

February 1, 2012

The Honorable Dave Camp
Chairman
Conference Committee on HR 3630
U.S. House of Representatives
Washington, DC 20515

The Honorable Max Baucus
Vice Chairman
Conference Committee on HR 3630
United States Senate
Washington, DC 20510

Dear Chairman Camp and Vice Chairman Baucus:

We are writing in support of the unemployment compensation reforms included in HR 3630, the “Middle Class Tax Relief and Job Creation Act of 2011” as it was passed by the House of Representatives on December 13, 2011. We also support measures to preserve state flexibility and to avoid additional taxes. In particular, we support:

- Provisions within Part 1 of Subtitle B – Unemployment Compensation that assure consistent job search, reemployment services, state flexibility, and improvements in program integrity;
- Enactment of Section 2165 to remove restrictions on state flexibility;
- Assuring that any extension of special extended benefit relaxed “look back” provisions in Section 2143 do not result in further deficits in state or federal accounts supported by taxes paid by employers.

Employers across the country are experiencing dramatic increases in their tax burden related to unemployment compensation, including state experience rate increases, state solvency taxes, assessments to pay for interest on outstanding loans, increases in federal unemployment taxes, and debt service payments in support of bonds and other financing to pay off large outstanding state debts. This increased financial burden has a deleterious effect on economic recovery by increasing the cost of employment and making it more difficult for employers to add jobs. Extensions in unemployment related provisions should not result in further increases in taxes to be paid by employers.

The focus of legislation should be to promote work, job creation and flexibility at the state level to assist unemployed workers in returning to work and enabling employers to create jobs and hire workers.

We urge your support of these important UI reforms addressed in HR 3630.

American Staffing Association
Arkansas State Chamber of Commerce
Associated Industries of Arkansas
Associated Industries of Florida
California Association of Hospitals & Health Systems –
Unemployment Insurance Division
California Chamber of Commerce
Colorado Association of Commerce & Industry
Colorado Hospital Association Shared Services
Connecticut Business & Industry Association
Georgia Association of Manufacturers
Illinois Chamber of Commerce
Indiana Chamber of Commerce
Indiana Manufacturers’ Association
Massachusetts Chamber of Commerce
Michigan Chamber of Commerce
Michigan Manufacturers Association

Missouri Chamber of Commerce
National Federation of Independent Business
Nebraska Chamber of Commerce & Industry
New Jersey Business & Industry Association
New Jersey State Chamber of Commerce
North Carolina Chamber of Commerce
Ohio Chamber of Commerce
Pennsylvania Chamber of Business and Industry
South Carolina Chamber of Commerce
Tennessee Chamber of Commerce & Industry
The Association of Commerce & Industry New Mexico
The Chamber of Commerce of Hawaii
The Kansas Chamber
The Maryland Chamber of Commerce
The State Chamber of Oklahoma
Virginia Chamber of Commerce
UWC – Strategic Services

cc: House Speaker John Boehner, House Minority Leader Nancy Pelosi, Senate Majority Leader Harry Reid, Senate Republican Leader Mitch McConnell