

VETO—S. 1722

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MESSAGE

FROM

**THE PRESIDENT OF THE UNITED STATES**

RETURNING

WITHOUT MY APPROVAL S. 1722, THE EMERGENCY  
UNEMPLOYMENT COMPENSATION ACT OF 1991



OCTOBER 15, 1991—Ordered to be printed

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*To the Senate of the United States:*

I am returning herewith without my approval S. 1722, the "Emergency Unemployment Compensation Act of 1991." I would gladly sign into law responsible legislation that does not threaten the economic recovery and its associated job creation, a fact that members of my Administration and I have repeatedly made clear. We have worked diligently with Members of Congress to encourage them to adopt a well-crafted alternative program of extended unemployment benefits that is paid for, as required under the bipartisan budget agreement. Unfortunately, the Congress has rejected this alternative and ignored my call for passage of measures that will increase the Nation's competitiveness, productivity, and growth.

The Administration is deeply concerned about the needs of the unemployed and their families. It is essential that we take responsible actions to ensure that the economic recovery continues and strengthens, creating new employment opportunities.

If a bill providing unemployment benefits in a responsible manner—financed under the budget agreement—reached my desk, it would be signed immediately so we could provide real additional benefits to the unemployed.

S. 1722 would effectively destroy the integrity of the bipartisan budget agreement and put into place a poorly designed, unnecessarily expensive program that would significantly increase the Federal deficit. Enactment of S. 1722 would signal the failure of budget discipline, which would have a negative effect on financial markets that could threaten economic recovery and lead to increased unemployment. This legislation would not well serve the unemployed or our Nation's taxpayers.

S. 1722 violates essential elements of last year's bipartisan budget agreement. It does not include offsets for costs that the Congress projects at \$6.5 billion during fiscal years 1992-1995. Instead, it simply adds this cost to the Federal deficit by requiring that the provisions of the bill be treated as "emergency requirements" designated by the President and the Congress under the Balanced Budget and Emergency Deficit Control Act of 1985. This breaches the budget agreement by denying me the independent authority to determine when an emergency exists, thereby removing a key safeguard for enforcing budget discipline.

In addition, S. 1722 is substantively flawed. It would establish a new, temporary Federal program providing three tiers of extended unemployment benefits. This complex, cumbersome system could slow reemployment and would result in benefit delays, payment inaccuracies, and escalating administrative costs. Moreover, the bill inappropriately abandons the measure of unemployment that has historically been used to trigger extended benefits, substituting an

overly broad measure that is not based upon the target group—insured workers.

The Administration will continue to support alternative legislation that effectively addresses the needs of the unemployed while also maintaining the budget discipline that is imperative to the prospects of future employment and economic growth.

GEORGE BUSH.

THE WHITE HOUSE, *October 11, 1991.*

