

Huge Cost of Unemployment Benefits Poses Dilemma for All Louisiana Employers

Publication

3.31.06

Louisiana faces an unprecedented level of unemployment benefits paid as a result of the impact from Hurricanes Katrina and Rita. This article discusses the state's liberally-granted unemployment benefits and how the price tag could prove quite painful for all Louisiana employers.

In a relatively typical week before the disasters, the Louisiana Department Of Labor paid less than 9,000 unemployment claims and under \$4 million in benefits. By the end of October, those weekly numbers swelled to 219,000 claims and \$237 million in benefits paid. In late January, the LDOL still handled over 90,000 claims in one week and paid about \$20 million in benefits

Although no final decision has been made, some employers could be billed for the full cost of post-storm benefits paid to employees.

This article appeared in the March 31, 2006 issue of Louisiana Hospital Association's *Impact Lawbrief*.

Related People



A. Kevin Troutman

Senior Counsel

713.292.5602

Email

