II. The State's application to the Secretary submitted under Section 305, SSA, and the letter from the Secretary approving that application, are attached to this agreement and incorporated herein. The proposed activities, costs, plan, outcomes, assurances, requirements and all other content contained in the application are incorporated and agreed to.
- III. The State agrees to comply with all regulations, operating instructions, and Unemployment Insurance Program Letters (UIPLs) relating to demonstrations approved by the Secretary in accordance with Section 305, SSA.
- IV. The State will maintain such records pertaining to the administration of the Act as the Department deems appropriate, and will make all such records available for inspection, examination, ongoing monitoring, and audit at such time and by such federal officials or employees as the Department may designate or as may be required by law to ensure compliance with the terms and conditions of the approved demonstration project.
- V. [PLACEHOLDER FOR ADDITIONAL REPORTING REQUIREMENTS BASED ON THE STATE'S PROPOSED DEMONSTRATION PROJECT]

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- VI. The State will furnish to the Department such information and reports and will fully participate in any studies and evaluations the Department determines are necessary or appropriate for carrying out the purposes of the Act, including the analysis to support the assurances in the State's application that the demonstration project will not result in any increased net costs to the State's account in the UTF during the period the demonstration is operated.
- VII. The demonstration will be subject to the waivers and the limitations on the waivers set out in the approved application.
- VIII. A determination by a State with respect to an individual's benefit payments provided by the State under the demonstration project will be subject to review in the same manner and to the same extent as determinations with respect to unemployment compensation under the State unemployment compensation law, and only in that manner and to that extent.
 - IX. Section 305(g), SSA, provides the Secretary with authority to terminate a demonstration project if the Secretary determines that the State has violated the substantive terms or conditions of the project or of the agreement. The Secretary expressly reserves the right to terminate this demonstration project for these reasons immediately upon written notification to the State.
 - X. If this Agreement is terminated by the Secretary, the State will process and make all demonstration project payments to any entity or individual for all demonstration activities that occurred through the date of termination, provided that such activities were conducted in accordance with the terms of the Agreement. In addition, if this Agreement is terminated, all matters concerning the administration of the demonstration and this Agreement in the State shall be concluded as soon thereafter as possible.
 - XI. This Agreement may be modified by written agreement. A modification to this Agreement will be effective when both parties have signed it.
- XII. This Agreement shall be effective when both parties have signed it.

Secretary of Labor
U.S. Department of Labor

Governor's Signature: