

benefits against the requesting agency; and

(3) Any wage or claim information may be given to another requesting agency as defined in this part or to any criminal or civil prosecuting authorities acting for or on behalf of the requesting agency if provision for such redisclosure is contained in the agreement between the requesting agency and the State unemployment compensation agency.

(c) The requesting agency shall permit the State unemployment compensation agency to make onsite inspections to ensure that the requirements of State unemployment compensation laws and Federal statutes and regulations are being met (section 1137(a)(5)(B)).

**§ 603.8 Obtaining information from other agencies and crossmatching with wage information.**

(a) The State unemployment compensation agency shall obtain such information from the Social Security administration and any requesting agency as may be needed in verifying eligibility for, and the amount of, benefits.

(b) To the extent that such information shall be determined likely to be productive in identifying ineligibility for benefits and preventing incorrect payments, the State unemployment compensation agency shall crossmatch quarterly wage information with unemployment benefit payment information (section 1137(a)(2)).

(c) To the extent necessary, the United States Department of Labor may amplify on the requirements for state compliance with this section in instructions issued and published for comment in the FEDERAL REGISTER under the provisions of section 1137(a)(2) of the Social Security Act.

**§ 603.9 Effective date of rule.**

The effective date of this subpart A rule is May 29, 1986, after consultation with the Secretary of Health and Human Services and the Secretary of Agriculture, may by waiver grant a delay in this effective date if the State submits within 90 days of publication of this rule in final form a plan describing a good faith effort to comply with the requirements of section 1137 (a) and

(b) of the Social Security Act through but not beyond September 30, 1986.

**Subpart B—Quarterly Wage Reporting**

**§ 603.20 Effective date of rule.**

The requirement that employers in a State report quarterly wage information to a State agency (which may be the State unemployment compensation agency), is effective September 30, 1988 (section 1137(a)(3)).

**§ 603.21 Alternative system.**

The Secretary of Labor (in consultation with the Secretary of Health and Human Services and the Secretary of Agriculture) may waive the provision that employers in a State are required to make quarterly wage reports to a State agency if the Secretary determines that the State has in effect an alternative system which is as effective and timely for purposes of providing employment related income and eligibility data for the purposes described in section 1137 of the Social Security Act. Criteria for such waiver and the date for submitting requests for such waiver will be issued, if necessary, by the United States Department of Labor and published for comment in the FEDERAL REGISTER.

**PART 604—REGULATIONS FOR BIRTH AND ADOPTION UNEMPLOYMENT COMPENSATION**

**Subpart A—General Provisions**

- Sec.
- 604.1 What is the purpose of this regulation?
- 604.2 What is the scope of this regulation?
- 604.3 What definitions apply to this regulation?

**Subpart B—Federal Unemployment Compensation Program Requirements**

- 604.10 Beyond the interpretation of the able and available requirements for Birth and Adoption unemployment compensation, does this regulation change the Federal requirements for the unemployment compensation program?

**Subpart C—Coverage and Eligibility**

- 604.20 Who is covered by Birth and Adoption unemployment compensation?

## § 604.1

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604.21 When does eligibility for Birth and Adoption unemployment compensation commence?

AUTHORITY: 42 U.S.C. 503 (a)(2) and (5) and 1302(a); 26 U.S.C. 3304(a)(1) and (4) and 3306(h); Secretary's Order No. 4-75 (40 FR 18515); and Secretary's Order No. 14-75 (November 12, 1975).

SOURCE: 65 FR 37223, June 13, 2000, unless otherwise noted.

### Subpart A—General Provisions

#### § 604.1 What is the purpose of this regulation?

The regulation in this part allows the States to develop and experiment with innovative methods for paying unemployment compensation to parents on approved leave or who otherwise leave employment to be with their newborns or newly-adopted children. States' experiences with Birth and Adoption unemployment compensation will enable the Department of Labor to test whether its interpretation of the Federal "able and available" requirements promotes a continued connection to the workforce in parents who receive such payments.

#### § 604.2 What is the scope of this regulation?

The regulation in this part applies to and permits all State unemployment compensation programs to provide benefits to parents on approved leave or who otherwise leave employment to be with their newborns or newly-adopted children. A State's participation is voluntary.

#### § 604.3 What definitions apply to this regulation?

The following definitions apply to the regulation in this part:

(a) *Approved leave* means a specific period of time, agreed to by both the employee and employer or as required by law or employment contract (including collective bargaining agreements), during which an employee is temporarily separated from employment and after which the employee will return to work for that employer.

(b) *Birth and Adoption unemployment compensation* means unemployment compensation paid only to parents on approved leave or who otherwise leave

employment to be with their newborns or newly-adopted children.

(c) *Department* means the United States Department of Labor.

(d) *Newborns* means children up to one year old.

(e) *Newly-adopted children* means children, age 18 years old or less, who have been placed within the previous 12 calendar months with an adoptive parent(s).

(f) *Parents* means mothers and fathers (biological, legal, or who have custody of a child pending their adoption of that child).

(g) *Placement* means the time a parent becomes responsible for a child pending adoption.

(h) *State(s)* means one of the States of the United States of America, the District of Columbia, the Commonwealth of Puerto Rico, and the United States Virgin Islands.

### Subpart B—Federal Unemployment Compensation Program Requirements

#### § 604.10 Beyond the interpretation of the able and available requirement for Birth and Adoption unemployment compensation, does this regulation change the Federal requirements for the unemployment compensation program?

No, the regulation in this part does not change the Federal unemployment compensation requirements. Under its authority to interpret Federal unemployment compensation law, the Department interprets the Federal able and available requirements to include experimental Birth and Adoption unemployment compensation. The regulation in this part applies only to parents who take approved leave or otherwise leave employment to be with their newborns or newly-adopted children.

### Subpart C—Coverage and Eligibility

#### § 604.20 Who is covered by Birth and Adoption unemployment compensation?

If a State chooses to provide Birth and Adoption unemployment compensation, all individuals covered by

the State's unemployment compensation law must also be covered for Birth and Adoption unemployment compensation. Just as with current unemployment compensation programs, individuals may not be denied experimental Birth and Adoption unemployment compensation based on facts or causes unrelated to the individual's unemployment, such as industry, employer size or the unemployment status of a family member. The introduction of such facts or causes would be inconsistent with Federal unemployment compensation law.

**§ 604.21 When does eligibility for Birth and Adoption unemployment compensation commence?**

Parents may be eligible for Birth and Adoption unemployment compensation during the one-year period commencing with the week in which their child is born or placed with them for adoption. Weeks preceding the week of the birth or placement and weeks following the end of the one-year period are not compensable.

**PART 606—TAX CREDITS UNDER THE FEDERAL UNEMPLOYMENT TAX ACT; ADVANCES UNDER TITLE XII OF THE SOCIAL SECURITY ACT**

**Subpart A—General**

- Sec.
- 606.1 Purpose and scope.
- 606.2 Total credits allowable.
- 606.3 Definitions.
- 606.4 Redefinition of authority.
- 606.5 Verification of estimates and review of determinations.
- 606.6 Information, reports, and studies.

**Subpart B—Tax Credit Reduction  
[Reserved]**

**Subpart C—Relief from Tax Credit Reduction**

- 606.20 Cap on tax credit reduction.
- 606.21 Criteria for cap.
- 606.22 Application for cap.
- 606.23 Avoidance of tax credit reduction.
- 606.24 Application for avoidance.
- 606.25 Waiver of and substitution for additional tax credit reduction.
- 606.26 Application for waiver and substitution.

**Subpart D—Interest on Advances**

- 606.30 Interest rates on advances.
- 606.31 Due dates for payment of interest. [Reserved]
- 606.32 Types of advances subject to interest.
- 606.33 No payment of interest from unemployment fund. [Reserved]
- 606.34 Reports of interest payable. [Reserved]
- 606.35 Order of application for repayments. [Reserved]

**Subpart E—Relief from Interest Payment**

- 606.40 May/September delay.
- 606.41 High unemployment deferral.
- 606.42 High unemployment delay.
- 606.43 Maintenance of solvency effort.
- 606.44 Notification of determinations.

AUTHORITY: 42 U.S.C. 1102; 26 U.S.C. 7805(a); Secretary's Order No. 4-75 (40 FR 18515).

SOURCE: 53 FR 37429, Sept. 26, 1988, unless otherwise noted.

**Subpart A—General**

**§ 606.1 Purpose and scope.**

(a) *In general.* The regulations in this part 606 are issued to implement the tax credit provisions of the Federal Unemployment Tax Act, and the loan provisions of title XII of the Social Security Act. The regulations on tax credits cover all of the subjects of 3302 of the Federal Unemployment Tax Act (FUTA), except subsections (c)(3) and (e). The regulations on loans cover all of the subjects in title XII of the Social Security Act.

(b) *Scope.* This part 606 covers general matters relating to this part in this subpart A, and in the following subparts includes specific subjects described in general terms as follows:

(1) Subpart B describes the tax credit reductions under the Federal Unemployment Tax Act, which relate to outstanding balances of advances made under title XII of the Social Security Act.

(2) Subpart C describes the various forms of relief from tax credit reductions, and the criteria and standards for grant of such relief in the form of—

- (i) A cap on tax credit reduction,
- (ii) Avoidance of tax credit reduction, and
- (iii) Waiver of and substitution for additional tax credit reduction.