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COMMITTEE PRINT

SUMMARY OF SENATE AMENDMENTS TO
H.R. 15119—UNEMPLOYMENT INSURANCE
AMENDMENTS OF 1966



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SUMMARY OF SENATE AMFNDMENTS TO H.R. 15119

Bill page	Amendment No.	Description
COVERAGE		
1	(1)	Committee amendment: Deletes provision of House bill which amended definition of "employer" to include firms employing one worker or more during 20 weeks in a calendar year or paying wages of \$1,500 or more in any calendar quarter.
2 9	(2)	Clerical amendments: Renumber sections.
	through	
	(5)	
10	(6)	Floor amendment (Senator Kuchel): Exclude spouse of student from unemployment compensation if employed by a school, college, or university where student is enrolled if employment of spouse is part of a program of financial assistance to student and if spouse is advised that service is not covered.
PROVISIONS OF STATE LAWS		
11, 12	(7), (8)	Clerical amendments related to amendment No. 9.
12	(9)	Committee amendment: Relates to multi-state workers. Requires States to participate in wage combining arrangements for determining the benefit rights of workers with base period earnings in more than one State, using wages paid during base period of State under the law of which he files his claim, provided wage or employment credits may not be used more than once.
JUDICIAL REVIEW		
16, 18	(10), (11)	Committee amendments conforming with amendment No. 16. These amendments incorporate cross references in judicial review provisions to new section establishing benefit requirements, extending judicial review to findings of the Secretary relating to benefit adequacy.

Bill page	Amendment No.	Description
ADMINISTRATION		
20	(12)	Committee amendment: Provides for allocation to the employment security administration account of portion of new taxes resulting from wage base increases. Conforms to amendments Nos. 36 and 37 allocating funds to extended unemployment compensation account.
23	(13), (14)	Committee amendments: Clarifying amendments make it clear that funds authorized to be appropriated by section 906(b) may be used to carry out all types of research specified in section 906(a).
BENEFIT REQUIREMENTS		
28	(15)	Clerical amendment: Adds title for part E of bill.
28	(16)	Committee amendment, as modified by floor amendments, adds benefit requirements to the bill. These require a State, in order to obtain full tax credit for its employers, to meet the following minimum standards with respect to benefits:

Bill page	Amendment No.	Description
28	(16 continued)	(A) <i>Eligibility.</i> —No worker may be required to have more than 20 weeks of employment (or equivalent) in his base period to qualify for benefits. Presently, 50 of the 52 jurisdictions substantially meet this requirement. See table 1.

TABLE 1.—Present State qualifying requirements compared with proposed Federal requirement

(a) Not more than 20 weeks of work counting every week during which his wages were at least 25 percent of statewide average wage, or

(b) Not more than 1½ times high quarter wages or 40 times weekly benefit amount and, in no event, can State minimum qualifying amount be more than 5 times statewide average weekly wage.

A. States which meet Federal requirement (30):

Alabama	Louisiana	New York
Alaska	Maryland	Ohio
Arizona	Michigan	Oklahoma
Colorado	Minnesota	Pennsylvania
Delaware	Mississippi	Puerto Rico
District of Columbia	Missouri	Rhode Island
Georgia	Montana	South Carolina
Hawaii	Nevada	Tennessee
Iowa	New Jersey	Texas
Kansas	New Mexico	Vermont

B. States which do not meet Federal requirement for any claimants (2):

Virginia: 46 times weekly benefit amount.

Wyoming: 26 weeks of work.

C. States which need minor revision to meet Federal requirement for some claimants (29):

Arkansas ¹	Kentucky ¹	Oregon ²
California ¹	Maine ¹	South Dakota ¹
Connecticut ¹	Massachusetts ¹	Utah ¹
Florida ¹	Nebraska ¹	Washington ¹
Idaho ¹	New Hampshire ¹	West Virginia ¹
Illinois ¹	North Carolina ¹	Wisconsin ²
Indiana ¹	North Dakota ¹	

¹ Minimum qualifying requirement is too high—more than 5 times statewide average weekly wage for more than 40 times the minimum weekly benefit amount.

² States in which some claimants with 20 weeks of work, as defined, could fail to qualify because additional weeks of work at lower wages reduce his average wage below the level needed to qualify.

³ States which have additional requirements as to distribution of earnings within the base period.

Bill page	Amendment No.	Description
28	(16 continued)	(B) <i>Individual benefit amount</i> —The individual's weekly benefit amount must be at least 50 percent of his average weekly wage, up to the State maximum. Presently, 44 jurisdictions meet this requirement. See table 2.

TABLE 2.—*State individual weekly benefit amount compared to proposed Federal requirement*

A. States which meet Federal requirement (44):		
Alabama	Kentucky	Ohio
Arizona	Louisiana	Oklahoma
Arkansas	Maine	Pennsylvania
Colorado	Maryland	Puerto Rico
Connecticut	Michigan	Rhode Island
Delaware	Minnesota	South Carolina
District of Columbia	Mississippi	South Dakota
Florida	Missouri	Tennessee
Georgia	Montana	Texas
Hawaii	Nebraska	Utah
Idaho	Nevada	Vermont
Illinois	New Jersey	Virginia
Indiana	New Mexico	Wisconsin
Iowa	New York	Wyoming
Kansas	North Dakota	
B. States which do not meet Federal requirement (2):		
California ¹		Massachusetts ²
C. States which use annual wage method and may qualify under alternative conditions of Senate bill (6): ²		
Alaska	North Carolina	Washington
New Hampshire	Oregon	West Virginia

¹ Need minor revision. Other six States are annual wage States.² Data not presently available to determine if States meet alternate test.

Bill page	Amendment No.	Description
28	(16 continued)	(C) <i>Duration.</i> —Any worker who has 39 weeks of employment (or equivalent) in his base period must be entitled to at least 26 weeks of benefits. At present, 40 States substantially meet this requirement. See table 3.

TABLE 3. *State duration compared with proposed Federal requirement (26 weeks of benefits for workers with 39 weeks of employment, or equivalent)*

A. States which meet Federal requirement (38):

Alabama	Louisiana	New York
Arizona	Maine	North Carolina
Arkansas	Maryland	North Dakota
California	Massachusetts	Ohio
Colorado	Michigan	Oklahoma
Connecticut	Minnesota	Oregon
Delaware	Mississippi	Pennsylvania
District of Columbia	Missouri	Tennessee
Hawaii	Nebraska	Vermont
Illinois	Nevada	Washington
Iowa	New Hampshire	West Virginia
Kansas	New Jersey	Wisconsin
Kentucky	New Mexico	

B. States which do not meet Federal requirement (12):

State	1965 Average potential duration, under State law	1965 Percent of claimants entitled to 26 or more weeks	State	1965 Average potential duration, under State law	1965 Percent of claimants entitled to 26 or more weeks
Alaska	23 weeks	90	Rhode Island	23 0 weeks	57
Florida	19 5 weeks	25	South Carolina	20 7 weeks	0
Georgia	17 4 weeks	21	South Dakota	19 8 weeks	0
Idaho	18 5 weeks	15	Texas	20 4 weeks	34
Indiana	18 7 weeks	27	Virginia	20 weeks	22
Puerto Rico	12 weeks	0	Wyoming	23 8 weeks	63

C. States which need minor revision of State law (2):

Montana	Utah
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Bill page 28	Amendment No (16 con- tinued)	Description <i>(D) State maximum limitation.</i> —State maximum weekly benefit amount must be at least 50 percent of the statewide average weekly wage. Presently, 18 States meet this requirement. See table 4.
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TABLE 4. Present State maximum weekly benefit amount compared with proposed Federal requirement (50 percent of statewide average weekly wage)

A. States which meet Federal requirement (18):

Arkansas	Iowa	Rhode Island
California	Kansas	South Carolina
Colorado	Maine	Utah
District of Columbia	New Hampshire	Vermont
Hawaii	North Carolina	Wisconsin
Idaho	North Dakota	Wyoming

B. States which do not meet Federal requirement (34):

State	Maximum, present law ¹	Maximum, under bill ²		State	Maximum, present law ¹	Maximum, under bill ²	
		Annual	Lowest quarter			Annual	Lowest quarter
Alabama	\$38	\$47	\$45	Montana	\$34	\$49	\$40
Alaska	\$55-60	96	77	Nebraska	40	48	40
Arizona	43	53	51	Nevada	\$41-61	60	60
Connecticut	50-75	58	56	New Jersey	50	60	57
Delaware	55	61	58	New Mexico	30	49	48
Florida	33	49	46	New York	55	61	59
Georgia	45	46	44	Ohio	42-53	60	58
Illinois	42-70	61	58	Oklahoma	32	50	48
Indiana	40-43	58	55	Oregon	44	55	53
Kentucky	45	49	46	Pennsylvania	20	54	51
Louisiana	45	50	48	Puerto Rico	20	29	28
Maryland	50	51	48	South Dakota	30	44	42
Massachusetts	50	53	51	Tennessee	38	46	44
Michigan	43-72	67	65	Texas	37	50	48
Minnesota	47	53	51	Texas	42	47	45
Mississippi	30	41	38	Virginia	42	59	57
Missouri	45	55	53	Washington	42	59	57
				West Virginia	35	54	52

¹ Where 2 amounts appear, higher amount includes dependents' allowance.

² Represents 50 percent of statewide average weekly wage in 1965 computed under both alternatives provided under the bill.

³ State meets the requirement if the statewide average weekly wage is computed under low quarter rule provided by amendment 33.

Bill page	Amendment No.	Description
28, 29, 31, and 32	(16 con- tinued)	Floor amendment (Senator Gruening and others): Subsection (d) beginning on page 31, line 22, provides that as an alternative to these requirements, a State could be certified if, on the basis of the prior year's experience, at least 65 percent of covered employees in the State qualify for benefits equal to 50 percent of their own average weekly wage and, at least 80 percent of covered employees are eligible to receive at least 26 weeks of benefits.
33	(16 con- tinued)	Floor amendment (Senators Gruening and Bartlett): Subsection (e)(5)(ii) beginning on page 34, line 2, modifies definition of "statewide average weekly wage" to permit a State to compute its maximum required weekly benefit amount on the basis of any calendar quarter its legislature selects rather than on the basis of the entire year.
34	(17)	Committee amendment: Provides that failure of a State to meet benefit requirements of bill would reduce Federal tax credits of employers in such State by the difference between the regular tax credit of 2.7 percent and the State's 4-year benefit cost rate.

EXTENDED UNEMPLOYMENT COMPENSATION
PROGRAM

37	(18)	Committee amendment: Conforms to amendment 25. Deletes provision in House bill allowing States to impose special eligibility requirements for recipients of extended unemployment compensation.
38	(19)	Clerical amendment: Reletters subsection.
38	(20)	Committee amendment: Conforms to amendment 25. Limits individual's extended benefits to 50 percent of regular benefit up to 13 weeks or total combined benefit of 39 weeks.
38	(21), (22)	Committee amendments: Conforms to amendment 25. Deletes authority of States to reduce amount of extended compensation payable to an individual by amount of "additional compensation" paid to him under State law.
39	(23)	Committee amendment: Clarifying amendment, provides that if an extended benefit period is triggered on nationally, shortly after a State period has triggered on, the national period will be uniform in all States.

Bill page	Amendment No.	Description
43	(24)	Floor amendment (Senator Miller): Provides that in computing the rate of insured unemployment and in determining a week of unemployment under the extended benefit program, all factors required to present a true and accurate picture of unemployment shall be taken into account, including registration and calls to employment offices, efforts to secure training and retraining, willingness to move and accept work, and whether an individual is interested only in part-time employment.
44	(25)	Committee amendment: Provides full Federal financing of extended benefits in lieu of equal sharing of the costs by the State and Federal Governments.
44 through 46	(26)	Clerical and conforming amendments to amendment 25 to change from Federal-State financing to full Federal financing of extended benefits.
48	(33)	Floor amendment (Senators Javits and Hartke): Provides 1 year of extended benefits to any individual age 60 to 65 if he is unemployed by reason of automation or technical change or resides in a redevelopment area and has no skills needed in the area and if he is registered at his local employment office.
49	(34)	Clerical amendment: Renumbers section.
49	(35), (36), (37)	Committee amendments: Provide for transferring to the extended unemployment compensation account one-sixth of net Federal tax receipts for fiscal 1968, one-fourth for fiscal 1969 through 1972, and one-third thereafter. The fractions change because of the wage base increases under amendment 44.
50	(38), (39)	Committee amendments: Increase maximum balance in extended unemployment compensation account from \$500 million to \$1 billion, or from two-tenths to four-tenths of 1 percent of covered wages, to conform to change from Federal-State financing to full Federal financing.
51, 53 through	(40) through (43)	Clerical amendments.

FINANCING

- 53 (44) The Federal wage base increase to \$3,900 is made effective for wages paid in 1968 rather than 1969 as under the House bill, and the wage base for wages paid in 1972 and thereafter is increased to \$4,800 rather than \$4,200 as under the House bill. Federal tax rate increase to 3.3 percent (from 3.1 percent) provided by House bill is retained. See table 5.

TABLE 5.—Comparison of estimated FUTA collections under Senate version and House version of H.R. 15119, fiscal years 1968-73

[In millions of dollars]

Fiscal year	Tax collections at 0.6 percent			Amounts available for financing of—					
	(A) Senate bill	(B) House bill	Difference (A minus B)	Extended benefits			Employment Security Administration		
				(A) Senate ¹ bill	(B) House ² bill	Difference (A minus B)	(A) Senate ³ bill	(B) House ⁴ bill	Difference (A minus B)
1968.....	816	816	136	136	680	680
1969.....	1,020	840	+180	255	140	+115	765	700	+65
1970.....	1,046	1,092	-46	262	182	+80	784	910	-126
1971.....	1,070	1,116	-46	268	186	+82	802	930	-128
1972.....	1,100	1,146	-46	275	191	+84	825	955	-130
1973.....	1,317	1,236	+81	439	206	+233	878	1,030	-152

¹ Represents amounts equivalent to 0.1 percent of taxable payroll for fiscal year 1968, 0.15 for fiscal years 1969-72 and 0.2 for fiscal year 1973 and thereafter to be deposited in extended unemployment compensation account for financing costs of extended benefit program.

² Represents amount equivalent to 0.1 percent of taxable payroll to be deposited in extended unemployment compensation account for financing Federal share of costs of extended benefit program.

³ Represents amounts equivalent to 0.5 percent of taxable payroll for fiscal year 1968, 0.45 percent for fiscal years 1969-72 and 0.4 for fiscal year 1973 and thereafter for financing Federal and State employment security administrative costs. Annual excess of collections over amounts required for administrative expenses to be transferred to extended unemployment compensation account.

⁴ Represents amounts equivalent to 0.5 percent of taxable payroll for financing Federal and State employment security administrative costs. Annual excess of collections over amounts required for administrative expenses to be transferred to extended unemployment compensation account.

Source: Department of Labor, Bureau of Employment Security.