



1           WHEREAS, as a result of the COVID-19 pandemic, in January of this year  
2 approximately one hundred ninety-seven thousand jobless Louisiana workers received  
3 federal or state unemployment compensation benefits compared to about seventeen thousand  
4 jobless workers in January of 2020, leaving a staggering economic impact on businesses and  
5 residents statewide; and

6           WHEREAS, in an effort to slow the spread of the novel coronavirus, a series of  
7 executive orders was issued that resulted in a statewide shutdown of nonessential businesses  
8 and operations causing an increase in the number of individuals who have filed for  
9 unemployment benefits; and

10           WHEREAS, the unemployment compensation trust fund balance was approximately  
11 one billion fifty million dollars at the start of the COVID-19 pandemic, and had a balance  
12 of only forty-eight million dollars as of September 25, 2020; and

13           WHEREAS, the state's unemployment compensation trust fund was insolvent by  
14 October 5, 2020, and the commission is required to pay valid claims whether the fund is  
15 solvent or not and has paid more than one billion dollars in claims since March 2020; and

16           WHEREAS, insolvency of the unemployment compensation trust fund will not stop  
17 benefits to unemployed Louisiana workers and the fund's diminished capacity and  
18 subsequent insolvency will, by law, trigger undesirable effects, including a drop in weekly  
19 benefit payments to unemployed workers and an increase in taxes to businesses; and

20           WHEREAS, Louisiana businesses are recovering from the challenges presented by  
21 this unprecedented health and economic crisis and continue to struggle to strengthen the  
22 state's economy so workers can return to earning a living in the months ahead and into 2022;  
23 and

24           WHEREAS, in an effort to stabilize unemployment taxes on businesses and  
25 unemployment benefits to unemployed workers, it is necessary to temporarily suspend  
26 present law procedures that trigger those consequences.

27           THEREFORE, BE IT RESOLVED that the Legislature of Louisiana hereby suspends  
28 the provisions of R.S. 23:1474(C), (G)(3), and (H) providing for the determination of the  
29 unemployment insurance taxable wage base, maximum weekly benefit amount, and formula  
30 for the calculation of benefits.

