

Committee on Ways and Means

GOP Plan Offers Additional Relief to Unemployed Workers

January 2003

S. 23, passed 416-4 by the House and signed by the President on January 8, 2003, extends the March 2002 Federal extended unemployment benefits program for another five months, with a three-month phase out.

- Workers affected by the former December 28, 2002 expiration date for Federal extended benefits will receive their full benefits.
- Workers who exhaust 26 weeks of regular State unemployment benefits will become eligible for up to 13 weeks of Federal extended benefits in all States, for a total of up to 39 weeks of benefits.
- Workers who exhaust 26 weeks of regular State unemployment benefits in certain high unemployment States would become eligible for up to 26 weeks of Federal extended benefits, for a total of 52 weeks of benefits. "High unemployment" is defined the same as in the March 2002 law, which includes certain States with unemployment rates above 6.5 percent (currently AK, OR, and WA), among other criteria. Individuals in these States also are eligible for up to 13 weeks of extended benefits under a permanent law Federal-State extended benefits program, bringing total weeks of benefits to 65 in such high unemployment States.
- Those who become eligible by May could receive these extended benefits through August 2003.

An additional 2 million unemployed workers will receive extra help, on top of the 4 million workers who already have received assistance in 2002 beyond the 26 weeks of regular benefits.

This plan would provide an estimated \$7 billion in Federal extended unemployment benefits in 2003, on top of the \$19 billion in assistance already provided in 2002.