



STATE OF ALABAMA
Department of Industrial Relations

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TO: Members of the Alabama Legislature

FROM: Phyllis K. Kennedy, Director

RE: HB 137 by Rep. Clouse SB 345 by Sen. Poole (Identical Bills)

Dear Legislator:

As you may know, the Department of Industrial Relations has legislation pending to extend the existing "enhancement" program.

This program, which began in 1988, provides funding to keep the local Employment Service Offices open and administer the UC claimant assistance program. This program focuses on claimants drawing UC benefits by assisting in finding them jobs so they can get off unemployment faster, thus saving money in the UC trust fund. With the national unemployment rate at 6.1%, the highest in nine years, we cannot afford to miss this opportunity to put unemployed workers back to work.

The funds expended by DIR on the Claimant Assistance Program have generated significant savings for the UI Trust Fund. In fact, each year since 1988, the program has saved **many millions** for the Trust Fund!

The passage of one of these bills is critical to the survival of the Alabama State Employment Service local offices and maintenance of the UC Trust Fund balance. Failure to pass one of these bills will result in closure of a number of local ES offices which will have a major negative impact on unemployed workers and on employers who use our services.

We need your help in this matter and appreciate anything you can do.