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AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 1745, AS REPORTED

OFFERED BY MR. KING OF IOWA

[Page and line numbers refer to the document dated May 20, 2001 (5:46 p.m.)]

Page 18, after line 13, add the following:

1 **TITLE III—STUDY ON THE ECO-**
2 **NOMIC AND BEHAVIORAL IM-**
3 **PACT OF EXTENDED UNEM-**
4 **PLOYMENT BENEFITS**

5 **SEC. 301. STUDY.**

6 (a) CONGRESSIONAL FINDINGS.—Congress finds the
7 following:

8 (1) A record of up to 99 weeks of total unem-
9 ployment benefits are currently available, including a
10 record of up to 73 weeks of 100 percent Federally-
11 funded benefits.

12 (2) Since current Federal unemployment bene-
13 fits were first paid in mid-2008, nearly $180 billion
14 has been spent on those benefits, of which 99 per-
15 cent has been added to the debt.

1 (3) The availability of such unprecedented levels
2 of Federal unemployment benefits has contributed to
3 the increased payout of regular State unemployment
4 benefits because, as the Congressional Budget Office
5 put it in a 2008 analysis: "Outlays for regular
6 (State) unemployment benefits would increase by
7 $0.9 billion because the availability of the EEUC
8 (i.e. Federal unemployment) benefits would affect
9 some recipients' employment decisions.".
10 (b) CRITERIA.—The Congressional Budget Office
11 shall issue a report within 3 months after the date of en-
12 actment of this Act detailing the degree to which the pro-
13 vision of Federal unemployment benefits since 2008 has
14 affected the following:
15 (1) Unemployment rate.
16 (2) Duration of unemployment and the effect of
17 the availability of Federal benefits on employment
18 decisions, as the Congressional Budget Office has
19 touched on in previous reports, such as in its 2007
20 and 2008 reports on long-term unemployment and
21 options for responding to short-term economic weak-
22 ness, respectively.
23 (3) Behavioral effects of individuals receiving
24 unemployment benefits as their benefits begin to ex-
25 pire.

1 (4) Individuals' wages upon reemployment.

2 (5) Sectoral allocation of labor in the economy.

3 (6) Solvency of State unemployment accounts,
4 including in the approximately 30 States that have
5 exhausted their State unemployment accounts and
6 been forced to borrow over $40 billion in Federal
7 funds to continue paying promised State benefits.

8 (7) Unemployment payroll taxes on jobs, includ-
9 ing State payroll taxes and Federal payroll taxes as-
10 sociated with Federal loans.

11 (c) CONSIDERATION.—In assessing the above cri-
12 teria, the Congressional Budget Office shall consider po-
13 tential economic and behavioral responses to extended un-
14 employment benefits.