

**The original documents are located in Box 26, folder “Unemployment Compensation - H.R. 10210” of the Loen and Leppert Files at the Gerald R. Ford Presidential Library.**

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SUBJECT: Rule granted on HR-10210, a bill  
to Amend the Present Unemployment  
Compensation Program

The Rules Committee adopted a three hour modified closed rule on the bill HR-10210, the Unemployment Compensation legislation.

The rule would include committee amendments:

- 1) Amendments to conform the bill to the budget resolution.
- 2) There will be separate votes on each of the four following amendments:
  - a) an amendment to Section 111 requiring coverage of agricultural workers of employers with four or more workers in 20 weeks or who paid \$10,000 in quarterly wages (rather than four workers in 20 weeks or \$5,000 in quarterly wages as in HR-10210)
  - b) an amendment to Section 115 striking provisions that require coverage of state and local government employees and employees of non-profit schools.
  - c) an amendment to Section 211 raising the taxable wage base to \$6,000 (rather than \$8,000 as in HR-10210)
  - d) an amendment to Title III, adding Section 314, requiring states to pay a weekly benefit amount equal to 50% of the claimant's average weekly wage, up to the state maximum. The state maximum must be equal to at least 66-2/3% of the statewide average weekly wage in covered employment.

An amendment offered by Congressman Sisk denying unemployment compensation to athletes and illegal aliens will be in order. There will be an open rule on Title V of the bill. There will be in order one motion to recommit.

THE WHITE HOUSE

WASHINGTON

May 25, 1976

MEMORANDUM FOR: MAX FRIEDERSDORF  
THROUGH: CHARLES LEPPERT, JR. *CLJ*  
FROM: TOM LOEFFLER *T.L.*  
SUBJECT: Ways and Means Committee  
Requested Rule for HR-10210,  
a bill to amend the present  
Unemployment Compensation Program

In executive session today, the Ways and Means Committee agreed upon the following rule request for HR-10210.

The Committee will request a closed rule allowing the following amendments:

- 1) an amendment to Section 111 requiring coverage of agricultural workers of employers with four or more workers in 20 weeks or who paid \$10,000 in quarterly wages (rather than four workers in 20 weeks or \$5,000 in quarterly wages as in HR-10210)
- 2) an amendment to Section 115 striking provisions that require coverage of state and local government employees and employees of non-profit schools.
- 3) an amendment to Section 211 raising the taxable wage base to \$6,000 (rather than \$8,000 as in HR-10210)
- 4) an amendment to Title III, adding Section 314, requiring states to pay a weekly benefit amount equal to 50% of the claimant's average weekly wage, up to the state maximum. The state maximum must be equal to at least 66-2/3% of the statewide average weekly wage in covered employment.

- 5) a duPont amendment to Title IV (study commission) adding a study of the method by which unemployment statistics are collected.

The Committee will also request one committal motion.

cc: Pat Rowland  
Jim Cannon  
Jim Cavanaugh  
Paul O'Neill  
Alan Kranowitz

GENERAL  ELECTRIC

GENERAL ELECTRIC COMPANY, 777 FOURTEENTH STREET, NORTHWEST  
WASHINGTON, DISTRICT OF COLUMBIA 20005, Phone (202) 637-4000

WASHINGTON

CORPORATE

OFFICE

*File*

June 29, 1976

JUL 2 1976

The Honorable Charles Leppert  
The White House  
Washington, D.C. 20500

Dear Charlie:

Following up on our conversation of this date, attached is a fact sheet and talker on H.R. 10210 (Unemployment Compensation). NAM, Business Roundtable, Chamber of Commerce, etc., etc., are all violently opposed to an unneeded and costly attempt which will be made on the Floor to establish minimum federal standards for state unemployment compensation benefits. The benefit standard lost by a narrow margin in both the Unemployment Compensation Subcommittee and the full Ways & Means Committee earlier this year, but the Rules Committee has now allowed the question of adding the benefit standard by amendment on the House floor.

I presume that in supporting the bill, as reported, you will fight against any efforts to establish such minimum federal standards for the states.

Please let me know your position on the amendment.

Best personal regards.

Sincerely,

*Pat*

Patrick E. O'Donnell



POD:acc

Attachment



## UNEMPLOYMENT COMPENSATION

RECEIVED

ACTION REQUESTED

JUN 23 1976

JUNE 21, 1976  
L. B. DAVIS

Your personal participation is necessary to prevent a costly and unwarranted vote to establish minimum federal standards for state unemployment compensation benefits. The vote, on an amendment to the comprehensive unemployment compensation measure (H.R. 10210), is scheduled for June 29th in the House of Representatives.

If the benefit standard is added as an amendment to the bill on the House floor, chances are very slim that the Senate will remove it.

The benefit standard lost by a narrow margin in both the Unemployment Compensation Subcommittee and the full Ways and Means Committee earlier this year, but the Rules Committee has now allowed the question of adding the benefit standard by amendment on the House floor.

You are urged to contact as many Members of the House as possible directly and through your operating units in the various states indicating that the amendment calling for federal minimum standards for weekly benefits must be defeated-- and if the amendment passes, H.R. 10210 should be voted down.

Here are some arguments against the benefit standard:

1. The standard applies principally to the maximum weekly amount payable, i.e., the states must pay a maximum of at least 66-2/3% of the state average weekly wage. As such, only the recipients presently affected by the maximum (the higher salaried employees) will benefit.
2. The benefit standard represents the first step in a process designed to totally federalize the present state/federal U.C. system. Next would come standard on eligibility (payments to strikers), disqualification (voluntary quit) and wage replacement levels (66-2/3% of gross weekly pay--currently 50% in most states).
3. 20 state U.C. funds already exhausted by the demands put on the system by the recent recession. Now is not the time to accelerate the depletion via increase benefit levels for the higher wage employees.
4. The highly industrialized states will be hardest hit by the benefit standard since it is keyed to the state weekly wage.
5. Since the states are now responsible for collecting taxes from which benefits are paid, they should retain responsibility for establishing how and at what level the benefit dollars are distributed.
6. Some states have opted for loosening eligibility requirements instead of raising benefit levels. A federal mandate to raise benefits would put employers in a poor position to ever tighten up the eligibility statutes in the state legislature.
7. State action in increasing benefit levels has been commendable. Between 1969 and 1975, average benefits paid increased 52% while the average weekly wage increased only 39% and the Consumer Price Index only 47%.

Please take action by wire or phone immediately to prevent destruction of our state/federal U.C. system. If you have a question, contact UBA, Inc. at (202) 393-6678.

(Sent to Business Roundtable Industrial Relations Reps; cc: Washington Reps.)

Unemployment Compensation

Federal Unemployment Compensation Benefit Standards are not needed because states have been doing a commendable job in improving benefits. Majority of complainants are receiving at least 50% of their pay when unemployed. The FUCBS would eliminate present flexibility and adaptation to the economic differentials among the states and substantially increase costs when many state funds and federal funds have gone bankrupt in the last 18 months, because of high unemployment. By the end of this year it is estimated that 30 state funds may be bankrupt and federal loan fund will be exhausted and it is not the time to add more costs.

Jones (ALA)	Ginn	Rinaldo ✓	Regula
Leggett	Levitas	Ambro	Heniz
Ryan	Stuckey	Stratton ✓	Myers
McFall	Hall	Pattison ✓	Vigorito
Rees	(McClory	Nowak	Biester
Burke (Cal.)	Railsback → P: D	Lundine	Holland
Wilson (Cal.)	Jacobs	Lent	Evins
Van Deerlin	Evans	Wydler	Jones
McCloskey ~ RSD 11/13/44	Hamilton	Peyser	Poage
Lagomarsino	Hayes	Fish - PDD	Young (Tex.)
Bell	Roush	Mitchell ✓	dela Garza
McKinney ✓	Sharp	Walsh ✓	Steelman - PDD
Sikes	Natcher	Horton	Baldus
Fuqua	Mazzoli ✓	Jones (N.C.)	
Chappell	Breckinridge	Henderson	
Haley	Conte	Neal	
Kelly	Heckler	Rose	
Young (Fla.)	D'Amours	Hefner	
Frey	Florio	Whalen	
Burke (Fla.)	Hughes	Brown (Ohio) - P	
	Patten	Mosher	



July 9, 1976

Dear Pat:

Thank you for your comments and the concern of General Electric on HR-10210, the bill on unemployment compensation amendments.

I have forwarded the comments of the business community as expressed by your letter to the appropriate staff for consideration and comment.

I am asking Tom Loeffler to advise you of our position on this matter.

Sincerely,

Charles Leppert, Jr.  
Deputy Assistant  
to the President

Mr. Patrick E. O'Donnell  
General Electric Company  
777 Fourteenth Street, N. W.  
Washington, D. C. 20005

CL:nd





THE WHITE HOUSE

WASHINGTON

July 9, 1976

MEMORANDUM FOR: JIM CANNON

THROUGH: MAX FRIEDERSDORF

FROM: CHARLES LEPPERT, JR. *CLJ*

SUBJECT: HR-10210 Unemployment  
Compensation Amendments

Attached for your information is a copy of Pat O'Donnell's letter expressing the business community strong opposition to a proposed amendment to HR-10210 which will establish minimum Federal standards for state unemployment compensation benefits.

What is the Administration position on this amendment?

HR-10210 is scheduled for consideration in the House on Monday and Tuesday, July 19 and 20.

cc: Paul O'Neill  
Pat Rowland  
Tom Loeffler

Attach.

# GENERAL ELECTRIC

GENERAL ELECTRIC COMPANY, 777 FOURTEENTH STREET, NORTHWEST  
WASHINGTON, DISTRICT OF COLUMBIA 20005, Phone (202) 637-4000

WASHINGTON  
CORPORATE  
OFFICE

June 29, 1976

JUL 2 1976

The Honorable Charles Leppert  
The White House  
Washington, D.C. 20500

Dear Charlie:

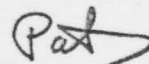
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Jones (ALA)

Leggett

Ryan

McFall

Rees

Burke (Cal.)

Wilson (Cal.)

Van Deerlin

McCloskey - RSD ACCY

Lagomarsino

Bell

McKinney ✓

Sikes

Fuqua

Chappell

Haley

Kelly

Young (Fla.)

Frey

Burke (Fla.)

Ginn

Levitas

Stuckey

Hall

(McClory

Railsback - P: D

Jacobs

Evans

Hamilton

Hayes

Roush

Sharp

Natcher

Mazzoli ✓

Breckinridge

Conte

Heckler

D'Amours

Florio

Hughes

Patten

Rinaldo ✓

Ambro

Stratton ✓

Pattison ✓

Nowak

Lundine

Lent

Wydler

Peyser

Fish - PDD

Mitchell ✓

Walsh ✓

Horton

Jones (N.C.)

Henderson

Neal

Rose

Hefner

Whalen

Brown (Ohio) - PDD

Mosher

Regula

Heniz

Myers

Vigorito

Biester

Holland

Evins

Jones

Poage

Young (Tex.)

dela Garza

Steelman - PDD

Baldus

