

EXTENSION OF UNEMPLOYMENT ASSISTANCE FOR
VICTIMS OF 9-11 TERRORIST ATTACKS

MARCH 18, 2002.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. YOUNG of Alaska, from the Committee on Transportation and
Infrastructure, submitted the following

R E P O R T

[To accompany S. 1622]

[Including cost estimate of the Congressional Budget Office]

The Committee on Transportation and Infrastructure, to whom was referred the bill (S. 1622) to extend the period of availability of unemployment assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in the case of victims of the terrorist attacks of September 11, 2001, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

SUMMARY OF LEGISLATION

S. 1622 extends the period of availability from 26 to 52 weeks of Disaster Unemployment Assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act for individuals who lost their jobs as a result of the terrorist attacks on September 11, 2001.

BACKGROUND

On September 11, 2001, terrorists attacked the Pentagon and the World Trade Center by deliberately crashing aircraft into the structure. They were poised to inflict more harm with a fourth airplane, which went down in Pennsylvania, after passengers, and crew fought the hijackers. These horrible events marked the worst attack on domestic soil since the 1941 attack on Pearl Harbor. The magnitude and enormity of these attacks are unprecedented in our nation's history.

The September 11th attacks damaged or destroyed nearly 25 million square feet of office space, which makes up approximately 20

percent of all the office space in downtown New York. The destruction has caused the direct loss of 110,000 jobs and further put at risk 270,000 jobs in the New York City area.

In Northern Virginia, Washington's Ronald Reagan National Airport, located just minutes from the Pentagon, was forced to close for 3 weeks. According to published media reports, the attack has caused the loss of 18,700 jobs. State and local sales tax revenues have been reduced by \$22 million. Travel spending in the Northern Virginia/Washington, DC metro area is down \$247 million.

The Federal Emergency Management Agency (FEMA) administers the disaster unemployment assistance program pursuant to §410(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide unemployment assistance to persons who become unemployed as a result of major disasters. The program currently provides disaster unemployment assistance to qualifying individuals for a period not to exceed 26 weeks. The 26-week eligibility period begins on the date of approval of receipt of assistance. Individuals from Northern Virginia and New York City are eligible for disaster unemployment assistance only if they are not receiving other types of unemployment assistance. S. 1622 extends the period of eligibility from 26 weeks to 52 weeks.

The President declared a major disaster in New York City on September 11, 2001, and in Northern Virginia on September 21, 2001.

HEARINGS AND LEGISLATIVE HISTORY

No Hearings were held in conjunction with ordering reported S. 1622.

COMMITTEE CONSIDERATION

On February 27, 2002, the Full Committee met in open session for the consideration of H.R. 3593, a bill to extend the period of availability of unemployment assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act from 26 weeks to 52 weeks for the victims of the September 11th attacks. The legislation was introduced by Mr. Nadler. S. 1622, an identical bill, was discharged from the Subcommittee on Economic Development, Public Buildings and Emergency Management, by unanimous consent. A unanimous consent request was made to substitute S. 1622 for H.R. 3593, during consideration of the bill. There were no recorded votes taken during Committee consideration of S. 1622 which was favorably reported by voice vote, a quorum being present.

ROLLCALL VOTES

Clause 3(b) of rule XIII of the House of Representatives requires each committee report to include the total number of votes cast for and against on each rollcall vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against. There were no rollcall votes taken in connection with ordering S. 1622 reported. A motion by Mr. LaTourette to order S. 1622 favorably reported to the House was agreed to by voice vote, a quorum being present.

COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in this report.

COST OF LEGISLATION

Clause 3(c)(2) of rule XIII of the rules of the House of Representatives does not apply where a cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of the report and is included in the report. Such a cost estimate is included in this report.

COMPLIANCE WITH HOUSE RULE XIII

1. With respect to the requirement of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, and 308(a) of the Congressional Budget Act of 1974, the Committee references the report of the Congressional Budget Office included below.

2. With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goals and objective of this legislation are to provide an additional period of eligibility for assistance to individuals pursuant to applicable rules and regulations of the Federal Emergency Management Agency for whom no other assistance is available.

3. With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for S. 1622 from the Director of the Congressional Budget Office.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 1, 2002.

Hon. DON YOUNG,
Chairman, Committee on Transportation and Infrastructure, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1622, a bill to extend the period of availability of unemployment assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in the case of victims of the terrorist attacks of September 11, 2001.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Julie Middleton.

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 1622—A bill to extend the period of availability of unemployment assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in the case of victims of the terrorist attacks of September 11, 2001

Summary: S. 1622 would require the Federal Emergency Management Agency (FEMA) to extend the amount of time from 26 weeks to 52 weeks that individuals who lost their jobs as a result of the September 11, 2001, terrorist attacks would be eligible to receive disaster unemployment assistance. CBO estimates that extending the period of eligibility would cost the federal government about \$4 million, mostly in fiscal year 2002, assuming appropriation of the necessary amounts. Because S. 1622 would not affect direct spending or receipts, pay-as-you-go procedures would not apply.

S. 1622 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on the budgets of state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of S. 1622 is shown in the following table. The costs of this legislation fall within budget function 450 (community and regional development).

	By fiscal year, in millions of dollars—					
	2002	2003	2004	2005	2006	2007
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	4	0	0	0	0	0
Estimated Outlays	3	1	0	0	0	0

Basis of estimate: For this estimate, CBO assumes S. 1622 will be enacted early in fiscal year 2002 and the necessary funds will be appropriated. Under current law, people who lose their jobs as a result of disasters and are not eligible for any other form of unemployment assistance are eligible to receive disaster unemployment assistance from FEMA for up to 26 weeks, though the average length of time for such assistance is 13 weeks. FEMA estimates that the total number of disaster unemployment assistance claims stemming from the September 11, 2001, terrorist attacks will be about 2,500. CBO expects that the total number of recipients receiving assistance would decrease each week by 5 percent over the 52-week period of eligibility. We estimate that, under this bill, the victims would receive an average rate of \$250 a week for an average of about 20 weeks.

Based on information from FEMA and information about the past costs of extending federal unemployment compensation, CBO estimates that extending the period of eligibility for disaster unemployment benefits would cost about \$4 million over the 2002–2007 period, assuming appropriation of the necessary funds. That is the difference between an estimated cost of about \$8 million for assistance up to 26 weeks (under current law) and an estimated cost of about \$12 million for extended assistance up to 52 weeks.

Pay-as-you-go considerations: None.

Intergovernmental and private-sector impact: S. 1622 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on the budgets of state, local, or tribal governments.

Previous CBO estimate: On December 6, 2001, CBO transmitted a cost estimate for S. 1622 as ordered reported by the Senate Committee on Environment and Public Works on November 8, 2001. The two versions of this legislation are identical, as are their estimated costs.

Estimate prepared by: Federal costs: Julie Middleton; impact on state, local, and tribal governments: Leo Lex; and impact on the private sector: Lauren Marks.

Estimate approved by: Robert A. Sunshine, Assistant Director for Budget Analysis.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause (3)(d)(1) of rule XIII of the Rules of the House of Representatives, committee reports on a bill or joint resolution of a public character shall include a statement citing the specific powers granted to the Congress in the Constitution to enact the measure. The Committee on Transportation and Infrastructure finds that Congress has the authority to enact this measure pursuant to its powers granted under article I, section 8 of the Constitution.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act. (Public Law 104–4.)

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act. (Public Law 104–1.)