

## UNEMPLOYMENT COMPENSATION

DECEMBER 14, 1971.—Ordered to be printed

Mr. MILLS of Arkansas, from the committee of conference,  
submitted the following

### CONFERENCE REPORT

[To accompany H.R. 6065]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6065) to amend section 903(c)(2) of the Social Security Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with the following amendments to the Senate engrossed amendment:

Page 3, line 3, strike out "extended".

Page 4, line 2, strike out "extended".

Page 4, line 9, strike out "extended".

Page 4, line 13, strike out "extended".

Page 4, line 21, strike out "6.0 per centum" and insert: *6.5 per centum*

Page 5, line 13, strike out "6.0 per centum" and insert: *6.5 per centum*

Page 5, line 16, strike out "insured employment" and insert: *insured unemployment*

Page 5, line 21, strike out "should be equal to—" and insert: *is the percentage arrived at by dividing—*

Page 5, line 25, strike out "divided"

Page 6, line 25, strike out "100 per centum" and insert: *50 per centum*

Page 7, line 5, strike out "twenty-six" and insert: *thirteen*

Page 7, strike out lines 14, 15, and 16 and insert: *this Act. No emergency compensation shall be payable to any individual under such an agreement for any week ending after—*

(1) *June 30, 1972, or*

(2) *September 30, 1972, in the case of an individual who (for a week ending before July 1, 1972) had a week with respect to which emergency compensation was payable under such agreement.*

Page 9, strike out line 5 and all that follows down through line 9 on page 10 and insert:

(b) There are hereby authorized to be appropriated, without fiscal year limitation, to the extended unemployment compensation account, as repayable advances (without interest), such sums as may be necessary to carry out the purposes of this title. Amounts appropriated as repayable advances and paid to the States under section 203 shall be repaid, without interest, as provided in section 903(b)(3) of the Social Security Act.

(c) Section 903(b) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

“(3) The amount which, but for this paragraph, would be transferred to the account of a State under subsection (a) or paragraph (1) of this subsection shall (after applying paragraph (2) of this subsection) be reduced (but not below zero) by the balance of that portion of the advances made under section 204(b) of the Emergency Unemployment Compensation Act of 1971 which was used for payments to such State under section 203 of such Act. An amount equal to the sum by which such amount is reduced shall be transferred to the general fund of the Treasury. Any amount transferred as a repayment under this paragraph shall be credited against, and shall operate to reduce, any balance repayable under this paragraph by the State to which (but for this paragraph) such amount would have been payable.”

Page 10, line 20, strike out “emergency extended” and insert: *emergency*

Page 10, line 23, strike out “emergency extended” and insert: *emergency*

Page 11, after line 4, insert:

*For purposes of any State law which refers to an extension under Federal law of the deviation of benefits under the Federal-State Extended Unemployment Compensation Act of 1970, this title shall be treated as amendatory of such Act.*

Page 11, line 7, strike out “continuing and”

Page 11, line 16, strike out “after June 30, 1973” and insert: *after the period prescribed in section 202(f)*

Page 11, line 19, strike out “after June 30, 1973” and insert: *after the period prescribed in section 202(f)*

Page 11, line 20, strike out “July 1” and insert: *May 1*

Page 11, line 23, strike out “May 31” and insert: *March 31*

Page 12, line 4, strike out “after June 30, 1973” and insert: *after the period prescribed in section 202(f)*

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

WILBUR D. MILLS,

AL ULLMAN,

JAMES A. BURKE,

*Managers on the part of the House.*

RUSSELL B. LONG,

CLINTON ANDERSON,

HERMAN TALMADGE,

CARL T. CURTIS,

*Managers on the part of the Senate.*

## JOINT EXPLANATORY STATEMENT OF THE COMMITTEE ON CONFERENCE

### UNEMPLOYMENT COMPENSATION

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6065) to amend section 903(c)(2) of the Social Security Act, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The bill as passed by the House extended for an additional 10 years the period during which States may obligate, for administrative purposes, certain funds transferred from excess Federal unemployment tax collections.

The Senate amendment to the text of the bill made no change in the House provisions explained in the preceding paragraph but added a title II to the bill, relating to emergency unemployment compensation. Under the Senate amendment, any State, the State law of which provides for the payment of extended compensation in accordance with the requirements of the Federal-State Extended Unemployment Compensation Act of 1970, may enter into an agreement under which the agency of the State which administers the State unemployment compensation law will pay emergency compensation to individuals who have exhausted all rights to both regular compensation and extended compensation. The weekly benefit amount of the individual is determined in the same way as for regular compensation purposes; and the total amount of emergency compensation payable to an individual is an amount equal to the lesser of 100 percent of the regular compensation payable to him for the most recent benefit year or 26 times his average weekly benefit amount for his benefit years. The emergency compensation payable under the amendment is payable only during an emergency extended benefit period. Such a period is triggered in a State when the rate of unemployment (which takes into account both the rate of insured unemployment and the rate of exhaustions of regular compensation) for such State for a 13-week period equals or exceeds 6 percent. Under the Senate amendment, emergency compensation is payable only for weeks of unemployment which begin more than 30 days after the date of the enactment of the bill (or, if later, after the week in which the State agreement is entered into). In addition, such compensation is payable only for weeks which end before July 1, 1973.

The Senate amendment provides for financing emergency benefits by increasing the rate of the Federal unemployment tax imposed by

section 3301 of the Internal Revenue Code of 1954 on wages (as defined in sec. 3306(b) of such code) paid during 1972 or 1973 from 3.2 percent to 3.29 percent.

The Senate amendment also provides for the Secretary of Labor to submit to Congress a full and complete report of the emergency compensation program on or before July 1, 1972.

The House recedes with amendments.

The conference agreement in general follows the Senate amendment with these major changes:

(1) Under the conference agreement, the total amount of compensation payable to an individual is the lesser of (A) 50 percent of the regular compensation payable to him with respect to the benefit year on the basis of which he most recently received regular compensation, or (B) 13 times his average weekly benefit amount for his benefit year.

(2) Under the conference agreement, the emergency benefit period is triggered in a State when the rate of unemployment (which takes into account both the rate of insured unemployment and the rate of exhaustions of regular compensation) for such State for a 13-week period equals or exceeds 6.5 percent.

(3) Under the conference agreement, no emergency compensation is payable for any week of unemployment which ends after June 30, 1972; except that, in the case of an individual who had a week of unemployment ending before July 1, 1972, for which emergency compensation was payable under a State agreement, the period for paying emergency compensation to that individual under the State agreement will also include weeks of unemployment which end before October 1, 1972.

(4) Under the conference agreement, the emergency compensation will be payable out of the Federal extended unemployment compensation account. The agreement authorizes the appropriation to such account of repayable advances (which shall not bear interest) to carry out the emergency compensation program provided by the bill. The amounts paid to any State for benefits under this program are to be repaid by transferring to the general fund of the Treasury amounts equal to such benefits. These transfers are to be made out of amounts which would otherwise (but for the new sec. 903(b)(3) of the Social Security Act added by the bill) be paid over to such State out of excess Federal unemployment tax collections.

(5) The conference agreement also modifies the reporting provisions of the Senate amendment. Under the conference agreement, the Secretary of Labor is required to submit before May 1, 1972, a full and complete report of the emergency compensation program provided by the bill. The report is to cover the period ending on March 31, 1972, and is to contain recommendations of the Secretary with respect to the program, including (but not limited to) the operation and funding of the program and the desirability of extending the program beyond June 30, 1972.

WILBUR D. MILLS,  
AL ULLMAN,  
JAMES A. BURKE,  
*Managers on the Part of the House.*

RUSSELL B. LONG,  
CLINTON ANDERSON,  
HERMAN TALMADGE,  
CARL T. CURTIS,  
*Managers on the Part of the Senate.*

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