



Ninety-Eighth Legislature - Second Session - 2004  
**Introducer's Statement of Intent**  
**LB 893**

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**Chairperson:** Floyd P. Vrtiska  
**Committee:** Business and Labor  
**Date of Hearing:** February 2, 2004

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 893 would adjust the Nebraska taxable wage base for the unemployment insurance program for the first time since 1983 by providing that the taxable wage base would be indexed in the same manner that unemployment benefits are presently indexed, thus ensuring the long-term viability of the unemployment program. Unemployment benefits were indexed following the passage of LB 225 in 1998. Since the passage of LB 225, the maximum weekly unemployment benefit amount has increased by over fifty percent while the taxable wage base has remained relatively stable. Growth in the cost of benefits without growth in the taxable wage base has jeopardized the long-term viability of the unemployment program. LB 893 would ensure that unemployment benefits will continue to be available to workers unemployed through no fault of their own and that the cost of the combined tax will be more equitably distributed among Nebraska employers.

**Principal Introducer:** \_\_\_\_\_  
**Senator Floyd Vrtiska**