ADVISORY

FROM THE COMMITTEE ON WAYS AND MEANS SUBCOMMITTEE ON HUMAN RESOURCES

FOR IMMEDIATE RELEASE Tuesday, April 9, 2013 No. HR-3

Chairman Reichert Announces Hearing on the Implementation of 2012 Unemployment Insurance Reforms

CONTACT: (202) 225-1025

Congressman Dave Reichert (R-WA), Chairman of the Subcommittee on Human Resources of the Committee on Ways and Means, today announced that the Subcommittee will hold a hearing reviewing the implementation of reforms to the unemployment insurance system contained in Public Law 112-96, *The Middle Class Tax Relief and Job Creation Act of 2012*. The hearing will take place at 2:00 P.M. on Tuesday, April 16, 2013, in Room 1100 of the Longworth House Office Building.

In view of the limited time available to hear witnesses, oral testimony at this hearing will be from invited witnesses only. Witnesses will include public and private sector experts on unemployment benefits and policies designed to promote reemployment. However, any individual or organization not scheduled for an oral appearance may submit a written statement for consideration by the Committee and for inclusion in the printed record of the hearing.

BACKGROUND:

In March 2013 (the most recent official data), the U.S. unemployment rate was 7.6 percent, with 11.7 million individuals unemployed, of whom 4.6 million were long-term unemployed – defined as unemployed for 27 weeks or longer. As of the week ending March 16, 2013, approximately 5.2 million individuals were collecting State or Federal unemployment benefits.

The Federal-State Unemployment Insurance (UI) program, created by the Social Security Act of 1935, assists unemployed individuals by offering weekly unemployment benefit checks while they search for work. In order to be eligible for benefits, jobless workers must have a history of attachment to the workforce and must be able and available for work.

As a result of a series of laws enacted since 2008 to provide Federal extended benefits on a temporary basis, the maximum number of weeks of total unemployment benefits payable per person grew by late 2009 to a record 99 weeks, including up to 73 weeks of Federally-funded benefits. Today, long-term unemployed individuals in most States are eligible for a maximum of 63 weeks of total benefits. From July 2008 through December 2012, a total of \$208 billion was

spent on Federal extended unemployment benefits, with most of that cost supported by general revenues.

On February 22, 2012, the President signed P.L. 112-96, *The Middle Class Tax Relief and Job Creation Act*. This legislation extended and reformed the Federal Emergency Unemployment Compensation (EUC) program for the remainder of 2012, which was subsequently extended through December 2013. This legislation also included landmark reforms to the permanent unemployment program, such as creating new job search requirements for Federal benefits, permitting States to have new flexibility to seek "waivers" to promote pro-work reforms, allowing States to screen and test certain UI applicants for illegal drugs, requiring "reemployment eligibility assessments" (REAs) for the long-term unemployed, and requiring States to recover more prior overpayments of UI benefits. The initial implementation of these 2012 reforms was previously explored during a Human Resources Subcommittee hearing in April 2012.

In announcing the hearing, Chairman Reichert said, "Fourteen months ago, Republicans and Democrats in the House and the Senate agreed on commonsense reforms to the unemployment insurance system designed to help more Americans return to work sooner. The President signed those policies into law, but the Administration has since been selective in implementing some policies and has created barriers to successfully helping states take action on other policies. This hearing will help us evaluate how the Administration has implemented the 2012 reforms and determine what we can do to help more Americans collect paychecks instead of unemployment checks.

FOCUS OF THE HEARING:

The hearing will focus on the implementation of reforms to unemployment benefits enacted in P.L. 112-96, *The Middle Class Tax Relief and Job Creation Act*.

DETAILS FOR SUBMISSION OF WRITTEN COMMENTS:

Please Note: Any person(s) and/or organization(s) wishing to submit for the hearing record must follow the appropriate link on the hearing page of the Committee website and complete the informational forms. From the Committee homepage, http://waysandmeans.house.gov, select "Hearings." Select the hearing for which you would like to submit, and click on the link entitled, "Click here to provide a submission for the record." Once you have followed the online instructions, submit all requested information. ATTACH your submission as a Word document, in compliance with the formatting requirements listed below, by Tuesday, April 30, 2013. Finally, please note that due to the change in House mail policy, the U.S. Capitol Police will refuse sealed-package deliveries to all House Office Buildings. For questions, or if you encounter technical problems, please call (202) 225-1721 or (202) 225-3625.

FORMATTING REQUIREMENTS:

The Committee relies on electronic submissions for printing the official hearing record. As always, submissions will be included in the record according to the discretion of the Committee.

The Committee will not alter the content of your submission, but we reserve the right to format it according to our guidelines. Any submission provided to the Committee by a witness, any supplementary materials submitted for the printed record, and any written comments in response to a request for written comments must conform to the guidelines listed below. Any submission or supplementary item not in compliance with these guidelines will not be printed, but will be maintained in the Committee files for review and use by the Committee.

- 1. All submissions and supplementary materials must be provided in Word format and MUST NOT exceed a total of 10 pages, including attachments. Witnesses and submitters are advised that the Committee relies on electronic submissions for printing the official hearing record.
- 2. Copies of whole documents submitted as exhibit material will not be accepted for printing. Instead, exhibit material should be referenced and quoted or paraphrased. All exhibit material not meeting these specifications will be maintained in the Committee files for review and use by the Committee.
- 3. All submissions must include a list of all clients, persons and/or organizations on whose behalf the witness appears. A supplemental sheet must accompany each submission listing the name, company, address, telephone, and fax numbers of each witness.

The Committee seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202-225-1721 or 202-226-3411 TTD/TTY in advance of the event (four business days notice is requested). Questions with regard to special accommodation needs in general (including availability of Committee materials in alternative formats) may be directed to the Committee as noted above.

Note: All Committee advisories and news releases are available on the World Wide Web at http://www.waysandmeans.house.gov/.