

## **HB 15 & SB 50\***

### **Big Business Bail Outs for a Failed Unemployment System**

\*SB 50 has not yet been amended to match HB 15, but it will.

**Background:** Florida's Unemployment Insurance System (UI) is not a worker benefit program but a business insurance program. Nationally, UI was established after the Great Depression to make sure that unemployed workers maintained some spending power to keep businesses functioning during periods of mass layoffs.

Businesses pay premiums (now called taxes but really, they are insurance premiums) for this insurance trust fund. This fund is where UI benefits for unemployed workers come from. In 2011, due to an insolvent fund, businesses pushed to keep their premiums the same, rather than increasing as the law says. They did this by slashing benefits and eligibility so workers paid the price to keep these premiums low. That is what led to the crisis last year.

This time around, the fund is low and by law, business premiums are supposed to go up. In order to keep these premiums the same, they are going to start collecting taxes on internet sales (raising taxes on workers) and then put those newly generated dollars into the insurance trust fund to keep business premiums the same, just like 2011. **Workers will be directly bailing out businesses and paying businesses insurance premiums FOR them!**

- **These bills are not new taxes in the strict sense, but they are new laws to require the collection of a tax already owed. WE DO NOT OPPOSE THIS, IT IS WHAT THEY ARE DOING WITH THE NEW MONEY COLLECTED, ESTIMATED TO BE ABOUT \$1 BILLION IN THE FIRST YEAR.**
- The injustice here is that workers will be paying more taxes and that those taxes will be used exclusively to pay for an Unemployment Insurance system that has failed them miserably.
- If workers are paying more taxes for the UI system, shouldn't some, or all, of that money be used to fix the broken UI system and not to bail out big business?
- It is big businesses' responsibility to pay for unemployment, why is it fair to shift that responsibility to working families? Especially when the majority of unemployed workers never received a single penny from the UI system last year...or now!

**It will be very difficult to stop this bill in entirety. What we want to do is get the word out that that it is wrong to force workers to pay for a failed Unemployment Insurance system that is not being fixed. We hope to generate noise to slow the process a bit and let us work to improve the situation.**

**We talk about raising taxes to get attention but the focus must shift to a message of using that funding to bailout big businesses. Here are some slogan ideas as requested.**

**Taxes for Worker Benefits – Not Big Business Bailouts**

**Take Care of Workers First**

**Workers Suffering – Taxes for Us, not Big Business Bailouts**

**Legislature Raising Our Taxes – Shouldn't We Get Some Help?**

**Unemployment Has Failed Us – Why Must We Pay for it?**

**No Tax Hikes on Families for Big Business Bailouts**

**We Need Unemployment Reform Now**

**Big Business Pay Your Fair Share**

**They are saying this is about protecting small businesses, but this is about economies of scale. This is about shielding companies with thousands of employees from paying their fair share for the Unemployment System.**