

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office  
FLOOR DEBATE

February 24, 2004 LB 1049

workers on expenses of daily living, including rent or mortgage payments, utility bills, groceries, gasoline, and medical bills. In other words, UI benefits are tantamount to payments to...

SPEAKER BROMM: One minute.

SENATOR BOURNE: ...Iowa businesses for goods and services. Critics of unemployment insurance essentially view UI benefits as disappearing from the economy after the benefit checks are sent to jobless workers. This one-sided approach considers only the costs and not the benefits of these UI programs. Somehow Senator Cunningham, he makes it sound like these people are going to get rich off this program. Two hundred dollars a week? They're paying their bills. They're stimulating the economy. They're propping this economy up. Again, if he wants to modify the bill so that it somehow targets the ne'er-do-wells, the scam artists, the people who are scamming the system, I will absolutely support that. But until he does, I'm going to be opposed to the bill because he snares people that absolutely need this program. The state's economy needs this program. These people need this program. I am not going to support his bill until he modifies it to narrowly focus on the exact problem. Thank you.

SPEAKER BROMM: Thank you, Senator Bourne. Senator Baker.

SENATOR BAKER: Thank you, Mr. Speaker and members. I...a lot of what I was going to say has been said since I turned my light on. I was way down the list. But I wanted to make clear to people I'm one of those employers that pays unemployment insurance to the state. It's the employers paying this, not the employees. They have no stake in this as far as money taken out of their paycheck. The employers pay it. It's only the first \$7,000 on an annual basis that an employer contributes, you know, in payment to that person that's subject to unemployment insurance, so the first \$7,000. Once the person hits that \$7,000 threshold, then it's no longer subject to unemployment insurance payments by the employer. And I was speaking with Senator Vrtiska. I know our rates were tripled. We have never had...we've never paid a claim in the business that I'm associated with. We've had claims brought against us, but never