

# **Unemployment Insurance:** Legislative Issues in the 114<sup>th</sup> Congress

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### **Summary**

The 114<sup>th</sup> Congress continues to consider many issues related to unemployment insurance (UI) programs: Unemployment Compensation (UC), the temporary, now-expired Emergency Unemployment Compensation (EUC08), and Extended Benefits (EB). This report gives a brief overview of the UI programs that may provide benefits to eligible unemployed workers. In addition, it briefly summarizes the President's budget proposal for FY2016.

This report also describes proposed UI legislation in the 114<sup>th</sup> Congress, organized by the following categories:

- Concurrent receipt of Social Security Disability Insurance (SSDI) and UI benefits—S. 343, S. 499, and H.R. 918
- Drug testing—H.R. 1136

For information on the expired EUC08 program, which provided additional unemployment benefits depending on state economic conditions during the period of July 2008 to December 2013, see CRS Report R42444, *Emergency Unemployment Compensation (EUC08): Status of Benefits Prior to Expiration*, by Katelin P. Isaacs and Julie M. Whittaker.

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he unemployment insurance (UI) system has two primary objectives: (1) to provide temporary, partial wage replacement for involuntarily unemployed workers and (2) to stabilize the economy during recessions. In support of these goals, several UI programs provide benefits for eligible unemployed workers.

## **Overview of Unemployment Insurance Programs**

In general, when eligible workers lose their jobs, the joint federal-state Unemployment Compensation (UC) program may provide up to 26 weeks of income support through regular UC benefit payments. UC benefits may be extended for up to 13 weeks or 20 weeks by the Extended Benefit (EB) program if certain economic situations exist within the state. During previous Congresses, the temporarily authorized Emergency Unemployment Compensation (EUC08) program provided additional weeks of benefits (depending on the date, from 13 weeks to 53 weeks). EUC08 benefits expired on December 28, 2013, and are no longer authorized. Currently, although the UC and EB programs are authorized, no state is in an active EB period.

For information on the now-expired EUC08 program, which provided additional unemployment benefits depending on state economic conditions during the period of July 2008 to December 2013, see CRS Report R42444, Emergency Unemployment Compensation (EUC08): Status of Benefits Prior to Expiration, by Katelin P. Isaacs and Julie M. Whittaker.

#### **Unemployment Compensation Program**

The Social Security Act of 1935 (P.L. 74-271) authorizes the joint federal-state UC program to provide unemployment benefits where most states provide up to a maximum of 26 weeks of UC benefits. Former federal workers may be eligible for unemployment benefits through the Unemployment Compensation for Federal Employees (UCFE) program.<sup>3</sup> Former U.S. military servicemembers may be eligible for unemployment benefits through the Unemployment Compensation for Ex-servicemembers (UCX) program.<sup>4</sup> The Emergency Unemployment

<sup>4</sup> 5 U.S.C. § 8521-8525. For more information on the Unemployment Compensation for Ex-servicemembers (UCX) program, see CRS Report RS22440, Unemployment Compensation (Insurance) and Military Service, by Julie M.

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<sup>&</sup>lt;sup>1</sup> For detailed information on each of these programs, see CRS Report RL33362, *Unemployment Insurance: Programs* and Benefits, by Julie M. Whittaker and Katelin P. Isaacs. Certain groups of workers may qualify for income support from additional unemployment insurance (UI) programs, including Trade Adjustment Assistance (TAA), Reemployment Trade Adjustment Assistance (RTAA), and Disaster Unemployment Assistance (DUA). Workers who lose their jobs because of international competition may qualify for income support through the TAA program or the RTAA (for certain workers aged 50 or older). Workers may be eligible to receive DUA benefits if they are not eligible for regular Unemployment Compensation (UC) and their unemployment may be directly attributed to a declared natural disaster. For more information on the TAA and RTAA programs, see CRS Report R42012, Trade Adjustment Assistance for Workers, by Benjamin Collins.

<sup>&</sup>lt;sup>2</sup> Arkansas and Illinois provide up to 25 weeks of UC; Michigan, Missouri, and South Carolina provide up to 20 weeks; and the maximum duration of UC in Florida, Georgia, Kansas, and North Carolina is variable, based on the state unemployment rates. For more details on these states with less than 26 weeks of UC available, see CRS Report R41859, Unemployment Insurance: Consequences of Changes in State Unemployment Compensation Laws, by Katelin P. Isaacs. In addition, the maximum UC duration is 28 weeks in Montana and 30 weeks in Massachusetts. When EB benefits are available, any available UC benefits above 26 weeks are treated effectively as if they were EB payments.

<sup>&</sup>lt;sup>3</sup> 5 U.S.C. § 8501-8508.

Compensation Act of 1991 (P.L. 102-164) provides that ex-servicemembers be treated the same as other unemployed workers with respect to benefit levels, the waiting period for benefits, and benefit duration.

Although federal laws and regulations provide broad guidelines on UC benefit coverage, eligibility, and determination, the specifics regarding UC benefits are determined by each state. This results in essentially 53 different programs. Generally, UC eligibility is based on attaining qualified wages and employment in covered work over a 12-month period (called a base period) prior to unemployment. All states require a worker to have earned a certain amount of wages or to have worked for a certain period of time (or both) within the base period to be monetarily eligible to receive any UC benefits. The methods states use to determine monetary eligibility vary greatly. Most state benefit formulas replace approximately half of a claimant's average weekly wage up to a weekly maximum.

Along with monetary requirements, each state's UC law requires individuals to meet nonmonetary requirements. With few exceptions, individuals must have lost their jobs through no fault of their own and must be able to work, available for work, and actively seeking work. These monetary and nonmonetary requirements help ensure that UC benefits are directed toward workers with strong labor market experience who are experiencing a spell of unemployment caused by economic conditions.

The UC program is financed by federal taxes under the Federal Unemployment Tax Act (FUTA) and by state payroll taxes under the State Unemployment Tax Act (SUTA). The 0.6% effective net FUTA tax paid by employers on the first \$7,000 of each employee's earnings (no more than \$42 per worker per year) funds federal and state administrative costs, loans to insolvent state UC accounts, the federal share (50%) of EB payments, and state employment services.<sup>7</sup>

SUTA taxes on employers are limited by federal law to funding regular UC benefits and the state share (50%) of EB payments. Federal law requires that the state tax be on at least the first \$7,000 of each employee's earnings (it may be more) and requires that the maximum state tax rate be at least 5.4%. Federal law also requires each employer's state tax rate to be based on the amount of UC paid to former employees (known as "experience rating"). Within these broad requirements, states have great flexibility in determining the SUTA structure of their state. Generally, the more UC benefits paid out to its former employees, the higher the tax rate of the employer, up to a maximum established by state law. Funds from FUTA and SUTA are deposited in the appropriate accounts within the Unemployment Trust Fund (UTF).

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<sup>&</sup>lt;sup>5</sup> The District of Columbia, Puerto Rico, and the Virgin Islands are considered to be states under UC law.

<sup>&</sup>lt;sup>6</sup> For details on UC eligibility and benefits, see CRS Report RL33362, *Unemployment Insurance: Programs and Benefits*, by Julie M. Whittaker and Katelin P. Isaacs.

<sup>&</sup>lt;sup>7</sup> The Federal Unemployment Tax Act (FUTA) imposes a 6.0% gross tax rate on the first \$7,000 paid annually by employers to each employee. Employers in states with programs approved by the federal government and with no delinquent federal loans may credit 5.4 percentage points against the 6.0% tax rate, making the minimum net federal unemployment tax rate 0.6%. See CRS Report RS22954, *The Unemployment Trust Fund (UTF): State Insolvency and Federal Loans to States*, by Julie M. Whittaker, for details on how delinquent loans affect the net FUTA tax.

#### **Extended Benefit Program**

The EB program was established by the Federal-State Extended Unemployment Compensation Act of 1970 (EUCA; P.L. 91-373) (26 U.S.C. §3304, note). EUCA may extend receipt of unemployment benefits (extended benefits) at the state level if certain economic situations exist within the state. The President's FY2016 Budget Proposal contains several proposals to alter the EB program. See the "President's Budget Proposal for FY2016" section of this report for details on the proposals.

#### **EB Triggers**

The EB program is triggered when a state's insured unemployment rate (IUR) or total unemployment rate (TUR) reaches certain levels. All states must pay up to 13 weeks of EB if the IUR for the previous 13 weeks is at least 5% and is 120% of the average of the rates for the same 13-week period in each of the two previous years. States may choose to enact two other optional thresholds. (States may choose one, two, or none.) If the state has chosen a one or more of the EB trigger options, it would provide the following:

- Option 1—an additional 13 weeks of benefits if the state's IUR is at least 6%, regardless of previous years' averages.
- Option 2—an additional 13 weeks of benefits if the state's TUR is at least 6.5% and is at least 110% of the state's average TUR for the same 13 weeks in either of the previous two years; an additional 20 weeks of benefits if the state's TUR is at least 8% and is at least 110% of the state's average TUR for the same 13 weeks in either of the previous two years.

EB benefits are not "grandfathered" (phased-out) when a state triggers "off" the program. When a state triggers "off" of an EB period, all EB benefit payments in the state cease immediately regardless of individual entitlement.<sup>9</sup>

#### **Expired Temporary EB Provisions in P.L. 111-312**

The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, P.L. 111-312, as amended (most recently by P.L. 112-240), made some technical changes to certain triggers in the EB program. These changes allowed states to temporarily use lookback calculations based on three years of unemployment rate data (rather than the permanent-law

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<sup>&</sup>lt;sup>8</sup> The total unemployment rate (TUR) is the three-month average of the ratio of unemployed workers to all workers (employed and unemployed) in the labor market. The TUR is essentially a three-month average version of the unemployment rate published by the Bureau of Labor Statistics (BLS) and based on data from the BLS's monthly Current Population Survey (CPS). The insured unemployment rate (IUR) is the ratio of UC claimants divided by individuals in UC-covered jobs. In addition, the IUR uses a different base of workers in its calculations as compared with the TUR. The IUR excludes several groups used in TUR calculations: self-employed workers, unpaid family workers, workers in certain not-for-profit organizations, and several other, primarily seasonal, categories of workers. In addition to those unemployed workers whose last jobs were in the excluded employment, the IUR excludes the following: those who have exhausted their UC benefits (even if they are receiving EB benefits); new entrants or reentrants to the labor force; disqualified workers whose unemployment is considered to have resulted from their own actions rather than from economic conditions; and eligible unemployed persons who do not file for benefits.

<sup>&</sup>lt;sup>9</sup> EB benefits on interstate claims are limited to two extra weeks unless *both* the worker's state of residence (e.g., Texas) and the worker's state of previous employment (e.g., Louisiana) are in an EB period.

lookback of two years of data) as part of their mandatory IUR and optional TUR triggers if states would otherwise trigger off or not be on a period of EB benefits. Using a two-year versus a three-year EB trigger lookback was an important adjustment at the time of the signing of P.L. 111-312 (December 17, 2010) because many states were likely to trigger off of their EB periods despite high, sustained—but not increasing—unemployment rates. For more information on these state law changes, see CRS Report R41859, *Unemployment Insurance: Consequences of Changes in State Unemployment Compensation Laws*. The authorization for the temporary EB trigger modifications expired the week ending on or before December 31, 2013.

The EB benefit amount is equal to the eligible individual's weekly regular UC benefits. Under permanent law, FUTA finances half (50%) of the EB payments and 100% of EB administrative costs. States fund the other half (50%) of EB benefit costs through their SUTA.<sup>10</sup>

#### **Expired Emergency Unemployment Compensation Program**

On June 30, 2008, President George W. Bush signed the Supplemental Appropriations Act of 2008 (P.L. 110-252), which created a new temporary unemployment insurance program, the EUC08 program. This was the eighth time Congress had created a federal temporary program to extend unemployment compensation during an economic slowdown. State UC agencies administered the EUC08 benefit along with regular UC benefits.

The authorization for this program was extended multiple times since its enactment, but it was terminated on December 28, 2013, for all states except New York (December 29, 2013) and North Carolina (June 29, 2013). 12

#### Impact of Federal "Nonreduction" Rule on State UC Laws

In response to similar state UC financial stress following prior recessions, some states decreased the amount of UC benefits paid to individuals through reductions in the maximum benefit amount or changes in the underlying benefit calculations. However, from February 2009 through December 2013, a temporary provision in federal law prohibited most states from enacting legislation that would reduce the average UC benefit amount through changes to benefit calculations. <sup>13</sup> One state, North Carolina, implemented new legislation that reduced benefit

<sup>&</sup>lt;sup>10</sup> P.L. 111-5, the American Recovery and Reinvestment Act of 2009 (most recently amended by P.L. 112-240, the American Taxpayer Relief Act of 2012), temporarily changed the federal-state funding arrangement for the EB program. The FUTA financed 100% of EB benefits from February 17, 2009, through December 31, 2013. The one exception to the 100% federal financing was for those EB benefits based on work in state and local government employment; those "non-sharable" benefits continued to be 100% financed by the former employers.

<sup>&</sup>lt;sup>11</sup> The other programs became effective in 1958, 1961, 1972, 1975, 1982, 1991, and 2002. For more details on these programs, see CRS Report RL34340, *Extending Unemployment Compensation Benefits During Recessions*, by Julie M. Whittaker and Katelin P. Isaacs.

<sup>&</sup>lt;sup>12</sup> For more details on the early termination of EUC08 benefits in North Carolina, see the section in this report on "Impact of Federal "Nonreduction" Rule on State UC Laws" or CRS Report R41859, *Unemployment Insurance:* Consequences of Changes in State Unemployment Compensation Laws, by Katelin P. Isaacs.

<sup>&</sup>lt;sup>13</sup> The final "nonreduction" rule was put into place when P.L. 111-205, the Unemployment Compensation Extension Act of 2010, amended P.L. 110-252, the Supplemental Appropriations Act of 2008). It expired when authorization for the EUC08 program ended (December 28, 2013). There was a similar, but programmatically distinct nonreduction rule in P.L. 111-5, as amended, which prevented states from actively changing the method of calculation of the UC weekly benefit amount to pay UC benefit amounts less than what would have been paid under state law prior to December 31, (continued...)

amounts. As a result, the EUC08 agreement between North Carolina and the Secretary of the U.S. Department of Labor (DOL) terminated early. All tiers of EUC08 ended in North Carolina as of June 29, 2013; therefore, no EUC08 benefits have been available in that state since June 30, 2013.

The implementation of this "nonreduction" rule coincided with an increase in new state actions that reduced UC benefit duration as an alternative means to decrease total UC benefit payments. As a result, these changes in state UC benefit duration may be a state response to state UC financing shortfall. For more information on the state law changes, see CRS Report R41859, *Unemployment Insurance: Consequences of Changes in State Unemployment Compensation Laws* 

## **Unemployment Insurance Benefits and the Sequester**

The sequester order required by the Budget Control Act of 2011 (P.L. 112-25) and implemented on March 1, 2013 (after being delayed by P.L. 112-240), affected some but not all types of unemployment insurance expenditures. Regular UC, UCX, and UCFE payments are not subject to the sequester reductions. EB, EUC08 (when available), and most forms of administrative funding are subject to the sequester reductions. Please see CRS Report R43133, *The Impact of Sequestration on Unemployment Insurance Benefits: Frequently Asked Questions* for additional information on the impact of sequestration on UI benefits and sequestration for FY2013 and FY2014.

#### **FY2015 Sequester of UI Benefits**

In FY2015, the sequestration order requires a 7.3% reduction in all nonexempt nondefense mandatory expenditures. Therefore, the sequestration order requires that EB expenditures be reduced by 7.3% (only on the federal share of EB benefits) for weeks of unemployment beginning on October 4, 2014, through September 26, 2015. As of the date of this report, no EB has been available during FY2015.

## State Fiscal Concerns Alleviating State Unemployment Compensation Stress

If a recession is deep enough and if state unemployment tax (SUTA) revenue is inadequate for long periods of time, states may have insufficient funds to pay for UC benefits. Federal law,

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<sup>(...</sup>continued)

<sup>2008.</sup> No states acted to decrease UC benefit amounts between December 31, 2008, and June 2, 2010, when the federal authorization for this earlier nonreduction rule expired. An exception to the nonreduction rule was created by P.L. 112-96, the Middle Class Tax Relief and Job Creation Act of 2012. This law extended the authorization of the nonreduction rule but included an exclusion for state legislation that was enacted before March 1, 2012, and did not take effect before January 1, 2012.

<sup>&</sup>lt;sup>14</sup> Please see CRS Report R42050, *Budget "Sequestration" and Selected Program Exemptions and Special Rules*, coordinated by Karen Spar, for a detailed discussion of the sequester order.

which requires states to pay these benefits, provides a loan mechanism within the UTF framework that an insolvent state may opt to use to meet its UC benefit payment obligations. States must pay back these loans. If the loans are not paid back quickly (depending on the timing of the beginning of the loan period), states may face interest charges and the states' employers may face increased net FUTA rates until the loans are repaid. 16

In the years immediately following the most recent recession, many states had insufficient SUTA revenue and UTF account balances to pay UC benefits. To provide some relief to states that had borrowed funds in order to provide UC benefits, the American Recovery and Reinvestment Act of 2009 (ARRA; P.L. 111-5) temporarily stopped the accrual of interest charges on these state UC loans and deemed any required interest payments as having been paid beginning on February 17, 2009, through December 31, 2010. Since January 1, 2011, interest charges again began to accrue and interest payments must be made. For calendar year 2014, employers in seven states and the Virgin Islands faced an increased net FUTA because the state UC program had borrowed funds from the federal UTF loan account for two consecutive years. <sup>17</sup>

As of April 13, 2015, nine states and the Virgin Islands had outstanding loans and owed a cumulative \$12.8 billion to the federal accounts within the UTF. In general, the increased state borrowing to fund UC benefits reflects the magnitude of the recession and the slow employment recovery afterward. In addition, an underlying long-term weakness in the financing structure of the UC program was identified by the Advisory Council on Unemployment Compensation (ACUC). The ACUC reports suggested that the underlying federal minimum standards for state SUTA taxes schedules and UTF fund accumulation may give states incentives to underfund state UTF accounts. Under the counts of the UTF accounts.

## President's Budget Proposal for FY2016

The President's budget proposal for FY2016 attempts to address some of the state and federal financing concerns. <sup>21</sup> In 2016, the proposal would (1) reauthorize the lapsed 0.2% FUTA surtax<sup>22</sup>;

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<sup>&</sup>lt;sup>15</sup> Federal UC law does not restrict the states from using loan resources outside of the UTF. Depending on state law, states may have other funding measures available and may be able to use funds from outside of the UTF to pay the benefits (such as issuing bonds).

<sup>&</sup>lt;sup>16</sup> For details on how states may borrow federal funds to pay for UC benefits, see CRS Report RS22954, *The Unemployment Trust Fund (UTF): State Insolvency and Federal Loans to States*, by Julie M. Whittaker.

<sup>&</sup>lt;sup>17</sup> See CRS Report RS22954, *The Unemployment Trust Fund (UTF): State Insolvency and Federal Loans to States*, by Julie M. Whittaker, for more information on the interest calculation and the net FUTA increases in some states.

<sup>&</sup>lt;sup>18</sup> U.S. Treasury Department, Bureau of Public Debt, *Title XII Advance Activities Schedule*, April 13, 2015, at http://www.treasurydirect.gov/govt/reports/tfmp/tfmp\_advactivitiessched.htm.

<sup>&</sup>lt;sup>19</sup> For the current solvency of each state's financing system, see the Division of Fiscal and Actuarial Services, Office of Unemployment Insurance, U.S. Department of Labor, *State Unemployment Insurance Trust Fund Solvency Report 2015*, Washington, DC, March 2015, http://ows.doleta.gov/unemploy/docs/trustFundSolvReport.pdf.

<sup>&</sup>lt;sup>20</sup> For examples on changing the underlying tax structure, see reports released by the Advisory Council on Unemployment Compensation (ACUC), *Collected Findings and Recommendations: 1994-1996*, AUCU, Washington, DC, 1996. Additionally, the report proposed changes to the underlying loan requirements, some of which were incorporated into 20 C.F.R. § 606.32 in 2010.

<sup>&</sup>lt;sup>21</sup> The proposal is accessible at http://www.dol.gov/dol/budget/2015/PDF/CBJ-2015-V1-10.pdf.

<sup>&</sup>lt;sup>22</sup> Congress first passed a temporary FUTA surtax in 1976, and since 1983 the surtax had been applied as 0.2% on the first \$7,000 of employee wages until it lapsed on July 1, 2011. Thus, since then, the effective FUTA tax on employers for each employee is 0.6% (a decrease from 0.8%) on the first \$7,000 of wages.

and (2) increase the taxable wage base to \$40,000 while decreasing the effective FUTA tax rate to 0.165% (making it approximately actuarially equivalent to 0.8% on \$7,000). After 2017, the taxable wage base would be indexed to inflation.

The proposal also would significantly alter and replace most of the EB program. The mandatory IUR trigger would be replaced by a modification of the current optional TUR trigger. Funding for EB would continue to be shared (50% state, 50% federal) if the maximum number of weeks of UC benefits available in the state was fewer than 26 weeks. Funding for EB would be 100% reimbursed with federal funds if the state offers at least 26 weeks of UC. In addition, all EB claimants would be required to receive Reemployment Services and Eligibility Assessments (RES/REAs) as a condition of eligibility. If federal funds in the UTF were insufficient to pay EB, funds would be provided from the Treasury's General Fund through non-repayable advances.

Additionally, the proposal would require states to use the State Information Data Exchange System (SIDES). SIDES provides for the transmission of employer-provided data on the reasons individuals separated from employment. Similarly, the proposal would require states to crossmatch UI claimants with the Prisoner Update Processing System (PUPS) database housed at the Social Security Administration to avoid paying UC benefits to incarcerated individuals.

The proposal would create an offset for concurrent receipt of Social Security Disability Insurance (SSDI) and UC. An individual's SDDI benefit would be reduced, dollar for dollar, in any month in which that person also receives a state or federal UC benefit. (See the section on the "Concurrent Receipt of SSDI and UI Benefits" for introduced legislation on this topic.)

Finally, the proposal would provide up to a total of \$5 billion in lump sum payments to states for opting for changes that "modernize" state UC laws. To become eligible for the payments, states would have to provide for broader federal access to UI wage records; adopt e-filing and/or increased penalties for employer non-reporting; provide for at least 26 weeks of benefits in the regular program; and have a definition of "misconduct" that conforms to the DOL model definition. States would also have to commit to not make qualifying requirements more stringent or reduce benefit levels. In addition, states would have to adopt two new eligibility strategies and two new "connection to work" strategies. Funding for the \$5 billion proposal would come from the Treasury's General Fund.

<sup>&</sup>lt;sup>23</sup> The program would have four tiers of 13 weeks each using trigger thresholds of 6.5%, 7.5%, 8.5%, and 9.5%. This would create up to 52 weeks of EB if a state met the economic conditions. A state could trigger onto a tier either by three-month average TUR at or above the percentage or by having an unemployment rate plus the change in rates from a comparable period in one of the previous two years at or above the trigger value.

<sup>&</sup>lt;sup>24</sup>A way of enforcing job search requirements and providing employment-related assistance to recipients is through Reemployment and Eligibility Assessments (REAs). Since 2005, the federal government has provided grants to state workforce agencies to fund REAs. These are in-person interviews with selected UC claimants to assure that they are complying with the eligibility rules, determine if reemployment services are needed for the claimant to secure future employment, refer the individual to reemployment services (RES) as necessary, and provide labor market information that addresses the claimant's specific needs. REAs replaced a previous Eligibility Review Program that had been funded by DOL in which UC claimants were interviewed to confirm their eligibility for benefits. For more information, see the "Reemployment and Eligibility Assessments" section of CRS Report R43044, *Expediting the Return to Work: Approaches in the Unemployment Compensation Program*, by Julie M. Whittaker.

<sup>&</sup>lt;sup>25</sup> The eligibility strategies include an alternative base period; voluntary quit for family reasons; allow recipients to seek part-time work; pay UI benefits while claimants are in training; and provide for a maximum weekly benefit amount that is at least two-thirds of the state's average weekly wage in covered employment. Connection to work strategies include more intense reemployment services as duration of benefit receipt increases; increased connection between UI and job (continued...)

## Legislative Proposals in the 114th Congress

#### Concurrent Receipt of SSDI and UI Benefits<sup>26</sup>

S. 499 and H.R. 918, both titled the Social Security Disability Insurance and Unemployment Benefits Double Dip Elimination Act, would require for any month that an individual is entitled to UC, EB, or Trade Adjustment Assistance (TAA) for at least one week, he or she shall be deemed to have engaged in substantial gainful activity (SGA) and be disqualified from receiving SSDI benefits. If an individual is participating in a period of trial work (while an SSDI beneficiary), the individual shall be deemed to have rendered services in a month if he or she is entitled to UC or TAA for any week that month. <sup>27</sup>

S. 343, the Reducing Overlapping Payments Act, would require for any month that an individual receives UC, no SSDI benefits would be paid.

#### Drug Testing<sup>28</sup>

H.R. 1136, the Accountability in Unemployment Act of 2015, would require individuals to undergo drug testing and test negative in order to be eligible for UC benefits. Additionally, the bill would require a 30-day waiting period for applicants who test positive for any one of several specified drugs and would require individuals to be ineligible for UC benefits for five years after the third positive drug test.

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referrals; and implementations of voluntary work-based models (such as on-the-job training or apprenticeships), relocation assistance, and state longitudinal wage record data bases.

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<sup>(...</sup>continued)

<sup>&</sup>lt;sup>26</sup> For an overview of concurrent receipt of SSDI and UI benefits in the 113<sup>th</sup> Congress, see CRS Report R43471, Concurrent Receipt of Social Security Disability Insurance (SSDI) and Unemployment Insurance (UI): Background and Legislative Proposals in the 113<sup>th</sup> Congress, by William R. Morton.

<sup>&</sup>lt;sup>27</sup> See CRS Report R41934, *Ticket to Work and Self-Sufficiency Program: Overview and Current Issues*, by William R. Morton.

<sup>&</sup>lt;sup>28</sup> For implications of required drug testing, see CRS Report R42326, *Constitutional Analysis of Suspicionless Drug Testing Requirements for the Receipt of Governmental Benefits*, by David H. Carpenter.