HLS 202ES-554 ORIGINAL

2020 Second Extraordinary Session

HOUSE CONCURRENT RESOLUTION NO. 36

BY REPRESENTATIVE LYONS

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UNEMPLOYMENT COMP: Creates a task force to study and make recommendations for replenishing the unemployment trust fund and increasing the unemployment compensation weekly benefit amount (Item #8)

A CONCURRENT RESOLUTION

2	To create a task force to study and make recommendations for replenishing the
3	unemployment trust fund and increasing the unemployment compensation weekly
4	benefit amount and to submit a written report of its findings and recommendations
5	to the Legislature of Louisiana not later than thirty days prior to the convening of the
6	2021 Regular Session.
7	WHEREAS, the state of Louisiana was struck by the COVID-19 public health
8	emergency in March 2020; and
9	WHEREAS, the COVID-19 public health emergency has caused businesses and
10	operations to either lay off workers or reduce workers' hours; and
11	WHEREAS, as a result of numerous layoffs and reduction of hours, there has been
12	an unprecedented number of unemployed or partially employed workers who have filed and
13	continue to file for unemployment compensation benefits; and
14	WHEREAS, as a result of the unprecedented filing of claims and payment of
15	unemployment compensation benefits, the state's unemployment trust fund, which was
16	approximately one billion five hundred million dollars at the beginning of March 2020, has
17	fallen to a balance of zero dollars; and
18	WHEREAS, as a result of this depletion, the state of Louisiana has had to take the
19	extraordinary step of borrowing funds from the United States government pursuant to Title

1	XII of the Social Security Act in order to pay weekly unemployment compensation benefits;
2	and
3	WHEREAS, the funds from the Title XII loan can only be used to pay unemployment
4	benefit claims and are not a means or mechanism to replenish the unemployment trust fund;
5	and
6	WHEREAS, pursuant to R.S. 23:1536(E)(1), the replenishment of the unemployment
7	trust fund is made possible with the implementation of a solvency tax, which is a tax of up
8	to thirty percent on businesses; and
9	WHEREAS, as a result of the COVID-19 public health emergency, it is recognized
10	that businesses have suffered a great economic impact; however, unemployed and partially
11	employed workers have also suffered a great financial impact as a result of the COVID-19
12	health emergency; and
13	WHEREAS, the state of Louisiana pays the third lowest average weekly benefit
14	amounts of any state in the United States; and
15	WHEREAS, as a result of the COVID-19 public health emergency, unemployed and
16	partially employed workers have struggled to cover household expenses, such as rent or
17	mortgage, groceries, and utilities, and attempt to survive on a maximum weekly benefit
18	amount of two hundred forty-seven dollars; and
19	WHEREAS, an increase in the maximum weekly benefit amount in the state's
20	unemployment compensation program will not only greatly assist unemployed and partially
21	employed Louisiana workers, but will have a significant impact on local economies; and
22	WHEREAS, R.S. 23:1474 provides that the unemployment trust fund offers a
23	decrease in the tax rate for employers, a ten percent discount for employers, and an increase
24	in the unemployment compensation weekly benefit amounts when the trust fund has reached
25	a specific balance range; and
26	WHEREAS, this statutory provision and others should be examined to determine
27	practical and feasible ways to replenish the unemployment trust fund and increase the
28	unemployment compensation maximum weekly benefit amounts for claimants.
29	THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
30	establish the Unemployment Compensation and Trust Fund Task Force to study and make

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1 recommendations for replenishing the unemployment trust fund and increasing the 2 unemployment compensation weekly benefit amount and to submit a written report of its 3 findings and recommendations to the Legislature of Louisiana not later than thirty days prior 4 to the convening of the 2021 Regular Session. 5 BE IT FURTHER RESOLVED that the membership of the task force shall be as 6 follows: 7 The secretary of the Louisiana Workforce Commission or his designee. **(1)** 8 One representative from the Louisiana AFL-CIO. (2) 9 (4) One representative from the Louisiana Budget Project. 10 (5) One representative from the Workplace Justice Project. 11 One representative from the Louisiana Association of Business and Industry. (6) 12 One representative from the National Federation of Independent Business. (7) 13 BE IT FURTHER RESOLVED that the Louisiana Workforce Commission shall 14 provide staff support as needed by the task force. 15 BE IT FURTHER RESOLVED that the task force shall convene its first meeting by 16 December 1, 2020, and shall meet as frequently as it deems necessary for the timely 17 performance of its duties. 18 BE IT FURTHER RESOLVED that the task force shall study and make 19 recommendations to matters that include but are not limited to the following: 20 (1) Mechanisms or measures to replenish the unemployment trust fund. 21 (2) Mechanisms or measures to generate at least one billion five hundred million 22 dollars for the unemployment trust fund. 23 (3) The advantages and disadvantages of increasing the weekly benefit amount. 24 **(4)** Mechanisms or measures to increase the weekly benefit amount. 25 BE IT FURTHER RESOLVED that this Resolution be transmitted to the secretary 26 of the Louisiana Workforce Commission, the president of the Louisiana Association of 27 Business and Industry, the Louisiana state director of the National Federation of Independent

Business, the president of the Louisiana AFL-CIO, the executive director of the Louisiana

Budget Project, and the director of the Workplace Justice Project.

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## **DIGEST**

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HCR 36 Original

2020 Second Extraordinary Session

Lyons

Creates the Unemployment Compensation and Trust Fund Task Force to study and report its findings and recommendations for replenishing the unemployment trust fund and increasing the unemployment compensation weekly benefit amount to the Legislature of La. not later than 30 days prior to the convening of the 2021 R.S.