

HB 623 -- Employment Security

Sponsor: Hilgemann

This bill makes several changes to the unemployment compensation law. The bill:

(1) Changes the calculation of the state taxable wage base for determining contribution rates to 45% of the state's average annual wage, rounded down to the nearest \$500, for calendar year 2004 and later;

(2) Changes the maximum weekly benefit amount to 40% of the state's average weekly wage, rounded up or down to the nearest \$5 increment, for calendar year 2004 and later;

(3) Prohibits employers that are taxed at the maximum rate from applying to extend the eight-week period of temporary unemployment with a definite recall date;

(4) Makes the one-week waiting period non-compensable at any time;

(5) Requires that a claimant's total weekly benefit amount be reduced by the number of weeks the claimant is disqualified multiplied by the claimant's weekly benefit amount if the claimant is disqualified because he or she was discharged for misconduct connected with work;

(6) Revises the calculation of partial unemployment benefits so that partial benefits are equal to the weekly benefit amount minus any wages for the week in excess of \$20 or 20% of the weekly benefit amount, whichever is greater, and considers termination pay and severance pay as wages for purposes of calculating partial benefits;

(7) Requires the Division of Employment Security to use the industrial classification system established by the federal government instead of the Standard Industrial Classification Manual;

(8) Requires the division to recalculate the contribution rate of a newly acquired business on the first day of the next calendar quarter after acquisition instead of as of the date of acquisition;

(9) Increases the contribution rate of employers that is based on employers' experience rating; and

(10) Revises the basis for the calculation used to adjust

employers' contribution rates from a dollar amount of the average balance of the Unemployment Compensation Trust Fund to a reserve ratio.