

119TH CONGRESS
1ST SESSION

S. 2312

To modernize unemployment compensation benefits.

IN THE SENATE OF THE UNITED STATES

JULY 16, 2025

Mr. WYDEN (for himself, Mr. BENNET, Mr. REED, Ms. WARREN, Mr. SANDERS, Mr. FETTERMAN, and Mr. BOOKER) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To modernize unemployment compensation benefits.

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 “Unemployment Insurance Modernization and Recession
6 Readiness Act”.

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—MODERNIZATION OF EXTENDED BENEFITS

Sec. 101. Full Federal funding of extended unemployment compensation.

Sec. 102. Improving the extended benefit triggers.

- Sec. 103. Increase in the number of weeks of extended benefits during high unemployment periods.
- Sec. 104. Improved calculation of amounts in an individual's extended benefit account.
- Sec. 105. Transition for amounts remaining in extended benefit accounts when a State is no longer in an extended benefit period.
- Sec. 106. Coordination of extended benefits with regular compensation.
- Sec. 107. Portability of extended benefits.
- Sec. 108. Additional extended benefit program improvements.
- Sec. 109. Exemption of extended benefits from sequestration.
- Sec. 110. Effective date.

TITLE II—MODERNIZATION OF REGULAR UNEMPLOYMENT

- Sec. 201. Floor on the number of weeks.
- Sec. 202. Floor on the minimum replacement of wages.
- Sec. 203. Floor on the maximum benefit.
- Sec. 204. Part-time work.
- Sec. 205. Base period.
- Sec. 206. Expansion of good cause separations.
- Sec. 207. Unemployment compensation for victims of a qualifying act of violence or harassment.
- Sec. 208. Elimination of waiting weeks.
- Sec. 209. Temporary work assignment.
- Sec. 210. Self-employment assistance program.
- Sec. 211. Short-time compensation program.
- Sec. 212. Minimum level of prior employment.
- Sec. 213. Employee status.
- Sec. 214. Eligibility of certain student-workers for unemployment compensation.
- Sec. 215. Dependents' allowance.
- Sec. 216. Labor disputes.
- Sec. 217. Educational employees.
- Sec. 218. Emergency enhanced unemployment compensation.

TITLE III—JOBSEEKER ALLOWANCE

- Sec. 301. Jobseeker allowance.

1 **TITLE I—MODERNIZATION OF** 2 **EXTENDED BENEFITS**

3 **SEC. 101. FULL FEDERAL FUNDING OF EXTENDED UNEM-** 4 **PLOYMENT COMPENSATION.**

5 (a) IN GENERAL.—Section 204 of the Federal-State
6 Extended Unemployment Compensation Act of 1970 (26
7 U.S.C. 3304 note) is amended—

8 (1) in subsection (a)—

1 (A) by striking “(1) There shall be paid”
 2 and all that follows through the period at the
 3 end of paragraph (2) and inserting the fol-
 4 lowing: “(1) There shall be paid to each State
 5 an amount equal to 100 percent of the extended
 6 compensation (including allowances for depend-
 7 ents) paid to individuals under State law.

8 “(2) No payment shall be made to any State under
 9 this subsection with respect to benefits paid if the State—

10 “(A) assesses payments due in lieu of contribu-
 11 tions from the employer for such benefits; or

12 “(B) charges the employer for purposes of em-
 13 ployer experience rating for such benefits.”; and

14 (B) in paragraph (3), by striking “section
 15 3306(c)(7) of the Internal Revenue” and all
 16 that follows through “reduced by an amount”
 17 and inserting “paragraph (7) or (8) of section
 18 3306(c) of the Internal Revenue Code of 1986
 19 applies shall be reduced by an amount equal to
 20 50 percent of the amount”;

21 (2) by striking subsections (b) and (c); and

22 (3) by redesignating subsections (d) and (e) as
 23 subsections (b) and (c), respectively.

24 (b) CONFORMING AMENDMENT.—Section 202(a)(6)
 25 of the Federal-State Extended Unemployment Compensa-

tion Act of 1970 (26 U.S.C. 3304 note) is amended by striking “or shareable regular compensation”.

SEC. 102. IMPROVING THE EXTENDED BENEFIT TRIGGERS.

(a) TUR TRIGGERS.—Section 203 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended by striking subsection (f) and inserting the following new subsections:

“(f) STATE TUR TRIGGER.—

“(1) IN GENERAL.—For purposes of this section:

“(A) ON INDICATOR.—There is a State ‘on’ indicator for a week if the average rate of total unemployment in such State (seasonally adjusted) for the period consisting of the most recent 3 months for which data for all States are published before the close of such week equals or exceeds 5.5 percent.

“(B) OFF INDICATOR.—There is a State ‘off’ indicator for a week if the requirement of subparagraph (A) is not satisfied.

“(2) APPLICATION.—Notwithstanding the provision of any State law, any week for which there would otherwise be a State ‘on’ indicator shall continue to be such a week and shall not be determined

1 to be a week for which there is a State ‘off’ indi-
2 cator.

3 “(3) DETERMINATIONS OF THE RATE OF TOTAL
4 UNEMPLOYMENT.—For purposes of this subsection,
5 determinations of the rate of total unemployment in
6 any State for any period (and of any seasonal ad-
7 justment) shall be made by the Secretary.

8 “(g) NATIONAL TUR TRIGGER.—

9 “(1) IN GENERAL.—For purposes of this sec-
10 tion:

11 “(A) ON INDICATOR.—There is a State
12 ‘on’ indicator for a week if the average rate of
13 total unemployment for all States (seasonally
14 adjusted) for the period consisting of the most
15 recent 3 months for which data for all States
16 are published before the close of such week
17 equals or exceeds 5.5 percent.

18 “(B) OFF INDICATOR.—There is a State
19 ‘off’ indicator for a week if the requirement of
20 subparagraph (A) is not satisfied.

21 “(2) APPLICATION.—Notwithstanding the pro-
22 vision of any State law, any week for which there
23 would otherwise be a State ‘on’ indicator shall con-
24 tinue to be such a week and shall not be determined

1 to be a week for which there is a State ‘off’ indi-
 2 cator.

3 “(3) DETERMINATIONS OF THE RATE OF TOTAL
 4 UNEMPLOYMENT.—For purposes of this subsection,
 5 determinations of the rate of total unemployment for
 6 all States for any period (and of any seasonal ad-
 7 justment) shall be made by the Secretary.”.

8 (b) ELEVATED NATIONAL UNEMPLOYMENT TRIG-
 9 GER.—

10 (1) IN GENERAL.—Section 203 of the Federal-
 11 State Extended Unemployment Compensation Act of
 12 1970 (26 U.S.C. 3304 note), as amended by sub-
 13 section (a), is amended by adding at the end the fol-
 14 lowing new subsection:

15 “(h) ELEVATED NATIONAL UNEMPLOYMENT TRIG-
 16 GER.—

17 “(1) IN GENERAL.—For purposes of this sec-
 18 tion:

19 “(A) ON INDICATOR.—There is a State
 20 ‘on’ indicator for a week if the average rate of
 21 total unemployment for all States (seasonally
 22 adjusted) for the period consisting of the most
 23 recent 3 months for which data for all States
 24 are published before the close of such week is
 25 at least 0.5 percentage points higher than the

lowest average rate of total unemployment for all States (seasonally adjusted) for any continuous 3-month period in the preceding 12 months.

“(B) OFF INDICATOR.—There is a State ‘off’ indicator for a week if the average rate of total unemployment for all States (seasonally adjusted) for the period consisting of the most recent 3 months for which data for all States is published before the close of such week—

“(i) has decreased for not less than 2 consecutive months;

“(ii) is less than 5.5 percent; and

“(iii) is less than 1.5 percentage points above the average rate of total unemployment for all States (seasonally adjusted) for the period consisting of the most recent 3 months for which data for all States is published before the close of the first week for which there is an ‘on’ indicator under subparagraph (A).

“(2) APPLICATION.—Notwithstanding the provision of any State law, any week for which there would otherwise be a State ‘on’ indicator shall continue to be such a week and shall not be determined

1 to be a week for which there is a State ‘off’ indi-
 2 cator.

3 “(3) DETERMINATIONS OF THE RATE OF TOTAL
 4 UNEMPLOYMENT.—For purposes of this subsection,
 5 determinations of the rate of total unemployment for
 6 all States for any period (and of any seasonal ad-
 7 justment) shall be made by the Secretary.

8 “(4) INCLUSION OF DETERMINATION IN
 9 MONTHLY EMPLOYMENT SITUATION REPORTS.—Not-
 10 withstanding any other provision of law, the Sec-
 11 retary, acting through the Commissioner of the Bu-
 12 reau of Labor Statistics, shall include in each
 13 monthly employment situation report published by
 14 the Commissioner a specific determination of wheth-
 15 er or not there is an ‘on’ indicator under paragraph
 16 (1)(A) in the United States.”.

17 (2) COORDINATION BETWEEN ELEVATED NA-
 18 TIONAL UNEMPLOYMENT TRIGGER AND OTHER TRIG-
 19 GERS.—Section 203(b) of the Federal-State Ex-
 20 tended Unemployment Compensation Act of 1970
 21 (26 U.S.C. 3304 note) is amended by adding at the
 22 end the following new paragraph:

23 “(3)(A) In the case of a State for which there is an
 24 ‘on’ indicator for a week under subsection (h) and an ‘on’

1 indicator for such week under subsection (f) or (g), section
2 202(b)(1) shall be applied by substituting—

3 “(i) ‘100 per centum’ for ‘50 per centum’ in
4 subparagraph (A); and

5 “(ii) ‘twenty-six’ for ‘thirteen’ in subparagraph
6 (B).

7 “(B) The increase in amounts in an account by rea-
8 son of subparagraph (A) shall be in addition to any in-
9 creases in amounts in an account by reason of paragraph
10 (3) of section 202(b).”.

11 **SEC. 103. INCREASE IN THE NUMBER OF WEEKS OF EX-**
12 **TENDED BENEFITS DURING HIGH UNEM-**
13 **PLOYMENT PERIODS.**

14 Section 202(b) of the Federal-State Extended Unem-
15 ployment Compensation Act of 1970 (26 U.S.C. 3304
16 note) is amended—

17 (1) in paragraph (1)—

18 (A) in the matter preceding subparagraph
19 (A), by striking “The State law” and inserting
20 “Subject to paragraph (3) and section
21 203(b)(3), the State law”;

22 (B) in subparagraph (A), by inserting “or”
23 at the end;

24 (C) in subparagraph (B), by striking “,
25 or” at the end and inserting a period; and

1 (D) by striking subparagraph (C); and
 2 (2) by striking paragraph (3) and inserting the
 3 following new paragraph:

4 “(3) INCREASE IN AMOUNT IN ACCOUNT DUR-
 5 ING HIGH UNEMPLOYMENT PERIODS.—

6 “(A) TIERS.—Effective with respect to
 7 weeks beginning in a high unemployment pe-
 8 riod, paragraph (1) shall be applied as follows:

9 “(i) SECOND TIER.—In the case of
 10 weeks in a tier 2 high unemployment pe-
 11 riod described in subparagraph (B)(i), by
 12 substituting—

13 “(I) ‘100 per centum’ for ‘50 per
 14 centum’ in subparagraph (A); and

15 “(II) ‘twenty-six’ for ‘thirteen’ in
 16 subparagraph (B).

17 “(ii) THIRD TIER.—In the case of
 18 weeks in a tier 3 high unemployment pe-
 19 riod described in subparagraph (B)(ii), by
 20 substituting—

21 “(I) ‘150 per centum’ for ‘50 per
 22 centum’ in subparagraph (A); and

23 “(II) ‘thirty-nine’ for ‘thirteen’ in
 24 subparagraph (B).

“(iii) FOURTH TIER.—In the case of weeks in a tier 4 high unemployment period described in subparagraph (B)(iii), by substituting—

“(I) ‘200 per centum’ for ‘50 per centum’ in subparagraph (A); and

“(II) ‘fifty-two’ for ‘thirteen’ in subparagraph (B).

“(B) HIGH UNEMPLOYMENT PERIODS.—

“(i) SECOND TIER.—For purposes of subparagraph (A)(i), a second tier high unemployment period described in this clause is any period during which an extended benefit period would be in effect if subsection (f)(1)(A) or (g)(1)(A) of section 203 were applied by substituting ‘6.5 percent but is less than 7.5 percent’ for ‘5.5 percent’.

“(ii) THIRD TIER.—For purposes of subparagraph (A)(ii), a third tier high unemployment period described in this clause is any period during which an extended benefit period would be in effect if subsection (f)(1)(A) or (g)(1)(A) of section 203 were applied by substituting ‘7.5 per-

1 cent but is less than 8.5 percent’ for ‘5.5
2 percent’.

3 “(iii) FOURTH TIER.—For purposes of
4 subparagraph (A)(iii), a fourth tier high
5 unemployment period described in this
6 clause is any period during which an ex-
7 tended benefit period would be in effect if
8 subsection (f)(1)(A) or (g)(1)(A) of section
9 203 were applied by substituting ‘8.5 per-
10 cent’ for ‘5.5 percent’.

11 “(C) INDIVIDUALS REMAIN ELIGIBLE FOR
12 AUGMENTED AMOUNT EVEN IF TIER THRESH-
13 OLD NO LONGER MET.—If an individual’s ac-
14 count is augmented under subparagraph (B)
15 because a State triggers on to a tier described
16 in clause (i), (ii), or (iii) of subparagraph (B),
17 the augmented amount shall remain in such ac-
18 count for the duration of the individual’s ben-
19 efit year even if the requirements for such tier
20 are no longer met.

21 “(D) CLARIFICATION.—The triggers under
22 subsections (d) and (h) of section 203 shall not
23 apply for purposes of determining high unem-
24 ployment periods under this paragraph.”.

1 **SEC. 104. IMPROVED CALCULATION OF AMOUNTS IN AN IN-**
 2 **DIVIDUAL’S EXTENDED BENEFIT ACCOUNT.**

3 (a) IN GENERAL.—Section 202(b)(1) of the Federal-
 4 State Extended Unemployment Compensation Act of 1970
 5 (26 U.S.C. 3304 note) is amended, in the matter pre-
 6 ceding subparagraph (A), by striking “the least” and in-
 7 serting “the greatest”.

8 (b) EFFECTIVE DATE.—The amendment made by
 9 subsection (a) shall apply to extended compensation ac-
 10 counts established on or after the earlier of—

11 (1) the date the State changes its statutes, reg-
 12 ulations, or policies in order to comply with such
 13 amendment; or

14 (2) January 1, 2027.

15 **SEC. 105. TRANSITION FOR AMOUNTS REMAINING IN EX-**
 16 **TENDED BENEFIT ACCOUNTS WHEN A STATE**
 17 **IS NO LONGER IN AN EXTENDED BENEFIT PE-**
 18 **RIOD.**

19 Section 203(b) of the Federal-State Extended Unem-
 20 ployment Compensation Act of 1970 (26 U.S.C. 3304
 21 note), as amended by section 102(b)(2), is amended by
 22 adding at the end the following new paragraph:

23 “(4) In the case of an individual who has amounts
 24 remaining in an account established under section 202(b)
 25 as of the date that extended benefits would otherwise not
 26 be payable to the individual because there is a State ‘off’

1 indicator, extended compensation shall continue to be pay-
 2 able to such individual from such amounts for any week—

3 “(A) that begins on or after such date and ends
 4 on or before 6 months after such date; and

5 “(B) for which the individual meets the eligi-
 6 bility requirements under this title.”.

7 **SEC. 106. COORDINATION OF EXTENDED BENEFITS WITH**
 8 **REGULAR COMPENSATION.**

9 Section 202 of the Federal-State Extended Unem-
 10 ployment Compensation Act of 1970 (26 U.S.C. 3304
 11 note) is amended by adding at the end the following new
 12 subsection:

13 “(d) COORDINATION OF EXTENDED COMPENSATION
 14 WITH REGULAR COMPENSATION.—

15 “(1) If—

16 “(A) an individual has been determined to
 17 be entitled to extended compensation with re-
 18 spect to a benefit year;

19 “(B) such benefit year has expired;

20 “(C) such individual has remaining entitle-
 21 ment to extended compensation with respect to
 22 such benefit year; and

23 “(D) such individual would qualify for a
 24 new benefit year in which the weekly benefit
 25 amount of regular compensation is at least \$25

1 less than the individual's weekly benefit amount
2 in the benefit year referred to in subparagraph
3 (A);

4 then the State shall determine eligibility for com-
5 pensation as provided in paragraph (2).

6 “(2) For individuals described in paragraph (1),
7 the State shall determine whether the individual is
8 to be paid extended compensation or regular com-
9 pensation for a week of unemployment using one of
10 the following methods:

11 “(A) The State shall, if permitted by State
12 law, establish a new benefit year, but defer the
13 payment of regular compensation with respect
14 to that new benefit year until exhaustion of all
15 extended compensation payable with respect to
16 the benefit year referred to in paragraph
17 (1)(A).

18 “(B) The State shall, if permitted by State
19 law, defer the establishment of a new benefit
20 year (which uses all the wages and employment
21 which would have been used to establish a ben-
22 efit year but for the application of this para-
23 graph) until exhaustion of all extended com-
24 pensation payable with respect to the benefit
25 year referred to in paragraph (1)(A).

1 “(C) The State shall pay, if permitted by
2 State law—

3 “(i) regular compensation equal to the
4 weekly benefit amount established under
5 the new benefit year; and

6 “(ii) extended compensation equal to
7 the difference between that weekly benefit
8 amount and the weekly benefit amount for
9 the expired benefit year.

10 “(D) The State shall determine rights to
11 extended compensation without regard to any
12 rights to regular compensation if the individual
13 elects to not file a claim for regular compensa-
14 tion under the new benefit year.”.

15 **SEC. 107. PORTABILITY OF EXTENDED BENEFITS.**

16 Section 202(a) of the Federal-State Extended Unem-
17 ployment Compensation Act of 1970 (26 U.S.C. 3304
18 note) is amended by adding at the end the following new
19 paragraph:

20 “(8) The provisions under section 3304(a)(9)(A) of
21 the Internal Revenue Code of 1986 shall apply to benefits
22 under this title in the same manner as such provisions
23 apply to regular compensation under State law.”.

1 **SEC. 108. ADDITIONAL EXTENDED BENEFIT PROGRAM IM-**
 2 **PROVEMENTS.**

3 (a) STATE LAW REQUIREMENTS.—Section 202(a) of
 4 the Federal-State Extended Unemployment Compensation
 5 Act of 1970 (26 U.S.C. 3304 note) is amended—

6 (1) paragraph (3)—

7 (A) in subparagraph (D)(iii), by striking
 8 “subparagraphs (C) and (E)” and inserting
 9 “subparagraph (C)”; and

10 (B) by striking subparagraph (E) and re-
 11 designating subparagraph (F) as subparagraph
 12 (E);

13 (2) by striking paragraphs (4), (5), and (7) and
 14 redesignating paragraph (6) as paragraph (4); and

15 (3) in paragraph (4), as so redesignated, by
 16 striking “paragraphs (3), (4), and (5)” and insert-
 17 ing “paragraph (3)”.

18 (b) ELIMINATION OF MANDATORY 13-WEEK OFF
 19 PERIOD.—Section 203(b)(1) of the Federal-State Ex-
 20 tended Unemployment Compensation Act of 1970 (26
 21 U.S.C. 3304 note) is amended by striking “any State” and
 22 all that follows before the period at the end and inserting
 23 “any State, no extended benefit period shall last for a pe-
 24 riod of less than thirteen consecutive weeks”.

25 (c) ELIMINATION OF LOOK BACK UNDER THE IN-
 26 SURED UNEMPLOYMENT RATE TRIGGER.—Section 203(d)

1 of the Federal-State Extended Unemployment Compensa-
 2 tion Act of 1970 (26 U.S.C. 3304 note) is amended—

3 (1) in paragraph (1), by striking “twelve
 4 weeks—” and all that follows through “5 per cen-
 5 tum” and inserting “twelve weeks equal or exceeded
 6 5 percent”;

7 (2) in paragraph (2), by striking “either sub-
 8 paragraph (A) or subparagraph (B) of”; and

9 (3) by striking the second and third sentences.

10 (d) DETERMINATION OF INSURED UNEMPLOYMENT
 11 RATE.—Section 203(e)(1)(A) of the Federal-State Ex-
 12 tended Unemployment Compensation Act of 1970 (26
 13 U.S.C. 3304 note) is amended by inserting “, extended
 14 compensation, unemployment compensation for Federal
 15 civilian employees under subchapter I of chapter 85 of title
 16 5, United States Code, or unemployment compensation for
 17 ex-servicemembers under subchapter II of such chapter
 18 85” after “regular compensation”.

19 **SEC. 109. EXEMPTION OF EXTENDED BENEFITS FROM SE-**
 20 **QUESTRATION.**

21 (a) IN GENERAL.—Section 255(g)(1)(A) of the Bal-
 22 anced Budget and Emergency Deficit Control Act of 1985
 23 (2 U.S.C. 905(g)(1)(A)) is amended by inserting after
 24 “Payments to Social Security Trust Funds (28–0404–0–
 25 1–651).” the following:

1 “Payments to a State under the Federal-State Ex-
 2 tended Unemployment Compensation Act of 1970 (26
 3 U.S.C. 3304 note).”.

4 (b) APPLICABILITY.—The amendment made by this
 5 section shall apply to any sequestration order issued under
 6 the Balanced Budget and Emergency Deficit Control Act
 7 of 1985 (2 U.S.C. 900 et seq.) on or after the date of
 8 enactment of this Act.

9 **SEC. 110. EFFECTIVE DATE.**

10 The amendments made by this title (other than sec-
 11 tions 104 and 109) shall apply to weeks of unemployment
 12 beginning on or after January 1, 2027 (or earlier if estab-
 13 lished by State law (but in no case earlier than 60 days
 14 after the date of enactment of this Act)).

15 **TITLE II—MODERNIZATION OF**
 16 **REGULAR UNEMPLOYMENT**

17 **SEC. 201. FLOOR ON THE NUMBER OF WEEKS.**

18 (a) IN GENERAL.—Section 3304(a) of the Internal
 19 Revenue Code of 1986 is amended—

20 (1) in paragraph (18), by striking “and” at the
 21 end;

22 (2) by redesignating paragraph (19) as para-
 23 graph (20); and

24 (3) by inserting after paragraph (18) the fol-
 25 lowing new paragraph:

12 (1) the date the State changes its statutes, reg-
13 ulations, or policies in order to comply with such
14 amendments; or

16 SEC. 202. FLOOR ON THE MINIMUM REPLACEMENT OF
17 WAGES.

21 (1) in paragraph (19), by striking “and” at the
22 end;

(2) by redesignating paragraph (20) as paragraph (21); and

1 (3) by inserting after paragraph (19) the fol-
 2 lowing new paragraph:

3 “(20) an individual’s weekly benefit amount is
 4 equal to the lesser of—

5 “(A) the maximum weekly benefit amount
 6 under the State law; or

7 “(B) an amount equal to the quotient of—

8 “(i) an amount equal to at least 75
 9 percent of the total earnings in the quarter
 10 of the individual’s base period with the
 11 highest earnings; divided by

12 “(ii) 13; and”.

13 (b) **EFFECTIVE DATE.**—The amendments made by
 14 subsection (a) shall apply to weeks of unemployment be-
 15 ginning on or after the earlier of—

16 (1) the date the State changes its statutes, reg-
 17 ulations, or policies in order to comply with such
 18 amendments; or

19 (2) January 1, 2027.

20 **SEC. 203. FLOOR ON THE MAXIMUM BENEFIT.**

21 (a) **IN GENERAL.**—Section 3304(a) of the Internal
 22 Revenue Code of 1986, as previously amended by this title,
 23 is amended—

24 (1) in paragraph (20), by striking “and” at the
 25 end;

1 (2) by redesignating paragraph (21) as para-
2 graph (22); and

3 (3) by inserting after paragraph (20) the fol-
4 lowing new paragraph:

5 “(21) the maximum weekly benefit amount may
6 not be less than $\frac{2}{3}$ of the State’s average weekly
7 wage (as determined by the Secretary of Labor) as
8 of October 1 of each calendar year and applied for
9 claims effective on or after January 1 of the subse-
10 quent calendar year; and”.

11 (b) **EFFECTIVE DATE.**—The amendments made by
12 subsection (a) shall apply to weeks of unemployment be-
13 ginning on or after the earlier of—

14 (1) the date the State changes its statutes, reg-
15 ulations, or policies in order to comply with such
16 amendments; or

17 (2) January 1, 2027.

18 **SEC. 204. PART-TIME WORK.**

19 (a) **IN GENERAL.**—Section 3304(a) of the Internal
20 Revenue Code of 1986, as previously amended by this title,
21 is amended—

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

24 (2) by redesignating paragraph (22) as para-
25 graph (25); and

1 (3) by inserting after paragraph (21) the fol-
2 lowing new paragraphs:

3 “(22) an individual is not denied unemployment
4 compensation under any State law provisions relat-
5 ing to ability to work, availability for work, active
6 search for work, or refusal to accept work, solely on
7 the basis of the number of hours of work such indi-
8 vidual is seeking, provided that the individual is
9 seeking at least the lesser of—

10 “(A) 20 hours of work per week; or

11 “(B) a number of hours of work per week
12 equal to at least $\frac{1}{2}$ of the typical number of
13 hours worked per week in the individual’s base
14 period;

15 “(23) an unemployed individual may claim ben-
16 efits for a week of partial unemployment where the
17 individual performs less than full-time work while
18 continuing to search for additional part-time or full-
19 time work in accordance with State law if their earn-
20 ings are less than the individual’s weekly benefit
21 amount;

22 “(24) when determining the weekly benefit
23 amount for an individual claiming a benefit for a
24 week of partial unemployment, the State disregards,
25 at a minimum, earnings equal to $\frac{1}{3}$ of the individ-

1 ual’s weekly benefit amount in computing the indi-
 2 vidual’s weekly benefit for partial unemployment;
 3 and”.

4 (b) **EFFECTIVE DATE.**—The amendments made by
 5 subsection (a) shall apply to weeks of unemployment be-
 6 ginning on or after the earlier of—

7 (1) the date the State changes its statutes, reg-
 8 ulations, or policies in order to comply with such
 9 amendments; or

10 (2) January 1, 2027.

11 **SEC. 205. BASE PERIOD.**

12 (a) **IN GENERAL.**—Section 3304(a) of the Internal
 13 Revenue Code of 1986, as previously amended by this title,
 14 is amended—

15 (1) in paragraph (24), by striking “and” at the
 16 end;

17 (2) by redesignating paragraph (25) as para-
 18 graph (27); and

19 (3) by inserting after paragraph (24) the fol-
 20 lowing new paragraphs:

21 “(25) the State law—

22 “(A) uses a base period that consists of 4
 23 completed calendar quarters preceding the ef-
 24 fective date of the claim and includes the most
 25 recently completed calendar quarter before the

1 start of the benefit year for purposes of deter-
2 mining eligibility for unemployment compensa-
3 tion; or

4 “(B) provides that, in the case of an indi-
5 vidual who would not otherwise be eligible for
6 unemployment compensation under the State
7 law because of the use of a base period that
8 does not meet the requirements described in
9 subparagraph (A), eligibility is determined
10 using a base period that consists of 4 completed
11 calendar quarters preceding the effective date of
12 the claim and includes the most recently com-
13 pleted calendar quarter before the start of the
14 benefit year;

15 “(26) in the case of an individual who would
16 not otherwise be eligible for unemployment com-
17 pensation under State law because the individual
18 took unpaid leave or reduced pay for medical, paren-
19 tal, or caregiving purposes during the base period, or
20 because the individual was incapable of work due to
21 illness, injury, or disability during the base period,
22 eligibility shall be determined using a base period
23 that includes the State’s standard or alternative
24 base period and at least 4 additional consecutive

1 quarters immediately before the base period or alter-
 2 native base period; and”.

3 (b) **EFFECTIVE DATE.**—The amendments made by
 4 subsection (a) shall apply to claims with an effective date
 5 beginning on or after the earlier of—

6 (1) the date the State changes its statutes, reg-
 7 ulations, or policies in order to comply with such
 8 amendments; or

9 (2) January 1, 2027.

10 **SEC. 206. EXPANSION OF GOOD CAUSE SEPARATIONS.**

11 (a) **IN GENERAL.**—Section 3304 of the Internal Rev-
 12 enue Code of 1986, as previously amended by this title,
 13 is amended—

14 (1) in subsection (a)—

15 (A) in paragraph (26), by striking “and”
 16 at the end;

17 (B) by redesignating paragraph (27) as
 18 paragraph (28); and

19 (C) by inserting after paragraph (26) the
 20 following new paragraph:

21 “(27) an individual shall not be disqualified
 22 from unemployment compensation for separating
 23 from employment if that separation is for any com-
 24 pelling reason (as defined in subsection (g)); and”;
 25 and

1 (2) by adding at the end the following new sub-
2 section:

3 “(g) DEFINITION OF COMPELLING REASON.—

4 “(1) IN GENERAL.—For purposes of subsection
5 (a)(27), the Secretary of Labor shall establish a def-
6 inition for the term ‘compelling reason’.

7 “(2) REQUIREMENTS.—In defining the term
8 compelling reason, the Secretary shall include the
9 following reasons:

10 “(A) ILLNESS OR DISABILITY OF A QUALI-
11 FIED FAMILY MEMBER.—

12 “(i) IN GENERAL.—The illness or dis-
13 ability of a qualified family member of the
14 individual.

15 “(ii) QUALIFIED FAMILY MEMBER.—
16 For purposes of clause (i), the term ‘quali-
17 fied family member’ means, with respect to
18 an individual—

19 “(I) a spouse (including a domes-
20 tic partner in a civil union or other
21 registered domestic partnership recog-
22 nized by a State) and a spouse’s par-
23 ent;

24 “(II) a child and a child’s spouse;

1 “(III) a parent and a parent’s
2 spouse;

3 “(IV) a sibling and a sibling’s
4 spouse;

5 “(V) a grandparent, a grand-
6 child, or a spouse of a grandparent or
7 grandchild; and

8 “(VI) any other individual who is
9 related by blood or affinity and whose
10 association with the individual is the
11 equivalent of a family relationship (as
12 determined under regulations issued
13 by the Secretary of the Labor).

14 “(B) ACCOMPANY THE INDIVIDUAL’S
15 SPOUSE.—In order to accompany such individ-
16 ual’s spouse—

17 “(i) to a place which is outside of the
18 individual’s commuting area; and

19 “(ii) due to a change in location of the
20 spouse’s employment.

21 “(C) RELOCATION OF WORKPLACE.—The
22 relocation of the workplace of the individual to
23 a place which is outside of the individual’s com-
24 muting area.

1 “(D) CARE FOR A CHILD.—The need to
 2 care for a child when child care has been lost
 3 and an alternative arrangement cannot be rea-
 4 sonably secured.

5 “(E) UNUSUAL RISK.—The individual’s job
 6 presents any unusual risk to the health or safe-
 7 ty of the individual.

8 “(F) EMPLOYER’S FAILURE TO CONFORM
 9 TO STATE AND FEDERAL LAWS.—The employ-
 10 ee’s reasonable belief that the employer failed to
 11 conform to any State or Federal law relating to
 12 wages, hours, working conditions, collective bar-
 13 gaining, harassment, discrimination, retaliation,
 14 or reasonable accommodations.

15 “(G) OTHER REASONS.—Other reasons de-
 16 termined appropriate by the State.”.

17 (b) EFFECTIVE DATE.—The amendments made by
 18 subsection (a) shall apply to weeks of unemployment be-
 19 ginning on or after the earlier of—

20 (1) the date the State changes its statutes, reg-
 21 ulations, or policies in order to comply with such
 22 amendments; or

23 (2) January 1, 2027.

1 **SEC. 207. UNEMPLOYMENT COMPENSATION FOR VICTIMS**
 2 **OF A QUALIFYING ACT OF VIOLENCE OR HAR-**
 3 **ASSMENT.**

4 (a) IN GENERAL.—Section 3304 of the Internal Rev-
 5 enue Code of 1986, as previously amended by this title,
 6 is amended—

7 (1) in subsection (a)—

8 (A) in paragraph (27), by striking “and”
 9 at the end;

10 (B) by redesignating paragraph (28) as
 11 paragraph (29); and

12 (C) by inserting after paragraph (27) the
 13 following new paragraph:

14 “(28) an individual shall not be denied com-
 15 pensation under such State law solely on the basis
 16 of the individual having a voluntary separation from
 17 work if such separation is attributable to such indi-
 18 vidual being a victim of a qualifying act of violence
 19 or harassment; and”;

20 (2) by adding at the end the following new sub-
 21 section:

22 “(h) VICTIMS OF A QUALIFYING ACT OF VIOLENCE
 23 OR HARASSMENT.—

24 “(1) DOCUMENTATION.—For purposes of sub-
 25 section (a)(28), a voluntary separation of an indi-
 26 vidual shall be considered to be attributable to such

1 individual being a victim of a qualifying act of vio-
2 lence or harassment if such individual submits such
3 evidence as the State deems sufficient.

4 “(2) SUFFICIENT DOCUMENTATION.—For pur-
5 poses of paragraph (1), a State shall deem suffi-
6 cient—

7 “(A) evidence of such qualifying act of vio-
8 lence or harassment in the form of—

9 “(i) a sworn statement and a form of
10 identification;

11 “(ii) a police or court record;

12 “(iii) documentation from a profes-
13 sional from whom such individual has
14 sought assistance, including those associ-
15 ated with medical, legal, or religious pro-
16 fessions or a victim service provider; or

17 “(iv) any other documentation deter-
18 mined appropriate by the Secretary of
19 Labor or the State; and

20 “(B) an attestation that such voluntary
21 separation is attributable to such qualifying act
22 of violence or harassment.

23 “(3) DEFINITIONS.—

24 “(A) IN GENERAL.—Subject to subpara-
25 graph (B), in this section:

1 “(i) QUALIFYING ACT OF VIOLENCE
 2 OR HARASSMENT.—The term ‘qualifying
 3 act of violence or harassment’ means an
 4 act, conduct, or pattern of conduct that is
 5 or could constitute any of the following:

6 “(I) Domestic violence.

7 “(II) Dating violence.

8 “(III) Sexual assault.

9 “(IV) Stalking.

10 “(V) Sexual harassment.

11 “(VI) Other harassment.

12 “(ii) VICTIM OF A QUALIFYING ACT
 13 OF VIOLENCE OR HARASSMENT.—The term
 14 ‘victim of a qualifying act of violence or
 15 harassment’ includes—

16 “(I) an individual who has experi-
 17 enced or is experiencing a qualifying
 18 act of violence or harassment; and

19 “(II) an individual whose family
 20 or household member has experienced
 21 or is experiencing a qualifying act of
 22 violence or harassment.

23 “(iii) VIOLENCE AGAINST WOMEN ACT
 24 DEFINITIONS.—The terms ‘domestic vio-
 25 lence’, ‘dating violence’, ‘sexual assault’,

1 ‘stalking’, and ‘victim service provider’
 2 have the meanings given such terms in sec-
 3 tion 40002 of the Violence Against Women
 4 Act of 1994, except that if the cor-
 5 responding paragraph for any such term is
 6 amended after the date of enactment of
 7 this subsection, such amendment shall not
 8 apply for the purpose of this subsection
 9 until the earlier of—

10 “(I) the date the State changes
 11 its statutes, regulations, or policies in
 12 order to comply with such amend-
 13 ment; or

14 “(II) the date that is 2 years
 15 after the date of enactment of such
 16 amendment.

17 “(iv) SEXUAL HARASSMENT.—The
 18 term ‘sexual harassment’ means hostile, in-
 19 timidating, or oppressive behavior based on
 20 sex that creates an offensive work environ-
 21 ment.

22 “(v) OTHER HARASSMENT.—The term
 23 ‘other harassment’ has the meaning given
 24 the term ‘harassment’ (other than sexual

1 harassment) under State law, regulation,
2 or policy.

3 “(B) STATES MAY APPLY BROADER DEFINITION.—A State may adopt a broader defini-
4 tion of any term under clause (i), (ii) (iii), (iv),
5 or (v) of subparagraph (A).”.

7 (b) EFFECTIVE DATE.—The amendments made by
8 subsection (a) shall apply to weeks of unemployment be-
9 ginning on or after the earlier of—

10 (1) the date the State changes its statutes, reg-
11 ulations, or policies in order to comply with such
12 amendments; or

13 (2) January 1, 2027.

14 **SEC. 208. ELIMINATION OF WAITING WEEKS.**

15 (a) IN GENERAL.—Section 3304(a) of the Internal
16 Revenue Code of 1986, as previously amended by this title,
17 is amended—

18 (1) in paragraph (28), by striking “and” at the
19 end;

20 (2) by redesignating paragraph (29) as para-
21 graph (30); and

22 (3) by inserting after paragraph (28) the fol-
23 lowing new paragraph:

1 “(29) compensation is immediately paid to an
 2 individual for their first week of otherwise compen-
 3 sable unemployment without a waiting week; and”.

4 (b) EFFECTIVE DATE.—The amendments made by
 5 subsection (a) shall apply to weeks of unemployment be-
 6 ginning on or after the earlier of—

7 (1) the date the State changes its statutes, reg-
 8 ulations, or policies in order to comply with such
 9 amendments; or

10 (2) January 1, 2027.

11 **SEC. 209. TEMPORARY WORK ASSIGNMENT.**

12 (a) IN GENERAL.—Section 3304(a) of the Internal
 13 Revenue Code of 1986, as previously amended by this title,
 14 is amended—

15 (1) in paragraph (29), by striking “and” at the
 16 end;

17 (2) by redesignating paragraph (30) as para-
 18 graph (31); and

19 (3) by inserting after paragraph (29) the fol-
 20 lowing new paragraph:

21 “(30) an individual’s completion of a temporary
 22 employment assignment is considered to be an invol-
 23 untary layoff for the purposes of determining eligi-
 24 bility for unemployment compensation, regardless of
 25 whether or not the individual has contacted the em-

1 ployer after a temporary assignment has ended;
 2 and”.

3 (b) EFFECTIVE DATE.—The amendments made by
 4 subsection (a) shall apply to weeks of unemployment be-
 5 ginning on or after the earlier of—

6 (1) the date the State changes its statutes, reg-
 7 ulations, or policies in order to comply with such
 8 amendments; or

9 (2) January 1, 2027.

10 **SEC. 210. SELF-EMPLOYMENT ASSISTANCE PROGRAM.**

11 (a) REQUIREMENT.—

12 (1) IN GENERAL.—Section 3304(a) of the In-
 13 ternal Revenue Code of 1986, as previously amended
 14 by this title, is amended—

15 (A) in paragraph (4)(F), by inserting “, as
 16 required under paragraph (31)” after
 17 “3306(t)”;

18 (B) in paragraph (30), by striking “and”
 19 at the end;

20 (C) by redesignating paragraph (31) as
 21 paragraph (32); and

22 (D) by inserting after paragraph (30) the
 23 following new paragraph:

1 “(31) payment of allowances is made under a
 2 self-employment assistance program (as defined in
 3 section 3306(t)) under the State law; and”.

4 (2) CONFORMING AMENDMENT.—Section
 5 303(a)(5) of the Social Security Act (42 U.S.C.
 6 503(a)(5)), is amended, in the last proviso, by in-
 7 serting “, as required under section 3304(a)(31) of
 8 such Code” after “1986”).

9 (b) EFFECTIVE DATE.—The amendments made by
 10 subsection (a) shall apply to weeks of unemployment be-
 11 ginning on or after the earlier of—

12 (1) the date the State changes its statutes, reg-
 13 ulations, or policies in order to comply with such
 14 amendments; or

15 (2) January 1, 2027.

16 **SEC. 211. SHORT-TIME COMPENSATION PROGRAM.**

17 (a) REQUIRED PROGRAM.—

18 (1) IN GENERAL.—Section 3304(a) of the In-
 19 ternal Revenue Code of 1986, as previously amended
 20 by this title, is amended—

21 (A) in paragraph (4)(E), by inserting “, as
 22 required under paragraph (32)” after
 23 “3306(v)”;

24 (B) in paragraph (31), by striking “and”
 25 at the end;

1 (C) by redesignating paragraph (32) as
 2 paragraph (33); and

3 (D) by inserting after paragraph (31) the
 4 following new paragraph:

5 “(32) payment of short-time compensation is
 6 made under a short-time compensation program (as
 7 defined in section 3306(v)) under the State law;
 8 and”.

9 (2) CONFORMING AMENDMENT.—Section
 10 303(a)(5) of the Social Security Act (42 U.S.C.
 11 503(a)(5)), is amended, in the fifth proviso, by in-
 12 serting “, as required under section 3304(a)(32) of
 13 such Code” after “1986”).

14 (b) REVISIONS TO DEFINITION OF A SHORT-TIME
 15 COMPENSATION PROGRAM.—

16 (1) FLEXIBILITY.—

17 (A) IN GENERAL.—Section 3306(v)(3) of
 18 the Internal Revenue Code of 1986 is amended
 19 by striking “60 percent” and inserting “80 per-
 20 cent”.

21 (B) EFFECTIVE DATE.—The amendment
 22 made by subparagraph (A) shall take effect on
 23 the date of enactment of this Act.

1 (2) PERMITTING EMPLOYERS TO FILE CLAIM
2 ON BEHALF OF EMPLOYEES.—Section 3306(v) of
3 the Internal Revenue Code of 1986 is amended—

4 (A) by redesignating paragraphs (8), (9),
5 and (10) as paragraphs (9), (10), and (11), re-
6 spectively; and

7 (B) by inserting after paragraph (7) the
8 following new paragraph:

9 “(8) the State agency allows an employer to file
10 weekly claims under the program on behalf of em-
11 ployees;”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section (other than subsection (b)(1)) shall apply to
14 weeks of unemployment beginning on or after the earlier
15 of—

16 (1) the date the State changes its statutes, reg-
17 ulations, or policies in order to comply with such
18 amendments; or

19 (2) January 1, 2027.

20 **SEC. 212. MINIMUM LEVEL OF PRIOR EMPLOYMENT.**

21 (a) REQUIREMENT.—

22 (1) IN GENERAL.—Section 3304(a) of the In-
23 ternal Revenue Code of 1986, as previously amended
24 by this title, is amended—

1 (A) in paragraph (32), by striking “and”
 2 at the end;

3 (B) by redesignating paragraph (33) as
 4 paragraph (34); and

5 (C) by inserting after paragraph (31) the
 6 following new paragraph:

7 “(33) compensation is not denied to an other-
 8 wise eligible individual if the individual earned at
 9 least \$1,000 in covered wages during the highest
 10 quarter of the base period and at least \$1,500 cov-
 11 ered wages during the base period; and”.

12 (2) STATE MAY REDUCE MINIMUM THRESH-
 13 OLDS.—Nothing in the paragraph (33) of section
 14 3304(a) of the Internal Revenue Code of 1986, as
 15 added by paragraph (1), shall preclude a State from
 16 reducing the dollar thresholds described in such
 17 paragraph (32).

18 (b) EFFECTIVE DATE.—The amendments made by
 19 subsection (a) shall apply to weeks of unemployment be-
 20 ginning on or after the earlier of—

21 (1) the date the State changes its statutes, reg-
 22 ulations, or policies in order to comply with such
 23 amendments; or

24 (2) January 1, 2027.

1 **SEC. 213. EMPLOYEE STATUS.**

2 (a) IN GENERAL.—Section 3304(a) of the Internal
3 Revenue Code of 1986, as previously amended by this title,
4 is amended—

5 (1) in paragraph (33), by striking “and” at the
6 end;

7 (2) by redesignating paragraph (34) as para-
8 graph (35); and

9 (3) by inserting after paragraph (33) the fol-
10 lowing new paragraph:

11 “(34) an individual performing any service shall
12 be considered an employee and not an independent
13 contractor for the purpose of the State law, unless—

14 “(A) the individual is free from control and
15 direction in connection with the performance of
16 the service, both under the contract for the per-
17 formance of service and in fact;

18 “(B) the service is performed outside the
19 usual course of the business of the employer;
20 and

21 “(C) the individual is customarily engaged
22 in an independently established trade, occupa-
23 tion, profession, or business of the same nature
24 as that involved in the service performed; and”.

1 (b) EFFECTIVE DATE.—The amendments made by
 2 subsection (a) shall apply to weeks of unemployment be-
 3 ginning on or after the earlier of—

4 (1) the date the State changes its statutes, reg-
 5 ulations, or policies in order to comply with such
 6 amendments; or

7 (2) January 1, 2027.

8 **SEC. 214. ELIGIBILITY OF CERTAIN STUDENT-WORKERS**
 9 **FOR UNEMPLOYMENT COMPENSATION.**

10 (a) IN GENERAL.—Section 3306(c)(10) of the Inter-
 11 nal Revenue Code of 1986 is amended—

12 (1) by striking subparagraphs (B) and (C); and

13 (2) by redesignating subparagraph (D) as sub-
 14 paragraph (B).

15 (b) EFFECTIVE DATE.—The amendment made by
 16 this section shall apply to service performed on or after
 17 January 1, 2027.

18 **SEC. 215. DEPENDENTS' ALLOWANCE.**

19 (a) IN GENERAL.—Chapter 23 of the Internal Rev-
 20 enue Code of 1986 is amended—

21 (1) in section 3304(a), as previously amended
 22 by this Act—

23 (A) in paragraph (34), by striking “and”
 24 at the end;

1 (B) by redesignating paragraph (35) as
 2 paragraph (36); and

3 (C) by inserting after paragraph (34) the
 4 following new paragraph:

5 “(35) payment of dependents’ allowances shall
 6 be paid pursuant to section 3304A; and”; and

7 (2) by inserting after section 3304, the fol-
 8 lowing new section:

9 **“SEC. 3304A. DEPENDENTS’ ALLOWANCE.**

10 “(a) IN GENERAL.—Subject to the succeeding provi-
 11 sions of this section, for purposes of section 3304(a)(35),
 12 a State shall provide, in the case of any individual who
 13 is entitled to receive unemployment compensation and who
 14 has any dependents, a dependents’ allowance in an amount
 15 equal to the amount specified in subsection (b) per de-
 16 pendent per week.

17 “(b) AMOUNT SPECIFIED.—

18 “(1) IN GENERAL.—The amount specified in
 19 this subsection is an amount equal to—

20 “(A) for 2027, \$25; and

21 “(B) for 2028 or a subsequent year, the
 22 dollar amount specified in this subsection for
 23 the preceding year increased by the percentage
 24 change in the Consumer Price Index for All

1 Urban Consumers for the 12-month period end-
2 ing with June of such preceding year.

3 “(2) ROUNDING.—If any amount determined
4 under paragraph (1)(B) is not a multiple of \$1, such
5 amount shall be rounded to the nearest multiple of
6 \$1.

7 “(c) DEPENDENT DEFINED.—In this section, the
8 term ‘dependent’ shall have the meaning given that term
9 under State law, except that such term shall include—

10 “(1) any child in the care of the individual who
11 is under the age of 18, including a natural child, an
12 adopted child, and a stepchild;

13 “(2) any child, including stepchild, natural
14 child, or adopted child, who, prior to enrollment as
15 full-time student, was in the care of the individual
16 seeking benefits, so long as the child remain enrolled
17 as a full-time student and is under the age of 24;

18 “(3) any eligible foster child (as defined in sec-
19 tion 152(f)(1)(C)) placed with the individual;

20 “(4) an immediate family member with a dis-
21 ability who is in the care of the individual or their
22 household, regardless of whether or not the family
23 member resides in the individual’s household;

24 “(5) a nonworking senior family member living
25 in the household of the individual;

1 “(6) a nonworking spouse who is not receiving
2 unemployment compensation; and

3 “(7) other individuals determined appropriate
4 by the Secretary of Labor.

5 “(d) REGULATIONS.—Not later than 3 months after
6 the date of enactment of this section, the Secretary of
7 Labor shall issue regulations to carry out this section.”.

8 (b) PERMISSIBLE USE OF FUNDS.—

9 (1) INTERNAL REVENUE CODE OF 1986.—Sec-
10 tion 3304(a)(4) of the Internal Revenue Code of
11 1986 is amended—

12 (A) in subparagraph (F), by striking
13 “and” at the end;

14 (B) in subparagraph (G)(ii), by inserting
15 “and” at the end; and

16 (C) by adding at the end the following:

17 “(H) amounts may be withdrawn for the
18 payment of dependents’ allowances under sec-
19 tion 3304A;”.

20 (2) SOCIAL SECURITY ACT.—Section 303(a)(5)
21 of the Social Security Act is amended by striking “;
22 and” at the end and inserting “: *Provided further,*
23 That amounts may be withdrawn for the payment of
24 dependents’ allowances under section 3304A; and”.

1 (c) CONFORMING AMENDMENT.—The table of sec-
 2 tions for chapter 23 of the Internal Revenue Code of 1986
 3 is amended inserting after the item relating to section
 4 3304 the following new item:

“Sec. 3304A. Dependents’ allowance.”.

5 (d) EFFECTIVE DATE.—The amendments made by
 6 this section shall apply to weeks of unemployment begin-
 7 ning on or after the earlier of—

8 (1) the date the State changes its statutes, reg-
 9 ulations, or policies in order to comply with such
 10 amendments; or

11 (2) January 1, 2027.

12 **SEC. 216. LABOR DISPUTES.**

13 (a) IN GENERAL.—Section 3304(a) of the Internal
 14 Revenue Code of 1986, as previously amended by this Act,
 15 is amended—

16 (1) in paragraph (35), by striking “and” at the
 17 end;

18 (2) by redesignating paragraph (36) as para-
 19 graph (37); and

20 (3) by inserting after paragraph (35) the fol-
 21 lowing new paragraph:

22 “(36) compensation is not denied to an other-
 23 wise eligible individual if the separation is due to a
 24 labor dispute if—

1 “(A) the individual has been locked out by
2 their employer;

3 “(B) the dispute is the result of the em-
4 ployer’s failure to conform to the provisions of
5 a labor contract;

6 “(C) the dispute is the result of the em-
7 ployer’s failure to conform to any State or Fed-
8 eral law relating to wages, hours, working con-
9 ditions, or collective bargaining; or

10 “(D) the individual and others of the same
11 grade or class are not participating in the dis-
12 pute, financing it, or directly interested in it;
13 and”.

14 (b) **EFFECTIVE DATE.**—The amendments made by
15 this section shall apply to weeks of unemployment begin-
16 ning on or after the earlier of—

17 (1) the date the State changes its statutes, reg-
18 ulations, or policies in order to comply with such
19 amendments; or

20 (2) January 1, 2027.

21 **SEC. 217. EDUCATIONAL EMPLOYEES.**

22 (a) **IN GENERAL.**—Section 3304(a)(6)(A)(i) of the
23 Internal Revenue Code of 1986 is amended—

24 (1) by striking “applies, compensation shall”
25 and inserting the following: “applies—

1 “(I) compensation shall”;

2 (2) in subclause (I), as added by paragraph (1),
3 by inserting “except that” at the end; and

4 (3) by adding at the end the following new sub-
5 clause:

6 “(II) if compensation is denied to any
7 individual for any week under subclause (I)
8 and such individual was not offered an op-
9 portunity to perform such services for the
10 educational institution for the second of
11 such academic years or terms, such indi-
12 vidual shall be entitled to a retroactive
13 payment of the compensation for each
14 week for which the individual filed a timely
15 claim for compensation and for which com-
16 pensation was denied solely by reason of
17 subclause (I),”.

18 (b) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to weeks of unemployment begin-
20 ning on or after the earlier of—

21 (1) the date the State changes its statutes, reg-
22 ulations, or policies in order to comply with such
23 amendments; or

24 (2) January 1, 2027.

1 **SEC. 218. EMERGENCY ENHANCED UNEMPLOYMENT COM-**
 2 **PENSATION.**

3 (a) IN GENERAL.—Chapter 23 of the Internal Rev-
 4 enue Code of 1986 is amended—

5 (1) in section 3304(a), as previously amended
 6 by this Act—

7 (A) in paragraph (20), in the matter pre-
 8 ceding clause (i), by inserting “, subject to
 9 paragraph (37) and section 3304B,” after
 10 “benefit amount is”;

11 (B) in paragraph (36), by striking “and”
 12 at the end;

13 (C) by redesignating paragraph (37) as
 14 paragraph (38); and

15 (D) by inserting after paragraph (36) the
 16 following new paragraph:

17 “(37) payment of emergency enhanced unem-
 18 ployment compensation shall be paid pursuant to
 19 section 3304B; and”;

20 (2) by inserting after section 3304A, as added
 21 by section 215, the following new section:

22 **“SEC. 3304B. EMERGENCY ENHANCED UNEMPLOYMENT**
 23 **COMPENSATION.**

24 “(a) COMPENSATION.—

25 “(1) IN GENERAL.—Subject to the succeeding
 26 provisions of this section, for purposes of section

3304(a)(37), during an emergency period with respect to a State, section 3304(a)(20)(B)(i) shall be applied with respect to the State by substituting ‘100 percent’ for ‘at least 75 percent’. The additional amount an individual receives pursuant to the application of the preceding sentence shall be referred to as ‘emergency enhanced unemployment compensation’.

“(2) EMERGENCY PERIOD.—For purposes of paragraph (1), the term ‘emergency period’ means, with respect to a State, any period during which—

“(A) a public health emergency has been declared under section 319 of the Public Health Service Act with respect to the State (including a nationwide emergency); or

“(B) a major disaster or emergency has been declared by the President under section 401 or 501, respectively, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170, 5191).

“(b) PAYMENTS TO STATES.—

“(1) IN GENERAL.—

“(A) FULL REIMBURSEMENT.—There shall be paid to each State an amount equal to 100 percent of—

1 “(i) the total amount of emergency
2 enhanced unemployment compensation
3 paid to individuals by the State pursuant
4 to this section; and

5 “(ii) any additional administrative ex-
6 penses incurred by the State by reason of
7 making such payments (as determined by
8 the Secretary of Labor).

9 “(B) TERMS OF PAYMENTS.—Sums pay-
10 able to any State under this section shall be
11 payable, either in advance or by way of reim-
12 bursement (as determined by the Secretary of
13 Labor), in such amounts as the Secretary of
14 Labor estimates the State will be entitled to re-
15 ceive under this section for each calendar
16 month, reduced or increased, as the case may
17 be, by any amount by which the Secretary of
18 Labor finds that the Secretary’s estimates for
19 any prior calendar month were greater or less
20 than the amounts that should have been paid to
21 the State. Such estimates may be made on the
22 basis of such statistical, sampling, or other
23 method as may be agreed upon by the Secretary
24 of Labor and the State agency of the State in-
25 volved.

1 “(2) CERTIFICATIONS.—The Secretary of
 2 Labor shall from time to time certify to the Sec-
 3 retary of the Treasury for payment to each State the
 4 sums payable to such State under this section.

5 “(3) DEPOSIT.—Sums payable to any State
 6 under this section shall be deposited in the account
 7 of such State in the Unemployment Trust Fund.
 8 Amounts deposited under preceding sentence may
 9 only be used by the State for the payment of emer-
 10 gency enhanced unemployment compensation under
 11 this section.

12 “(4) FUNDING.—There are appropriated from
 13 the general fund of the Treasury, without fiscal year
 14 limitation, such sums as may be necessary for pur-
 15 poses of this section.

16 “(c) FRAUD AND OVERPAYMENTS.—

17 “(1) IN GENERAL.—If an individual knowingly
 18 has made, or caused to be made by another, a false
 19 statement or representation of a material fact, or
 20 knowingly has failed, or caused another to fail, to
 21 disclose a material fact, and as a result of such false
 22 statement or representation or of such nondisclosure
 23 such individual has received an amount of emer-
 24 gency enhanced unemployment compensation to

1 which such individual was not entitled, such indi-
2 vidual—

3 “(A) shall be ineligible for further emer-
4 gency enhanced unemployment compensation in
5 accordance with the provisions of the applicable
6 State unemployment compensation law relating
7 to fraud in connection with a claim for unem-
8 ployment compensation; and

9 “(B) shall be subject to prosecution under
10 section 1001 of title 18, United States Code.

11 “(2) REPAYMENT.—In the case of individuals
12 who have received amounts of emergency enhanced
13 unemployment compensation to which they were not
14 entitled, the State shall require such individuals to
15 repay the amounts of such emergency enhanced un-
16 employment compensation to the State agency, ex-
17 cept that the State agency shall waive such repay-
18 ment if it determines that—

19 “(A) the payment of such emergency en-
20 hanced unemployment compensation was not
21 based on fraud on the part of any such indi-
22 vidual; and

23 “(B) such repayment would be contrary to
24 equity and good conscience.

25 “(3) RECOVERY BY STATE AGENCY.—

1 “(A) IN GENERAL.—The State agency may
2 recover the amount to be repaid, or any part
3 thereof, by deductions from any emergency en-
4 hanced unemployment compensation payable to
5 such individual or from any unemployment
6 compensation payable to such individual under
7 any State or Federal unemployment compensa-
8 tion law administered by the State agency or
9 under any other State or Federal law adminis-
10 tered by the State agency which provides for
11 the payment of any assistance or allowance with
12 respect to any week of unemployment, during
13 the 3-year period after the date such individual
14 received the payment of the emergency en-
15 hanced unemployment compensation to which
16 they were not entitled, in accordance with the
17 same procedures as apply to the recovery of
18 overpayments of regular unemployment benefits
19 paid by the State.

20 “(B) OPPORTUNITY FOR HEARING.—No
21 repayment shall be required, and no deduction
22 shall be made, until a determination has been
23 made, notice thereof and an opportunity for a
24 fair hearing has been given to the individual,
25 and the determination has become final.

1 “(4) REVIEW.—Any determination by a State
2 agency under this section shall be subject to review
3 in the same manner and to the same extent as deter-
4 minations under the State unemployment compensa-
5 tion law, and only in that manner and to that ex-
6 tent.

7 “(5) DEPOSIT IN STATE UNEMPLOYMENT
8 FUND.—Any amount recovered by a State agency
9 pursuant to this section shall be deposited in the ac-
10 count of such State in the Unemployment Trust
11 Fund. Amounts deposited under preceding sentence
12 may only be used by the State for the payment of
13 emergency enhanced unemployment compensation
14 under this section.

15 “(d) PAYMENT TO BE DISREGARDED FOR PURPOSES
16 OF ALL FEDERAL AND FEDERALLY ASSISTED PRO-
17 GRAMS.—A emergency enhanced unemployment com-
18 pensation payment shall not be regarded as income and
19 shall not be regarded as a resource for the month of re-
20 ceipt and the following 12 months, for purposes of deter-
21 mining the eligibility of the recipient (or the recipient’s
22 spouse or family) for benefits or assistance, or the amount
23 or extent of benefits or assistance, under any Federal pro-
24 gram or under any State or local program financed in
25 whole or in part with Federal funds.

1 “(e) REGULATIONS.—Not later than 3 months after
2 the date of enactment of this section, the Secretary of
3 Labor shall issue regulations to carry out this section.”.

4 (b) CONFORMING AMENDMENT.—The table of sec-
5 tions for chapter 23 of the Internal Revenue Code of 1986,
6 as amended by section 215, is amended inserting after the
7 item relating to section 3304A the following new item:

“Sec. 3304B. Emergency enhanced unemployment compensation.”.

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to weeks of unemployment begin-
10 ning on or after the earlier of—

11 (1) the date the State changes its statutes, reg-
12 ulations, or policies in order to comply with such
13 amendments; or

14 (2) January 1, 2027.

15 **TITLE III—JOBSEEKER** 16 **ALLOWANCE**

17 **SEC. 301. JOBSEEKER ALLOWANCE.**

18 (a) IN GENERAL.—Chapter 23 of the Internal Rev-
19 enue Code of 1986 is amended—

20 (1) in section 3304(a), as previously amended
21 by this Act—

22 (A) in paragraph (37), by striking “and”
23 at the end;

24 (B) by redesignating paragraph (38) as
25 paragraph (39); and

1 (C) by inserting after paragraph (37) the
 2 following new paragraph:

3 “(38) payment of jobseeker allowances shall be
 4 paid pursuant to section 3304C; and”; and

5 (2) by inserting after section 3304B, as added
 6 by section 218, the following new section:

7 **“SEC. 3304C. JOBSEEKER ALLOWANCE.**

8 “(a) ALLOWANCE.—

9 “(1) IN GENERAL.—Subject to the succeeding
 10 provisions of this section, for purposes of section
 11 3304(a)(38), a State shall provide for a weekly job-
 12 seeker allowance to any eligible individual in accord-
 13 ance with standards established by the Secretary of
 14 Labor.

15 “(2) ELIGIBLE INDIVIDUAL.—In this section,
 16 the term ‘eligible individual’ means an individual
 17 who, for any week—

18 “(A) is unemployed or partially employed,
 19 including self-employment;

20 “(B) is—

21 “(i) subject to paragraph (4), able to
 22 work and available to work; and

23 “(ii) subject to paragraph (5), actively
 24 seeking work;

1 “(C)(i) is at least 19 years of age (or at
 2 least 18 years of age in the case of an indi-
 3 vidual in foster care under the responsibility of
 4 the State); or

5 “(ii) has earned a high school diploma or
 6 its recognized equivalent; and

7 “(D) subject to paragraph (3), has an ad-
 8 justed gross income for the most recently com-
 9 pleted tax year that does not exceed the con-
 10 tribution and benefit base as determined under
 11 section 230 of the Social Security Act.

12 “(3) EXCEPTION TO AGI LIMITATION.—The re-
 13 quirement under paragraph (2)(D) shall not apply to
 14 an individual in a household if, in the past 6
 15 months—

16 “(A) another member of such household
 17 has been separated from employment;

18 “(B) the individual has become separated
 19 or divorced from their spouse; or

20 “(C) another member of the individual’s
 21 household has died.

22 “(4) ABLE TO WORK AND AVAILABLE TO
 23 WORK.—

24 “(A) IN GENERAL.—For purposes of para-
 25 graph (2)(B)(i), subject to subparagraph (B),

1 an individual shall be considered to be able to
2 work and available to work as long as any limit
3 on the individual's ability to work or availability
4 to work does not constitute a withdrawal from
5 the labor market. For purposes of the preceding
6 sentence, an individual shall not be considered
7 to have withdrawn from the labor market if the
8 individual is able to work and available to work
9 for 8 or more hours per week.

10 “(B) EXCEPTIONS.—A jobseeker allowance
11 shall not be denied to an otherwise eligible indi-
12 vidual for any week during which the individual
13 is not able to work and available for work be-
14 cause the individual—

15 “(i) is not available for work outside
16 of the locality of the individual's residence;

17 “(ii) is not available for work during
18 hours when they are the primary caregiver
19 for a child or dependent;

20 “(iii) is attending a training course
21 with the approval of the State agency in
22 compliance with any regulations issued by
23 the Secretary of Labor;

1 “(iv) is appearing for jury duty before
2 any court under a lawfully issued sum-
3 mons;

4 “(v) has been temporarily laid off and
5 is available to work only for the employer
6 that has temporarily laid off the individual;
7 or

8 “(vi) is temporarily ill or injured.

9 “(5) ACTIVELY SEEKING WORK.—

10 “(A) IN GENERAL.—For purposes of para-
11 graph (2)(B)(ii), subject to subparagraphs (B)
12 and (C), an individual shall be considered to be
13 actively seeking work if the individual—

14 “(i) engages in an active search for
15 employment that is appropriate in light of
16 the employment available in the labor mar-
17 ket and the individual’s skills and capabili-
18 ties, including a number of employer con-
19 tacts that is consistent with the standards
20 developed by the Secretary of Labor and
21 communicated to the individual;

22 “(ii) maintains a record of such work
23 search, including employers contacted,
24 method of contact, and date contacted;

1 “(iii) when requested, provides such
2 record to the State agency; and

3 “(iv) is registered for employment
4 services in such a manner and to such ex-
5 tent as prescribed by the Secretary of
6 Labor.

7 “(B) SPECIAL RULE FOR SELF-EMPLOY-
8 MENT.—In the case of an individual with a
9 work history that includes self-employment, the
10 individual may be considered actively seeking
11 work if the individual—

12 “(i) is engaged in activities (which
13 may include State-approved entrepre-
14 neurial training, business counseling, and
15 technical assistance) relating to resuming
16 self-employment that meets requirements
17 established by the Secretary of Labor;

18 “(ii) maintains a record of such activi-
19 ties; and

20 “(iii) when requested, provides such
21 record to the State agency.

22 “(C) EXCEPTIONS.—A jobseeker allowance
23 shall not be denied to an otherwise eligible indi-
24 vidual for any week during which the individual

1 is not actively seeking work because the indi-
2 vidual—

3 “(i) is attending a training course
4 with the approval of the State agency and
5 the Secretary of Labor;

6 “(ii) has been temporarily laid off
7 with a reasonable expectation the indi-
8 vidual will return to work soon;

9 “(iii) has a specified start date for
10 new employment;

11 “(iv) is appearing for jury duty before
12 any court under a lawfully issued sum-
13 mons; or

14 “(v) has a compelling reason (as de-
15 fined in section 3304(g)) or is a victim of
16 a qualifying act of violence or harassment
17 (as determined pursuant to section
18 3304(h)).

19 “(6) MAY NOT REFUSE OFFER OF SUITABLE
20 WORK.—

21 “(A) IN GENERAL.—Subject to subpara-
22 graphs (B) and (C), an individual shall not be
23 eligible for a jobseeker allowance if the indi-
24 vidual refuses an offer of suitable work.

1 “(B) NONSUITABLE WORK.—Work shall
2 not be considered suitable work for an indi-
3 vidual if the work—

4 “(i) poses an unreasonable risk to the
5 individual’s health, safety, or morals;

6 “(ii) is not within the individual’s ex-
7 perience, training, or physical capability to
8 perform;

9 “(iii) is outside of the locality of the
10 individual’s residence or is an unreasonable
11 distance from such residence; or

12 “(iv) meets other criteria established
13 by the Secretary of Labor.

14 “(C) EXCEPTIONS.—A jobseeker allowance
15 shall not be denied to an otherwise eligible indi-
16 vidual for any week for refusing an offer of
17 suitable work if—

18 “(i) the position offered is vacant due
19 directly to a strike, lockout, or other labor
20 dispute;

21 “(ii) the wages, hours, or other condi-
22 tions of the work offered are substantially
23 less favorable to the individual than those
24 prevailing for similar work in the locality;

1 “(iii) the position pays wages less
2 than the higher of—

3 “(I) the minimum wage provided
4 by section 6(a)(1) of the Fair Labor
5 Standards Act of 1938 (29 U.S.C.
6 206(a)(1)), without regard to any ex-
7 emption;

8 “(II) any applicable State or
9 local minimum wage;

10 “(iv) if as a condition of being em-
11 ployed the individual would be required to
12 join a company union or to resign from or
13 refrain from joining any bona fide labor
14 organization;

15 “(v) the position was not offered to
16 such individual in writing; or

17 “(vi) the work meets other criteria es-
18 tablished by the Secretary.

19 “(b) AMOUNT OF JOBSEEKER ALLOWANCE.—

20 “(1) AMOUNT.—

21 “(A) IN GENERAL.—Subject to the suc-
22 ceeding provisions of this subsection, the weekly
23 amount of a jobseeker allowance shall be an
24 amount equal to—

25 “(i) for 2027, \$250; and

1 “(ii) for 2028 or a subsequent year,
2 the dollar amount specified in this sub-
3 paragraph for the preceding year increased
4 by the percentage change in the Consumer
5 Price Index for All Urban Consumers for
6 the 12-month period ending with June of
7 such preceding year.

8 “(B) ROUNDING.—If any amount deter-
9 mined under subparagraph (A)(ii) is not a mul-
10 tiple of \$1, such amount shall be rounded to the
11 nearest multiple of \$1.

12 “(2) REDUCED AMOUNT FOR INDIVIDUALS EX-
13 CLUSIVELY SEEKING PART-TIME WORK.—In the case
14 of an eligible individual who is available to work for
15 less than 20 hours per week, the amount of the job-
16 seeker allowance for such individual for a week shall
17 be equal to 50 percent of the jobseeker allowance
18 that would otherwise apply under paragraph (1) for
19 such week.

20 “(3) REDUCED AMOUNT FOR INDIVIDUALS RE-
21 CEIVING UNEMPLOYMENT BENEFITS.—In the case of
22 an eligible individual who is receiving unemployment
23 compensation under any State or Federal law for a
24 week, the amount of the jobseeker allowance for
25 such individual for such week (determined after ap-

1 plication of paragraph (2)) shall be reduced by the
 2 amount of such regular compensation or extended
 3 compensation for such week.

4 “(4) INCREASED AMOUNT FOR CERTAIN INDIVIDUALS IN STATES WITH ELEVATED UNEMPLOYMENT.—

7 “(A) IN GENERAL.—For weeks beginning
 8 in an elevated unemployment period, in the case
 9 of an eligible individual that meets the prior income threshold described in subparagraph (C),
 10 the amount of the jobseeker allowance for such
 11 individual for the week (determined after the
 12 application of paragraphs (2) and (3)) shall be
 13 increased by an amount equal to—

15 “(i) the lesser of—

16 “(I) an amount equal to 1.4 per-
 17 cent of the amount of the individual’s
 18 earned income for the most recently
 19 completed tax year (or the immediately preceding tax year, if the individual has not filed a return of tax for
 20 the most recently completed tax year);
 21 or
 22
 23

1 “(II) two-thirds of the State’s av-
 2 erage weekly wage (as determined by
 3 the Secretary of Labor); reduced by

4 “(ii) the amount of the jobseeker al-
 5 lowance for such individual for such week
 6 (determined after application of para-
 7 graphs (2) and (3)); reduced by

8 “(iii) the amount of any reduction of
 9 the jobseeker allowance for such individual
 10 for such week pursuant to paragraph (3).

11 “(B) ELEVATED UNEMPLOYMENT PE-
 12 RIOD.—For purposes of subparagraph (A), the
 13 term ‘elevated unemployment period’ means any
 14 period during which an extended benefit period
 15 would be in effect under subsection (f) or (g) of
 16 section 203 of the Federal-State Extended Un-
 17 employment Compensation Act of 1970 (26
 18 U.S.C. 3304 note) if such subsection was ap-
 19 plied by substituting ‘7.5 percent’ for ‘5.5 per-
 20 cent’.

21 “(C) PRIOR INCOME THRESHOLD.—

22 “(i) IN GENERAL.—For purposes of
 23 subparagraph (A), an eligible individual
 24 meets the prior income threshold described
 25 in this subparagraph for a week if—

1 “(I) the individual’s earned in-
 2 come for the most recently completed
 3 tax year was equal to or greater than
 4 \$10,000; and

5 “(II) the individual provides such
 6 documentation of prior earned income
 7 as the Secretary determines appro-
 8 priate, such as, but not limited to, tax
 9 returns, Form W-2s, Form 1099s,
 10 and pay stubs.

11 “(ii) INFLATION ADJUSTMENT.—

12 “(I) IN GENERAL.—In the case
 13 of any taxable year beginning in a cal-
 14 endar year after 2027, the dollar
 15 amount in clause (i)(I) shall be in-
 16 creased by an amount equal to—

17 “(aa) such dollar amount;
 18 multiplied by

19 “(bb) the cost-of-living ad-
 20 justment determined under sec-
 21 tion 1(f)(3) for the calendar year
 22 in which the taxable year begins,
 23 determined by substituting ‘cal-
 24 endar year 2026’ for ‘calendar

1 year 2016’ in subparagraph
2 (A)(ii) thereof.

3 “(II) ROUNDING.—Any increase
4 determined under subclause (I) shall
5 be rounded to the nearest multiple of
6 \$100 in the case of an adjustment of
7 the amount in subsection (a)(1).

8 “(D) EARNED INCOME.—In this para-
9 graph, the term ‘earned income’ has the mean-
10 ing given that term in section 32(c)(2) of the
11 Internal Revenue Code of 1986.

12 “(5) EARNINGS DISREGARD.—

13 “(A) IN GENERAL.—Subject to subpara-
14 graph (B), an individual may earn up to 100
15 percent of the amount of the individual’s weekly
16 jobseeker allowance without losing eligibility for
17 the weekly jobseeker allowance.

18 “(B) REDUCTION.—In the case of an indi-
19 vidual who is not receiving regular compensa-
20 tion or extended compensation under any State
21 of Federal law with respect to a week, if the in-
22 dividual’s earnings are greater than $\frac{1}{4}$ of the
23 amount of the individual’s weekly jobseeker al-
24 lowance (determined after application of para-
25 graphs (2), (3), and (4)) for the week, the

1 amount of the individual's weekly jobseeker al-
 2 lowance (as so determined) for the week shall
 3 be reduced by 75 cents for each dollar earned
 4 above $\frac{1}{4}$ of the amount of the individual's
 5 weekly jobseeker allowance (as so determined).

6 “(c) JOBSEEKER ALLOWANCE ACCOUNT.—

7 “(1) IN GENERAL.—A State shall establish, for
 8 each eligible individual who files an application for
 9 a jobseeker allowance, a jobseeker allowance ac-
 10 count.

11 “(2) MAXIMUM AMOUNT.—The maximum
 12 amount of a jobseeker allowance payable to any indi-
 13 vidual for whom a jobseeker allowance account is es-
 14 tablished under paragraph (1) may not exceed the
 15 amount established in such account for such indi-
 16 vidual.

17 “(3) BASE-TIER JOBSEEKER ALLOWANCE.—The
 18 amount established in an account under paragraph
 19 (1) shall be equal to 26 times the amount of the
 20 weekly jobseeker allowance (as determined under
 21 subsection (b), taking into account the application of
 22 paragraph (4) of such subsection but not taking into
 23 account the application of paragraphs (2), (3), and
 24 (5) of such subsection). Such amount shall be re-

ferred to in this section as the ‘base-tier jobseeker allowance’.

“(4) FIRST-TIER JOBSEEKER ALLOWANCE.—

“(A) IN GENERAL.—If, at the time that the amount added to an individual’s account under paragraph (3) is exhausted, or at any time during the individual’s benefit year, such individual’s State is in an extended benefit period under section 203(d) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note), such account shall be augmented by an amount (in this section referred to as ‘first tier jobseeker allowance’) equal to 13 times the amount of the weekly jobseeker allowance (as determined under subsection (b), taking into account the application of paragraph (4) of such subsection but not taking into account the application of paragraphs (2), (3), and (5) of such subsection).

“(B) LIMITATION.—The account of an individual may be augmented not more than once under this paragraph.

“(5) SECOND-TIER ADDITIONAL JOBSEEKER ALLOWANCE.—

“(A) IN GENERAL.—If, at the time that the amount added to an individual’s account under paragraph (4) is exhausted, or at any time during the individual’s benefit year, such individual’s State is in a second-tier high unemployment period under section 202(b)(3)(B)(i) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note), such account shall be augmented by an amount (in this section referred to as ‘second-tier jobseeker allowance’) equal to 13 times the amount of the weekly jobseeker allowance (as determined under subsection (b) of this section, taking into account the application of paragraph (4) of such subsection but not taking into account the application of paragraphs (2), (3), and (5) of such subsection).

“(B) LIMITATION.—The account of an individual may be augmented not more than once under this paragraph.

“(6) THIRD-TIER ADDITIONAL JOBSEEKER ALLOWANCE.—

“(A) IN GENERAL.—If, at the time that the amount added to an individual’s account under paragraph (5) is exhausted, or at any

time during the individual's benefit year, such individual's State is in a third-tier high unemployment period under section 202(b)(3)(B)(ii) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note), such account shall be augmented by an amount (in this section referred to as 'third-tier jobseeker allowance') equal to 13 times the amount of the weekly jobseeker allowance (as determined under subsection (b) of this section, taking into account the application of paragraph (4) of such subsection but not taking into account the application of paragraphs (2), (3), and (5) of such subsection).

“(B) LIMITATION.—The account of an individual may be augmented not more than once under this paragraph.

“(7) FOURTH-TIER ADDITIONAL JOBSEEKER ALLOWANCE.—

“(A) IN GENERAL.—If, at the time that the amount added to an individual's account under paragraph (6) is exhausted, or at any time during the individual's benefit year, such individual's State is in a fourth-tier high unemployment period under section 202(b)(3)(B)(iii)

1 of the Federal-State Extended Unemployment
 2 Compensation Act of 1970 (26 U.S.C. 3304
 3 note), such account shall be augmented by an
 4 amount (in this section referred to as ‘fourth-
 5 tier jobseeker allowance’) equal to 13 times the
 6 amount of the weekly jobseeker allowance (as
 7 determined under subsection (b) of this section,
 8 taking into account the application of para-
 9 graph (4) of such subsection but not taking into
 10 account the application of paragraphs (2), (3),
 11 and (5) of such subsection).

12 “(B) LIMITATION.—The account of an in-
 13 dividual may be augmented not more than once
 14 under this paragraph.

15 “(d) PAYMENTS TO STATES.—

16 “(1) IN GENERAL.—

17 “(A) FULL REIMBURSEMENT.—There shall
 18 be paid to each State an amount equal to 100
 19 percent of—

20 “(i) the total amount of jobseeker al-
 21 lowances paid to individuals by the State
 22 pursuant to this section; and

23 “(ii) any additional administrative ex-
 24 penses incurred by the State by reason of

1 making such payments (as determined by
2 the Secretary of Labor).

3 “(B) TERMS OF PAYMENTS.—Sums pay-
4 able to any State under this section shall be
5 payable, either in advance or by way of reim-
6 bursement (as determined by the Secretary of
7 Labor), in such amounts as the Secretary of
8 Labor estimates the State will be entitled to re-
9 ceive under this section for each calendar
10 month, reduced or increased, as the case may
11 be, by any amount by which the Secretary of
12 Labor finds that the Secretary’s estimates for
13 any prior calendar month were greater or less
14 than the amounts that should have been paid to
15 the State. Such estimates may be made on the
16 basis of such statistical, sampling, or other
17 method as may be agreed upon by the Secretary
18 of Labor and the State agency of the State in-
19 volved.

20 “(2) CERTIFICATIONS.—The Secretary of
21 Labor shall from time to time certify to the Sec-
22 retary of the Treasury for payment to each State the
23 sums payable to such State under this section.

24 “(3) DEPOSIT.—Sums payable to any State
25 under this section shall be deposited in the account

1 of such State in the Unemployment Trust Fund.
 2 Amounts deposited under preceding sentence may
 3 only be used by the State for the payment of job-
 4 seeker allowances under this section.

5 “(4) FUNDING.—There are appropriated from
 6 the general fund of the Treasury, without fiscal year
 7 limitation, such sums as may be necessary for pur-
 8 poses of this section.

9 “(e) FRAUD AND OVERPAYMENTS.—

10 “(1) IN GENERAL.—If an individual knowingly
 11 has made, or caused to be made by another, a false
 12 statement or representation of a material fact, or
 13 knowingly has failed, or caused another to fail, to
 14 disclose a material fact, and as a result of such false
 15 statement or representation or of such nondisclosure
 16 such individual has received an amount of jobseeker
 17 allowances to which such individual was not entitled,
 18 such individual—

19 “(A) shall be ineligible for further job-
 20 seeker allowances in accordance with the provi-
 21 sions of the applicable State unemployment
 22 compensation law relating to fraud in connec-
 23 tion with a claim for unemployment compensa-
 24 tion; and

1 “(B) shall be subject to prosecution under
2 section 1001 of title 18, United States Code.

3 “(2) REPAYMENT.—In the case of individuals
4 who have received amounts of jobseeker allowances
5 to which they were not entitled, the State shall re-
6 quire such individuals to repay the amounts of such
7 jobseeker allowances to the State agency, except that
8 the State agency shall waive such repayment if it de-
9 termines that—

10 “(A) the payment of such jobseeker allow-
11 ance was not based on fraud on the part of any
12 such individual; and

13 “(B) such repayment would be contrary to
14 equity and good conscience.

15 “(3) RECOVERY BY STATE AGENCY.—

16 “(A) IN GENERAL.—The State agency may
17 recover the amount to be repaid, or any part
18 thereof, by deductions from any jobseeker al-
19 lowance payable to such individual or from any
20 unemployment compensation payable to such
21 individual under any State or Federal unem-
22 ployment compensation law administered by the
23 State agency or under any other State or Fed-
24 eral law administered by the State agency
25 which provides for the payment of any assist-

1 ance or allowance with respect to any week of
2 unemployment, during the 3-year period after
3 the date such individual received the payment
4 of the jobseeker allowance to which they were
5 not entitled, in accordance with the same proce-
6 dures as apply to the recovery of overpayments
7 of regular unemployment benefits paid by the
8 State.

9 “(B) OPPORTUNITY FOR HEARING.—No
10 repayment shall be required, and no deduction
11 shall be made, until a determination has been
12 made, notice thereof and an opportunity for a
13 fair hearing has been given to the individual,
14 and the determination has become final.

15 “(4) REVIEW.—Any determination by a State
16 agency under this section shall be subject to review
17 in the same manner and to the same extent as deter-
18 minations under the State unemployment compensa-
19 tion law, and only in that manner and to that ex-
20 tent.

21 “(5) DEPOSIT IN STATE UNEMPLOYMENT
22 FUND.—Any amount recovered by a State agency
23 pursuant to this section shall be deposited in the ac-
24 count of such State in the Unemployment Trust
25 Fund. Amounts deposited under preceding sentence

1 may only be used by the State for the payment of
 2 jobseeker allowances under this section.

3 “(f) PAYMENT TO BE DISREGARDED FOR PURPOSES
 4 OF ALL FEDERAL AND FEDERALLY ASSISTED PRO-
 5 GRAMS.—A jobseeker allowance payment shall not be re-
 6 garded as income and shall not be regarded as a resource
 7 for the month of receipt and the following 12 months, for
 8 purposes of determining the eligibility of the recipient (or
 9 the recipient’s spouse or family) for benefits or assistance,
 10 or the amount or extent of benefits or assistance, under
 11 any Federal program or under any State or local program
 12 financed in whole or in part with Federal funds.

13 “(g) REGULATIONS.—Not later than 3 months after
 14 the date of enactment of this section, the Secretary of
 15 Labor shall issue regulations to carry out this section.”.

16 (b) PERMISSIBLE USE OF FUNDS.—

17 (1) INTERNAL REVENUE CODE OF 1986.—Sec-
 18 tion 3304(a)(4) of the Internal Revenue Code of
 19 1986, as amended by section 215, is amended—

20 (A) in subparagraph (G)(ii), by striking
 21 “and” at the end;

22 (B) in subparagraph (H), by inserting
 23 “and” at the end; and

24 (C) by adding at the end the following:

1 “(I) amounts may be withdrawn for the
2 payment of jobseeker allowances under section
3 3304C;”.

4 (2) SOCIAL SECURITY ACT.—Section 303(a)(5)
5 of the Social Security Act, as amended by section
6 215, is amended by striking “; and” at the end and
7 inserting “: *Provided further*, That amounts may be
8 withdrawn for the payment of jobseeker allowances
9 under section 3304C; and”.

10 (c) CONFORMING AMENDMENT.—The table of sec-
11 tions for chapter 23 of the Internal Revenue Code of 1986,
12 as amended by section 215 and 218, is amended inserting
13 after the item relating to section 3304B the following new
14 item:

 “Sec. 3304C. Jobseeker allowance.”.

15 (d) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to weeks of unemployment begin-
17 ning on or after the earlier of—

18 (1) the date the State changes its statutes, reg-
19 ulations, or policies in order to comply with such
20 amendments; or

21 (2) January 1, 2027.

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