

This amendment would require states to waive overpayments of pandemic unemployment benefits made to workers who received overpayments because of a contractor error and were without fault in the overpayment.

**AMENDMENT TO THE AMENDMENT IN THE  
NATURE OF A SUBSTITUTE TO H.R. 1163  
OFFERED BY M . \_\_\_\_\_**

In section 3(a)(2), strike “(f)(3)” each place it appears and insert “(f)”.

In section 3(a)(2), redesignate subparagraphs (A) and (B) as subparagraphs (D) and (E), respectively, and insert the following:

1           (A) in subparagraph (2), by striking “In”  
2           and inserting “Subject to paragraph (3), in”;

3           (B) by redesignating paragraphs (3) and  
4           (4) as paragraphs (4) and (5), respectively;

5           (C) by inserting the following:

6           “(3) WAIVER FOR CONTRACTOR ERROR.—In  
7           the case of individuals who have received amounts of  
8           Federal Pandemic Unemployment Compensation or  
9           Mixed Earner Unemployment Compensation under  
10          this section to which they were not entitled, the  
11          State may not require such individuals to repay the  
12          amounts of such pandemic unemployment assistance  
13          to the State agency if—

1           “(A) the State agency determines that the  
2           payment of such Federal Pandemic Unemploy-  
3           ment Compensation or Mixed Earner Unem-  
4           ployment Compensation was without fault on  
5           the part of any such individual, and

6           “(B) such individual is a worker who re-  
7           ceived an overpayment due to an error by a  
8           contractor authorized under section 4102(b) of  
9           the Families First Coronavirus Response Act,  
10          section 9015 of the American Rescue Plan Act,  
11          or section 5 of this Act.”;

In section 3(a)(2)(D), as redesignated, strike “sub-  
paragraph (A)” and insert “paragraph (4)(A), as redesign-  
ated by subparagraph (B) of this paragraph,”.

In section 3(a)(2)(E), as redesignated, by inserting  
“after paragraph (4)(B), as redesignated by subpara-  
graph (B) of this paragraph,” after “at the end”.

In section 3(a)(3), strike “(e)(3)” each place it ap-  
pears and insert “(e)”.

In section 3(a)(3), redesignate subparagraphs (A)  
and (B) as subparagraphs (D) and (E), respectively, and  
insert the following:

12           (A) in subparagraph (2), by striking “In”  
13           and inserting “Subject to paragraph (3), in”;

1 (B) by redesignating paragraphs (3) and  
2 (4) as paragraphs (4) and (5), respectively;

3 (C) by inserting the following:

4 “(3) WAIVER FOR CONTRACTOR ERROR.—In  
5 the case of individuals who have received amounts of  
6 Federal Pandemic Unemployment Compensation or  
7 Mixed Earner Unemployment Compensation under  
8 this section to which they were not entitled, the  
9 State may not require such individuals to repay the  
10 amounts of such pandemic unemployment assistance  
11 to the State agency if—

12 “(A) the State agency determines that the  
13 payment of such Federal Pandemic Unemploy-  
14 ment Compensation or Mixed Earner Unem-  
15 ployment Compensation was without fault on  
16 the part of any such individual, and

17 “(B) such individual is a worker who re-  
18 ceived an overpayment due to an error by a  
19 contractor authorized under section 4102(b) of  
20 the Families First Coronavirus Response Act,  
21 section 9015 of the American Rescue Plan Act,  
22 or section 5 of this Act.”;

In section 3(a)(3)(D), as redesignated, strike “sub-  
paragraph (A)” and insert “paragraph (4)(A), as redesi-  
gnated by subparagraph (B) of this paragraph,”.

In section 3(a)(3)(E), as redesignated, by inserting “after paragraph (4)(B), as redesignated by subparagraph (B) of this paragraph,” after “at the end”.

At the end of section 3(a) add the following:

1           (6) WAIVER FOR CONTRACTOR ERROR.—

2           (A) IN GENERAL.—In the case of individ-  
3           uals who have received applicable Federal un-  
4           employment payments to which they were not  
5           entitled, the State may not require such individ-  
6           uals to repay such amounts to the State agency  
7           if—

8                   (i) the State agency determines that  
9                   the payment of such amounts was without  
10                  fault on the part of any such individual,  
11                  and

12                  (ii) such individual is a worker who  
13                  received an overpayment due to an error  
14                  by a contractor authorized under section  
15                  4102(b) of the Families First Coronavirus  
16                  Response Act, section 9015 of the Amer-  
17                  ican Rescue Plan Act, or section 5 of this  
18                  Act.

19           (B) APPLICABLE FEDERAL UNEMPLOY-  
20           MENT PAYMENTS.—In this paragraph, the term

1 “applicable Federal unemployment payments”

2 means—

3 (i) amounts of sharable extended com-  
4 pensation and sharable regular compensa-  
5 tion from a State to which paragraph (4)  
6 applies for weeks of unemployment de-  
7 scribed in such paragraph; and

8 (ii) amounts of regular compensation  
9 from a State described in paragraph (5)  
10 for the first week of regular unemployment  
11 for which the State received full Federal  
12 funding under the agreement described in  
13 such paragraph.

