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NEWS

U. S. SENATOR FOR KANSAS

FROM:

SENATE REPUBLICAN LEADER

FOR IMMEDIATE RELEASE
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UNEMPLOYMENT BENEFITS

**DOLE INTRODUCES NEW \$2.5 BILLION GOP BILL;
COVERS COSTS, EXTENDS BENEFITS THRU MARCH 6, 1993**

I AM PLEASED TO INTRODUCE, ALONG WITH THE DISTINGUISHED SENATOR FROM OREGON, SENATOR PACKWOOD, THE DISTINGUISHED SENATOR FROM NEW MEXICO, SENATOR DOMENICI, THE DISTINGUISHED SENATOR FROM CALIFORNIA, SENATOR SEYMOUR, AND 20 OTHER SENATORS, LEGISLATION WHICH EXTENDS THE EMERGENCY UNEMPLOYMENT PROGRAM.

WHILE SOME ENCOURAGEMENT HAS BEEN PROVIDED BY SOLID SIGNS OF ECONOMIC RECOVERY AND BY LAST MONTH'S DROP IN UNEMPLOYMENT TO 7.2 PERCENT, THE UNEMPLOYMENT RATE IS STILL UNACCEPTABLY HIGH.

THIS LEGISLATION CONTINUES THE EXTENDED BENEFIT PROGRAMS INTO NEXT YEAR AND GETS HELP TO THOSE AMERICANS WHO ARE OUT OF WORK AND SUFFERING THROUGH NO FAULT OF THEIR OWN.

ANNOUNCED THIS MORNING BY PRESIDENT BUSH, SENATOR PACKWOOD, REPRESENTATIVE BOB MICHEL, AND MYSELF, THIS PROPOSAL WOULD EXTEND THE EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM FROM THE CURRENT EXPIRATION DATE OF JULY 4, 1992 TO MARCH 6, 1993.

IN ADDITION TO THE REGULAR 26 WEEKS OF UNEMPLOYMENT BENEFITS, THIS LEGISLATION WOULD PROVIDE FOR ADDED BENEFITS OF 20 WEEKS IN STATES WITH HIGHER UNEMPLOYMENT RATES AND 13 WEEKS IN ALL OTHER STATES UNTIL JANUARY 2, 1993. THIS ADDS UP TO A TOTAL UNEMPLOYMENT BENEFITS PACKAGE OF 46 WEEKS OR 39 WEEKS DEPENDING ON A STATE'S UNEMPLOYMENT RATE.

FROM JANUARY 3, 1993 UNTIL MARCH 6, 1993, THE LEGISLATION PROVIDES FOR EMERGENCY EXTENDED BENEFITS OF 10 OR 7 WEEKS ON TOP OF THE STANDARD 26 WEEKS OF BENEFITS.

STUDY UNEMPLOYMENT BENEFIT REFORM

FINALLY, IN ORDER TO ADDRESS CONCERNS THAT PERMANENT REFORMS TO THE CURRENT EXTENDED BENEFITS SYSTEM NEED TO BE STUDIED, AND IF APPROPRIATE, IMPLEMENTED, THIS LEGISLATION DIRECTS THE ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION -- ESTABLISHED LAST NOVEMBER WHEN EMERGENCY BENEFITS WERE FIRST PROVIDED -- TO STUDY AND REPORT TO THE PRESIDENT AND CONGRESS ITS RECOMMENDATIONS ON CHANGES TO THE SYSTEM BEFORE FEBRUARY 1, 1993.

THE COUNCIL WILL BE REQUIRED TO LOOK AT SUCH IMPORTANT ISSUES AS ELIGIBILITY STANDARDS, THE TRIGGERS USED TO QUALIFY FOR BENEFITS AND THE ADEQUACY AND VARIABILITY OF BENEFIT LEVELS. IF CHANGES TO THE CURRENT SYSTEM ARE WARRANTED, CONGRESS WILL HAVE TIME TO ACT ON THE RECOMMENDATIONS OF THE COUNCIL PRIOR TO THE EXPIRATION OF THE PROPOSED EXTENSION OF BENEFITS ON MARCH 6, 1993.

PACKAGE IS PAID FOR

AS WITH PRIOR EXTENSIONS OF EMERGENCY BENEFITS, THIS PACKAGE IS PAID FOR SO WE DON'T HAVE TO WORRY ABOUT JACKING UP THE DEFICIT AND UNDERMINING THE ECONOMIC RECOVERY WE ARE BEGINNING TO SEE.

ACCORDING TO THE OFFICE OF MANAGEMENT AND BUDGET, THIS EXTENSION OF BENEFITS IS ESTIMATED TO COST \$2.5 BILLION. AND THROUGH OFFSETS FROM THE PRESIDENT'S 1993 BUDGET, THE COSTS OF THIS LEGISLATION ARE ONE HUNDRED PERCENT COVERED.

THESE OFFSETS INCLUDE A PROHIBITION ON SO-CALLED "DOUBLE-DIPPING" BY THRIFTS RECEIVING FEDERAL FINANCIAL ASSISTANCE, A REQUIREMENT CONFORMING BOOK AND TAX ACCOUNTING FOR SECURITIES INVENTORIES, A MODIFICATION TO THE INDIVIDUAL ESTIMATED TAX SAFE HARBOR, AND FINALLY CERTAIN CHANGES TO THE TAXABLE YEAR ELECTION FOR PARTNERSHIPS, S CORPORATIONS, AND PERSONAL SERVICE CORPORATIONS.

WHAT I CONTINUE TO HEAR FROM TAXPAYERS IN MY STATE OF KANSAS IS THAT THE FEDERAL DEFICIT IS STILL PUBLIC ENEMY NUMBER ONE, AND THIS LEGISLATION MAINTAINS THE DISCIPLINE OF THE BUDGET AGREEMENT THAT IS SO IMPORTANT TO EXERCISING SOME CONTROL OVER AN OTHERWISE OUT-OF-CONTROL DEFICIT. AND IT ACHIEVES THIS IMPORTANT GOAL WITHOUT RAISING TAXES.

I CONGRATULATE THE LEADERSHIP OF THE PRESIDENT ON THIS ISSUE AND LOOK FORWARD TO WORKING ON A BIPARTISAN BASIS TO QUICKLY ACT ON THIS IMPORTANT LEGISLATION.

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