

Amendments to State Unemployment Insurance Laws

U.S. DEPARTMENT OF LABOR
Employment and Training Administration
Washington, D.C. 20210

REPORT ON STATE LEGISLATION

REPORT NO. 4
December 2006

DISTRICT OF COLUMBIA	B 510 (A.N. 16-589)	ENACTED December 28, 2006 EFFECTIVE January 1, 2006
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Financing

Amends state law to include SUTA dumping prevention provisions which:

mandate transfer of experience from one employer to another when there is substantially common ownership, management, or control; apply to both total and partial transfers;

prohibit transfer of experience if a person becomes an employer by acquiring an existing business and if the purpose of the acquisition is to obtain a lower contribution rate; apply to persons, who prior to the acquisition of the business, (a) had no employees and (b) had some employees but not enough to be an employer for state law purposes;

provide meaningful civil and criminal penalties for knowingly violating or attempting to violate the law's requirements, and for knowingly advising to violate the law; and establish procedures to identify the transfer or acquisition of a business for purposes of the law.

MISSOURI	HB 1456 (CH 288)	ENACTED June 14, 2006 EFFECTIVE October 1, 2006
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Administration

Requires the Directors of the Division of Employment Security and the Division of Workforce Development to submit a report annually to the General Assembly and the Governor, by October 15, 2006, outlining their recommendations for how to improve work search verification and claimant reemployment activities. Subsequent reports must be submitted by December 31 each year.

Allows designated staff in an employment security office (i.e. one-stop career centers) to direct a claimant to apply for available suitable work.

Allows the use of collection agencies, to the extent allowed by federal law, to collect any uncollectible debt (i.e. benefit overpayments and delinquent taxes).

Appeals

Allows the appeals tribunal to reconsider any decision or order within 30 days, regardless

of whether any party to the decision has initiated a further appeal.

Extensions and Special Programs

Prohibits the division from denying shared work benefits as a result of the week containing holiday earnings that are committed to be paid by the employer, unless the shared work benefits to be paid are for the same hours as the holiday earnings.

Financing

Deletes the existing statutory definition of lessor and replaces it by referencing the definition in the *Federal Register*.

Clarifies that the taxable wage base trigger is the average 4 quarter balance as of September 30.

Removes the sunset provision due to expire December 31, 2007, on the temporary debt indebtedness assessment.

Changes the formula for calculating the assessment to pay principal, interest, and administrative expense related to credit instruments and financial agreements (bonds and commercial loans). Under the new formula the amount due from each employer is calculated based upon their experience rate. Additionally, the date employers are notified of an assessment was moved from January 30 to April 30.

Removes the sunset provisions due to expire January 15, 2008, on the issuance of credit instruments and financial agreements, and extends their maximum maturity date (from 3 years to 10 years after issuance).

Clarifies that during CY 2009, the taxable wage base will not increase beyond \$12,500 (previously \$12,000).

Monetary Entitlement

Modifies the computation of, and the maximum, weekly benefit as follows:

- 4 percent of high quarter wages up to \$270 for the remainder of 2006.
- 4 percent of high quarter wages up to \$280 in 2007.
- 4 percent of average two highest quarters up to \$320 in 2008 and each year thereafter.

Nonmonetary Eligibility

Modifies the alcohol and drug related misconduct provision as follows:

- deletes the detectible amount levels for marijuana and alcohol, creating a zero tolerance policy.
- makes changes to the admissibility provisions.
- adds verbiage allowing a positive pre-employment drug or alcohol test to be considered misconduct.
- clarifies that a finding of evidence of impairment is not required to prove misconduct.

Changes the disqualification for misconduct from 6 times the weekly benefit amount to 6

times the weekly benefit amount for each disqualifying separation.

Provides that absenteeism or tardiness may constitute a rebuttable presumption of misconduct.

Overpayments

Establishes uniform recovery options for fraud and non-fraud overpayments to include:

- billing
- offsetting future benefit payments
- set-offs against state and federal income tax to the extent allowed by law
- interception of lottery winnings
- other collection efforts authorized by the division.