

109TH CONGRESS
1ST SESSION

H. R. 3774

To provide for unemployment benefits for victims of Hurricane Katrina.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 2005

Mr. McDERMOTT (for himself, Mr. JEFFERSON, and Mr. STARK) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To provide for unemployment benefits for victims of
Hurricane Katrina.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Emergency Unemployment Compensation Act of 2005”.

6 (b) TABLE OF CONTENTS.—The table of contents is
7 as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Federal-State agreements.

Sec. 3. Requirements relating to regular compensation.

Sec. 4. Requirements relating to emergency extended unemployment compensation.

Sec. 5. Payments to States.

Sec. 6. Financing provisions.

Sec. 7. Definitions.

Sec. 8. Applicability.

1 **SEC. 2. FEDERAL-STATE AGREEMENTS.**

2 (a) IN GENERAL.—Any State that is a qualified State
3 and that desires to do so may enter into and participate
4 in an agreement under this Act with the Secretary. Any
5 State that is a party to an agreement under this Act may,
6 upon providing 30 days’ written notice to the Secretary,
7 terminate such agreement.

8 (b) PROVISIONS OF AGREEMENT.—Any agreement
9 under subsection (a) shall provide that the State agency
10 of the State—

11 (1) will make payments of regular compensation
12 in conformance with the requirements of section 3;
13 and

14 (2) will make payments of emergency extended
15 unemployment compensation in conformance with
16 the requirements of section 4.

17 (c) QUALIFIED STATE.—For purposes of this Act,
18 the term “qualified State” means Alabama, Florida, Lou-
19 isiana, and Mississippi.

20 **SEC. 3. REQUIREMENTS RELATING TO REGULAR COM-**
21 **PENSATION.**

22 (a) IN GENERAL.—Any agreement under this Act
23 shall provide that the State agency of the State will make
24 payments of regular compensation to individuals in

1 amounts and to the extent that they would be determined
 2 if the State law of such State were applied with the modi-
 3 fication described in subsection (b).

4 (b) MODIFICATION DESCRIBED.—

5 (1) ADDITIONAL AMOUNT.—In the case of an
 6 eligible individual, the amount of regular compensa-
 7 tion (including dependents’ allowances) payable for
 8 any week of unemployment to which such agreement
 9 applies shall be equal to the amount determined
 10 under the State law (before the application of this
 11 paragraph), plus an additional—

12 (A) 25 percent, or

13 (B) \$100,

14 whichever is greater.

15 (2) ELIGIBLE INDIVIDUAL.—For purposes of
 16 this section, the term “eligible individual” means an
 17 individual who—

18 (A) is receiving regular compensation
 19 under the State law of the State that is a party
 20 to the agreement; and

21 (B) at any time during the week before the
 22 week that includes August 28, 2005, either held
 23 employment in or resided in an area—

24 (i) that is within a qualified State;

25 and

1 (ii) for which the President has de-
2 clared a major disaster under the Robert
3 T. Stafford Disaster Relief and Emergency
4 Assistance Act (42 U.S.C. 5121 et seq.) as
5 a result of Hurricane Katrina.

6 (c) NONREDUCTION RULE.—Under the agreement,
7 subsection (b) shall not apply (or shall cease to apply) with
8 respect to a State upon a determination by the Secretary
9 that the method governing the computation of regular
10 compensation under the State law of such State has been
11 modified in a way such that—

12 (1) the average weekly amount of regular com-
13 pensation which will be payable during the period of
14 the agreement (determined disregarding the modi-
15 fication described in subsection (b)) will be less than

16 (2) the average weekly amount of regular com-
17 pensation which would otherwise have been payable
18 during such period under such State law, as in effect
19 on August 28, 2005.

20 (d) COORDINATION RULE.—The modification de-
21 scribed in subsection (b) shall also apply in determining
22 the amount of benefits payable under any Federal law, to
23 any eligible individual, to the extent that those benefits
24 are determined by reference to regular compensation pay-
25 able under the State law of the State involved.

1 **SEC. 4. REQUIREMENTS RELATING TO EMERGENCY EX-**
2 **TENDED UNEMPLOYMENT COMPENSATION.**

3 (a) IN GENERAL.—Any agreement under this Act
4 shall provide that the State agency of the State will, for
5 any weeks of unemployment to which such agreement ap-
6 plies, make payments of emergency extended unemploy-
7 ment compensation under this Act to individuals who—

8 (1) have exhausted all rights to regular com-
9 pensation under the State law or under Federal law,
10 but only if exhaustion occurs upon or after the close
11 of the week that includes August 28, 2005;

12 (2) have no rights to regular compensation or
13 extended compensation with respect to a week under
14 such law or any other State unemployment com-
15 pensation law or to compensation under any other
16 Federal law;

17 (3) are not receiving compensation with respect
18 to such week under the unemployment compensation
19 law of any other country; and

20 (4) at any time during the week before the
21 week that includes August 28, 2005, either held em-
22 ployment in or resided in an area—

23 (A) that is within a qualified State; and

24 (B) for which the President has declared a
25 major disaster under the Robert T. Stafford
26 Disaster Relief and Emergency Assistance Act

1 (42 U.S.C. 5121 et seq.) as a result of Hurri-
2 cane Katrina.

3 (b) EXHAUSTION OF BENEFITS.—For purposes of
4 subsection (a)(1), an individual shall be deemed to have
5 exhausted such individual's rights to regular compensation
6 under a State law when—

7 (1) no payments of regular compensation can
8 be made under such law because such individual has
9 received all regular compensation available to such
10 individual based on employment or wages during
11 such individual's base period; or

12 (2) such individual's rights to such compensa-
13 tion have been terminated by reason of the expira-
14 tion of the benefit year with respect to which such
15 rights existed.

16 (c) WEEKLY BENEFIT AMOUNT, ETC.—For purposes
17 of any agreement under this Act—

18 (1) the amount of emergency extended unem-
19 ployment compensation which shall be payable to
20 any individual for any week of total unemployment
21 shall be equal to the amount of the regular com-
22 pensation (including dependents' allowances) payable
23 to such individual during such individual's benefit
24 year under the State law for a week of total unem-
25 ployment;

1 (2) the terms and conditions of the State law
2 which apply to claims for regular compensation and
3 to the payment thereof shall apply to claims for
4 emergency extended unemployment compensation
5 and to the payment thereof, except where otherwise
6 inconsistent with the provisions of this Act or with
7 the regulations or operating instructions of the Sec-
8 retary promulgated to carry out this Act; and

9 (3) the maximum amount of emergency ex-
10 tended unemployment compensation payable to any
11 individual for whom an emergency extended unem-
12 ployment compensation account is established under
13 subsection (d) shall not exceed the amount estab-
14 lished in such account for such individual.

15 (d) EMERGENCY EXTENDED UNEMPLOYMENT COM-
16 PENSATION ACCOUNTS.—

17 (1) IN GENERAL.—Any agreement under this
18 Act shall provide that the State will establish, for
19 each eligible individual who files an application for
20 emergency extended unemployment compensation an
21 emergency extended unemployment compensation ac-
22 count with respect to such individual's benefit year.

23 (2) AMOUNT IN ACCOUNT.—

24 (A) IN GENERAL.—The amount established
25 in an account under paragraph (1) shall be the

1 amount equal to 13 times the individual's aver-
2 age weekly benefit amount for the benefit year.

3 (B) WEEKLY BENEFIT AMOUNT.—For
4 purposes of this paragraph, an individual's av-
5 erage weekly benefit amount for any week is the
6 amount of regular compensation (including de-
7 pendents' allowances) under the State law pay-
8 able to such individual for such week for total
9 unemployment.

10 **SEC. 5. PAYMENTS TO STATES.**

11 (a) IN GENERAL.—There shall be paid to each State
12 which has entered into an agreement under this Act the
13 following:

14 (1) An amount equal to 100 percent of any ad-
15 ditional regular compensation made payable to indi-
16 viduals by such State by virtue of the modification
17 which described in section 3(b) and deemed to be in
18 effect with respect to such State pursuant to section
19 3(a).

20 (2) An amount equal to 100 percent of any
21 emergency extended unemployment compensation
22 paid to individuals by such State pursuant to such
23 agreement.

24 (3) An amount equal to 100 percent of any reg-
25 ular compensation, not otherwise reimbursable under

1 this section, paid by such State under the State law
2 of such State—

3 (A) to individuals whose unemployment
4 was a result of Hurricane Katrina (as deter-
5 mined under criteria established by the Sec-
6 retary); and

7 (B) for any weeks of unemployment to
8 which such agreement applies.

9 (b) DETERMINATION OF AMOUNT.—Sums payable
10 under this section to any State by reason of such State
11 having an agreement under this Act shall be payable, ei-
12 ther in advance or by way of reimbursement (as may be
13 determined by the Secretary), in such amounts as the Sec-
14 retary estimates the State will be entitled to receive under
15 this Act for each calendar month, reduced or increased
16 (as the case may be) by any amount by which the Sec-
17 retary finds that the Secretary's estimates for any prior
18 calendar month were greater or less than the amounts
19 which should have been paid to the State. Such estimates
20 may be made on the basis of such statistical, sampling,
21 or other method as may be agreed upon by the Secretary
22 and the State agency of the State involved.

23 **SEC. 6. FINANCING PROVISIONS.**

24 (a) IN GENERAL.—Funds in the extended unemploy-
25 ment compensation account and the Federal unemploy-

1 ment account of the Unemployment Trust Fund shall be
2 used, in accordance with succeeding provisions of this sec-
3 tion, for the making of payments to States having agree-
4 ments entered into under this Act.

5 (b) CERTIFICATION.—The Secretary shall from time
6 to time certify to the Secretary of the Treasury for pay-
7 ment to each State the sums payable to such State under
8 this Act. The Secretary of the Treasury, prior to audit
9 or settlement by the Government Accountability Office,
10 shall make payments to the State in accordance with such
11 certification—

12 (1) by transfers from the extended unemploy-
13 ment compensation account of the Unemployment
14 Trust Fund, to the extent that they relate to
15 amounts described in paragraph (1) or (2) of section
16 5(a); and

17 (2) by transfers from the Federal unemploy-
18 ment account of the Unemployment Trust Fund, to
19 the extent that they relate to amounts described in
20 section 5(a)(3).

21 **SEC. 7. DEFINITIONS.**

22 (a) IN GENERAL.—For purposes of this Act—

23 (1) the terms “Secretary”, “State”, “State
24 agency”, “State law”, “regular compensation”,
25 “week”, “benefit year”, and “base period” have the

1 respective meanings given such terms under section
2 205 of the Federal-State Extended Unemployment
3 Compensation Act of 1970;

4 (2) the terms “wages” and “employment” have
5 the respective meanings given such terms under sec-
6 tion 3306 of the Internal Revenue Code of 1986;

7 (3) the term “extended unemployment com-
8 pensation account” means the account established
9 by section 905(a) of the Social Security Act;

10 (4) the term “Federal unemployment account”
11 means the account established by section 904(g) of
12 the Social Security Act; and

13 (5) the term “Unemployment Trust Fund”
14 means the fund established by section 904(a) of the
15 Social Security Act.

16 (b) SPECIAL RULE.—Notwithstanding any provision
17 of subsection (a), in the case of a State entering into an
18 agreement under this Act—

19 (1) the term “State law” shall be considered to
20 refer to the State law of such State, applied in con-
21 formance with the modification described in section
22 3(b), subject to section 3(c); and

23 (2) the term “regular compensation” shall be
24 considered to refer to such compensation, deter-

1 mined under its State law (applied in the manner
2 described in paragraph (1)),
3 except as otherwise provided or where the context clearly
4 indicates otherwise.

5 **SEC. 8. APPLICABILITY.**

6 An agreement entered into under this Act shall apply
7 to weeks of unemployment—

8 (1) beginning on or after the first day of the
9 week that includes August 28, 2005; and

10 (2) ending before September 1, 2006.

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