

## Public Law 85-441

## AN ACT

To provide for temporary additional unemployment compensation, and for other purposes.

June 4, 1958  
[H. R. 12065]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## SHORT TITLE

Section 1. This Act may be cited as the "Temporary Unemployment Compensation Act of 1958".

Temporary Un-  
employment Com-  
pensation Act of  
1958.

## TITLE I—INDIVIDUALS WHO HAVE EXHAUSTED THEIR RIGHTS

## PAYMENT OF COMPENSATION

## ELIGIBILITY

SEC. 101. (a) (1) Payment of temporary unemployment compensation under this Act shall be made, for any week of unemployment which begins on or after the fifteenth day after the date of the enactment of this Act and before April 1, 1959, to individuals who have, after June 30, 1957 (or after such later date as may be specified pursuant to section 102 (b)), exhausted (within the meaning prescribed by the Secretary by regulations) all rights under the unemployment compensation laws referred to in paragraph (3) and who have no rights to unemployment compensation with respect to such week under any such law or under any other Federal or State unemployment compensation law.

(2) Except as provided in section 103, payment of temporary unemployment compensation under this Act shall be made only pursuant to an agreement entered into under section 102 and only for weeks of unemployment beginning after the date on which the agreement is entered into.

(3) The unemployment compensation laws referred to in this paragraph are:

(A) Any unemployment compensation law of a State.

(B) Title XV of the Social Security Act, as amended (42 U. S. C. 1361 et seq.).

68 Stat. 1130.

(C) Title IV of the Veterans' Readjustment Assistance Act of 1952, as amended (38 U. S. C. 991 et seq.).

66 Stat. 684.

## MAXIMUM AGGREGATE AMOUNT PAYABLE

(b) The maximum aggregate amount of temporary unemployment compensation payable to any individual under this Act shall be an amount equal to 50 per centum of the total amount (including allowances for dependents, but excluding any temporary additional unemployment benefits) which was payable to him, under the unemployment compensation law or laws referred to in subsection (a) (3) under which he last exhausted his rights before making his first claim under this Act, for the benefit year with respect to which this last exhaustion occurred: *Provided, however,* That the amount so payable shall be reduced by the amount of any temporary additional unemployment compensation payable to him under the unemployment compensation law of any State. The term "benefit year" means the benefit year as defined in the applicable State unemployment compensation law;

except that, if such law does not define a benefit year, then such term means the period prescribed by the Secretary.

#### WEEKLY BENEFIT AMOUNT

(c) The temporary unemployment compensation payable to an individual under this Act for a week of total unemployment shall be the weekly benefit amount (including allowances for dependents) for total unemployment which was payable to him pursuant to the unemployment compensation law or laws referred to in subsection (a) (3) under which he most recently exhausted his rights. The temporary unemployment compensation payable to an individual under this Act for a week of less than total unemployment shall be computed on the basis of such weekly benefit amount.

#### APPLICATION OF STATE LAWS

(d) Except where inconsistent with the provisions of this title, the terms and conditions of the unemployment compensation law or laws referred to in subsection (a) (3) under which an individual most recently exhausted his rights shall be applicable to his claims for temporary unemployment compensation under this Act and to the payment thereof.

#### AGREEMENTS WITH STATES

##### IN GENERAL

SEC. 102. (a) The Secretary is authorized on behalf of the United States to enter into an agreement with a State, or with the agency administering the unemployment compensation law of such State, under which such State agency—

(1) will make, as agent of the United States, payments of temporary unemployment compensation to the individuals referred to in section 101 on the basis provided in this Act; and

(2) will otherwise cooperate with the Secretary and with other State agencies in making payments of temporary unemployment compensation under this Act.

#### STATE MAY SELECT LATER DATE FOR EXHAUSTIONS UNDER STATE LAW WHICH QUALIFY UNDER THIS ACT

(b) If the State so requests, the agreement entered into under this section shall specify, in lieu of June 30, 1957, such later date as the State may request. In any such case, an exhaustion under the unemployment compensation law of such State shall not be taken into account for the purposes of this Act unless it occurred after such later date.

#### AMENDMENT, SUSPENSION, OR TERMINATION OF AGREEMENT

(c) Each agreement under this Act shall provide the terms and conditions upon which the agreement may be amended, suspended, or terminated.

#### NO DENIAL OR REDUCTION OF STATE BENEFITS

(d) Any agreement under this Act shall provide that unemployment compensation otherwise payable to any individual under the State's unemployment compensation law will not be denied or reduced for any week by reason of any right to temporary unemployment compensation under this Act. This subsection shall not apply to a State law which temporarily extended the duration of unemployment

compensation benefits, if such State law provides for its expiration by reason of the enactment of this Act.

#### VETERANS AND FEDERAL EMPLOYEES

##### IN STATES WHICH DO NOT HAVE AGREEMENTS, AND SO FORTH

SEC. 103. (a) For the purpose of paying the temporary unemployment compensation provided in this Act to individuals—

(1) who have, after June 30, 1957, exhausted their rights to unemployment compensation under title XV of the Social Security Act or title IV of the Veterans' Readjustment Assistance Act of 1952, and

42 USC 1361 et  
seq.  
38 USC 991 et  
seq.

(2) in a State, if there is no agreement entered into under section 102 which applies with respect to the weeks of unemployment concerned,

the Secretary is authorized to extend any existing agreement with such State. Any such extension shall apply only to weeks of unemployment beginning after such extension is made. For the purposes of this Act, any such extension shall be treated as an agreement entered into under this Act.

##### IN PUERTO RICO AND THE VIRGIN ISLANDS

(b) For the purpose of paying the temporary unemployment compensation provided in this Act to individuals—

(1) who have, after June 30, 1957, exhausted their rights to unemployment compensation under title XV of the Social Security Act or title IV of the Veterans' Readjustment Assistance Act of 1952, and

42 USC 1361 et  
seq.  
38 USC 991 et  
seq.

(2) in Puerto Rico or the Virgin Islands,

the Secretary is authorized to utilize the personnel and facilities of the agencies in Puerto Rico and the Virgin Islands cooperating with the United States Employment Service under the Act of June 6, 1933 (29 U. S. C. 49 et seq.), and may delegate to officials of such agencies any authority granted to him by this Act whenever the Secretary determines such delegation to be necessary in carrying out the purposes of this Act; and may allocate or transfer funds or otherwise pay or reimburse such agencies for the total cost of the temporary unemployment compensation paid under this Act and for expenses incurred in carrying out the purposes of this Act.

48 Stat. 113.

#### REVIEW

(c) Any individual referred to in subsection (b) whose claim for temporary unemployment compensation under this Act has been denied shall be entitled to a fair hearing and review as provided in section 1503 (c) of the Social Security Act (42 U. S. C. 1363 (c)).

68 Stat. 1132.

#### REPAYMENT

##### IN GENERAL

SEC. 104. (a) The total credits allowed under section 3302 (c) of the Federal Unemployment Tax Act (26 U. S. C. 3302 (c)) to taxpayers with respect to wages attributable to a State for the taxable year beginning on January 1, 1963, and for each taxable year thereafter, shall be reduced in the same manner as that provided by section 3302 (c) (2) of the Federal Unemployment Tax Act for the repayment of advances made under title XII of the Social Security Act, as amended (42 U. S. C. 1321 et seq.), unless or until the Secretary of the Treasury finds that by December 1 of the taxable year there have

68A Stat. 440.

68 Stat. 671.

42 USC 1361 et  
 seq.  
 38 USC 991 et  
 seq.

been restored to the Treasury the amounts of temporary unemployment compensation paid in the State under this Act (except amounts paid to individuals who exhausted their unemployment compensation under title XV of the Social Security Act and title IV of the Veterans' Readjustment Assistance Act of 1952 prior to their making their first claims under this Act), the amount of costs incurred in the administration of this Act with respect to the State, and the amount estimated by the Secretary of Labor as the State's proportionate share of other costs incurred in the administration of this Act.

#### REPAYMENTS IN EXCESS OF AMOUNT OWED

(b) Whenever the amount of additional tax paid, received, and covered into the Treasury under subsection (a) with respect to wages which are attributable to a State exceeds the sum of the amounts described in subsection (a), there is hereby appropriated to the Unemployment Trust Fund for crediting to the account of such State an amount equal to such excess. The amount so credited shall be used only in the payment of cash benefits to individuals with respect to their unemployment, exclusive of expenses of administration.

### TITLE II—GENERAL PROVISIONS

#### DEFINITIONS

SEC. 201. For the purposes of this Act—

- (1) The term "Secretary" means the Secretary of Labor.
- (2) The term "State" includes the District of Columbia, Alaska, and Hawaii.
- (3) The term "first claim" means the first request for determination of benefit status under this Act on the basis of which a weekly benefit amount under this Act is established, without regard to whether or not any benefits are paid.

#### REVIEW

SEC. 202. Any determination by a State agency with respect to entitlement to temporary unemployment compensation pursuant to an agreement under this Act shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in such manner and to such extent.

#### PENALTIES

##### FALSE STATEMENTS, AND SO FORTH

SEC. 203. (a) Whoever makes a false statement or representation of a material fact knowing it to be false, or knowingly fails to disclose a material fact, to obtain or increase for himself or for any other individual any payment under this Act shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

##### RECOVERY OF OVERPAYMENTS

(b) (1) If a State agency or the Secretary, as the case may be, or a court of competent jurisdiction, finds that any person—

- (A) has made, or has caused to be made by another, a false statement or representation of a material fact knowing it to be false, or has knowingly failed, or caused another to fail, to disclose a material fact, and
  - (B) as a result of such action has received any payment under this Act to which he was not entitled,
- such person shall be liable to repay such amount to the State agency or the Secretary, as the case may be. In lieu of requiring the repay-

ment of any amount under this paragraph, the State agency or the Secretary, as the case may be, may recover such amount by deductions from any compensation payable to such person under this Act. Any such finding by a State agency or the Secretary, as the case may be, may be made only after an opportunity for a fair hearing, subject to such further review as may be appropriate under sections 103 (c) and 202 of this Act.

(2) Any amount repaid to a State agency under paragraph (1) shall be deposited into the fund from which payment was made. Any amount repaid to the Secretary under paragraph (1) shall be returned to the Treasury and credited to the current applicable appropriation, fund, or account from which payment was made.

#### INFORMATION

SEC. 204. The agency administering the unemployment compensation law of any State shall furnish to the Secretary (on a reimbursable basis) such information as he may find necessary or appropriate in carrying out the provisions of this Act.

#### PAYMENTS TO STATES

##### PAYMENT ON CALENDAR MONTH BASIS

SEC. 205. (a) There shall be paid to each State which has an agreement under this Act, either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made upon the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency.

#### CERTIFICATION

(b) The Secretary shall from time to time certify to the Secretary of the Treasury for payment—

- (1) to each State which has an agreement under this Act sums payable to such State under subsection (a), and
- (2) to each State such amounts as the Secretary determines to be necessary for the proper and efficient administration of this Act in such State.

The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, from the funds appropriated for carrying out the purposes of this Act.

#### MONEY TO BE USED ONLY FOR PURPOSES FOR WHICH PAID

(c) All money paid a State under this Act shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned, at the time specified in the agreement under this Act, to the Treasury and credited to current applicable appropriations, funds, or accounts from which payments to States under this Act may be made.

#### SURETY BONDS

(d) An agreement under this Act may require any officer or employee of the State certifying payments or disbursing funds pursuant

to the agreement, or otherwise participating in its performance, to give a surety bond to the United States in such amount as the Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this Act.

#### LIABILITY OF CERTIFYING OFFICERS

(e) No person designated pursuant to an agreement under this Act as a certifying officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to the payment of any compensation certified by him under this Act.

#### LIABILITY OF DISBURSING OFFICERS

(f) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this Act if it was based upon a voucher signed by a certifying officer designated as provided in subsection (e) of this section.

#### DENIAL OF BENEFITS TO ALIENS EMPLOYED BY COMMUNIST GOVERNMENTS OR ORGANIZATIONS

SEC. 206. No person who is an alien shall be entitled to any benefit under this Act for any week of unemployment if, at any time on or after the first day of his applicable base period and before the beginning of such week, he was at any time employed by—

(1) a foreign government which, at the time of such employment, was Communist or under Communist control, or any agency or instrumentality of any such foreign government, or

(2) any organization if, at the time of such employment (A) such organization was registered under section 7 of the Subversive Activities Control Act of 1950 (50 U. S. C. 786), or (B) there was in effect a final order of the Subversive Activities Control Board requiring such organization to register under section 7 of such Act or determining that it is a Communist-infiltrated organization.

64 Stat. 993.

#### REGULATIONS

SEC. 207. The Secretary is hereby authorized to make such rules and regulations as may be necessary to carry out the provisions of this Act.

#### AUTHORIZATION OF APPROPRIATIONS

SEC. 208. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this Act.

Approved June 4, 1958.

Public Law 85-442

#### JOINT RESOLUTION

To amend section 217 of the National Housing Act.

June 4, 1958  
[S. J. Res. 171]

Mortgage insurance.  
70 Stat. 1094.  
12 USC 1715h.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 217 of the National Housing Act is amended by striking out "\$3,000,000,000" and inserting in lieu thereof "\$7,000,000,000"

Approved June 4, 1958.