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By:  Rodriguez H.C.R. No. 76

CONCURRENT RESOLUTION

WHEREAS, Over the past year, more than 2 million Texans have applied for unemployment compensation benefits as the COVID-19 pandemic caused unprecedented displacement, layoffs, and furloughs; and

WHEREAS, The Unemployment Compensation program was designed to help jobless Americans during economic downturns; administered jointly by the state and federal governments, the program is funded through reserve and surplus funds, which are financed through payroll taxes under the Federal Unemployment Tax Act and the State Unemployment Tax Acts; and

WHEREAS, In 2020, Texas depleted its unemployment insurance trust fund to below the minimum level required to maintain solvency; in order to avoid raising unemployment insurance taxes on businesses, Texas must borrow funds from the federal Unemployment Trust Fund; as of March 2, 2021, the State of Texas' outstanding loan balance stands at $6.5 billion; and

WHEREAS, Fortunately, the Families First Coronavirus Response Act provided states a temporary waiver of interest payments and suspended the accrual of interest on federal advances to states; those provisions were extended by the American Rescue Plan Act, but these relief measures will expire in September 2021; and

WHEREAS, Without further assistance from the federal government, states such as Texas will be forced to replenish their unemployment insurance trusts by raising business taxes, which would inhibit economic recovery and harm already struggling businesses and workers; now, therefore, be it

RESOLVED, That the 87th Legislature of the State of Texas hereby respectfully urge the Congress of the United States to provide financial assistance to the states' unemployment compensation programs; and, be it further

RESOLVED, That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the president of the Senate and the speaker of the House of Representatives of the United States Congress, and to all members of the Texas delegation to Congress with the request that this resolution be entered in the Congressional record as a memorial to the Congress of the United States of America.