



State of Vermont
Department of Labor
Unemployment Insurance Division

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July 28, 2021

Mr. Daniel Hays
UI State Conformity & Compliance Team
U.S. Department of Labor
200 Constitution Ave. NW -Room S4524
Washington, DC 20210

Via USPS and email

Dear Mr. Hays:

I am responding to your email of June 14, 2021, requesting certain information regarding the Department's interpretation of the provisions of Vermont Senate Bill 62 (subsequently signed into law by Governor Scott as Act 51 on June 1, 2021). Your email was a response to my inquiry to USDOL ETA on May 13, 2021, seeking your input on the provisions of S.62. Specifically, we asked about Section 11 of the Act, which amends 21 V.S.A. § 1338 to provide a "supplemental benefit" of \$25.00 per week to all unemployment claimants, in addition to a Vermont claimant's expected underlying unemployment benefit. This would become effective 30 days after the expiration of the Federal Pandemic Unemployment Compensation (FPUC) benefit program.

The question is how the Vermont Department of Labor interprets this statutory change and intends to apply the supplemental benefit to the underlying base weekly benefit amount. There are essentially two ways the supplemental benefit can be applied:

- A) The Department considers the \$25.00 as an increase to the underlying benefit and applies all the same parameters that govern the base benefit as outlined in 21 V.S.A. § 1338(e), including earnings disregard, employer chargeability, overpayment related determinations, combined wage claims, etc.; or
- B) The Department considers the \$25.00 to be a supplemental benefit applied to all eligible claims at the time of payment and thus does not have implications with regards to the parameters identified in section "A" above.

You have advised us that paying such a supplemental benefit, as outlined in section "B", would be impermissible prior to the exhaustion of the underlying maximum benefit amount of state unemployment, and doing so would create a conformity issue with federal law.



My understanding of the legislature's intent, based both on the plain language of the bill as passed, and my participation in hearings on the bill in both the House and Senate, is that the additional \$25.00 was intended as a stand-alone supplemental benefit and not as an increase to the weekly benefit amount. I understand from your email of June 14 that this interpretation means that we may not be permitted to pay this benefit out of our State unemployment trust fund.

I look forward to discussing this matter with you further in an attempt towards resolution without creating a conformity issue for the Department.

Sincerely,

A handwritten signature in black ink, appearing to read "Cameron T. Wood", is written over a light gray rectangular background.

Cameron T. Wood
Director of Unemployment Insurance
Vermont Department of Labor

c: Michael Harrington, Vermont Labor Commissioner
Dirk Anderson, General Counsel

