SECOND REGULAR SESSION

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1544

95TH GENERAL ASSEMBLY

D. ADAM CRUMBLISS, Chief Clerk

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AN ACT

To repeal section 288.062, RSMo, and to enact in lieu thereof one new section relating to unemployment compensation, with an emergency clause.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 288.062, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 288.062, to read as follows:

288.062. 1. As used in this section, unless the context clearly requires otherwise:

- (1) "Extended benefit period" means a period which begins with the third week after a week for which there is a state "on" indicator, and ends with either of the following weeks, whichever occurs later:
 - (a) The third week after the first week for which there is a state "off" indicator; or
- (b) The thirteenth consecutive week of such period; provided, that no extended benefit period may begin by reason of a state "on" indicator before the fourteenth week following the end of a prior extended benefit period which was in effect with respect to this state;
- (2) There is a "state 'on' indicator" for this state for a week if the director determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of such week and the immediately preceding twelve weeks, the rate of insured unemployment (not seasonally adjusted) under this law:
- (a) Equaled or exceeded one hundred twenty percent of the average of such rates for the corresponding thirteen-week period ending in each of the preceding two calendar years; **and**
- (b) Equaled or exceeded four percent for weeks beginning prior to or on September 25, 1982, or five percent for weeks beginning after September 25, 1982; except that, if the rate of insured unemployment as contemplated in this subdivision equals or exceeds five percent for weeks beginning prior to or on September 25, 1982, or six percent for weeks beginning after

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

- September 25, 1982, the determination of an "on" indicator shall be made under this subdivision as if this subdivision did not contain the provisions of paragraph (a) of this subdivision; [and] or
 - (c) With respect to weeks of unemployment beginning on or after February 1, 2009, and ending on or before [December 5, 2009] the week ending four weeks prior to the last week of unemployment for which one hundred percent federal sharing is available under the provisions of Public Law 111-5, Section 2005(a) of the American Recovery and Reinvestment Act of 2009:
 - a. The average rate of total unemployment in the state (seasonally adjusted), as determined by the United States Secretary of Labor, for the period consisting of the most recent three months for which data for all states are published before the close of such week equals or exceeds six and one-half percent; and
 - b. The average rate of total unemployment in the state (seasonally adjusted), as determined by the United States Secretary of Labor, for the three-month period referred to in subparagraph a. of this paragraph, equals or exceeds one hundred and ten percent of such average for either or both of the corresponding three-month periods ending in the two preceding calendar years;
 - (3) There is a "state 'off' indicator" for this state for a week if the director determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of such week and the immediately preceding twelve weeks, the rate of insured unemployment (not seasonally adjusted) under this law:
 - (a) Was less than one hundred twenty percent of the average of such rates for the corresponding thirteen-week period ending in each of the preceding two calendar years; or
 - (b) Was less than four percent (five percent for weeks beginning after September 25, 1982); except, there shall not be an "off" indicator for any week in which an "on" indicator as contemplated in paragraph (b) of subdivision (2) of this subsection exists;
 - (4) "Rate of insured unemployment", for the purposes of subdivisions (2) and (3) of this subsection, means the percentage derived by dividing:
 - (a) The average weekly number of individuals filing claims for regular compensation in this state for weeks of unemployment with respect to the most recent thirteen-consecutive-week period, as determined by the director on the basis of his or her reports to the United States Secretary of Labor, by
- 51 (b) The average monthly employment covered under this law for the first four of the 52 most recent six completed calendar quarters ending before the end of such thirteen-week period;

- (5) "Regular benefits" means benefits payable to an individual under this law or under any other state law (including benefits payable to federal civilian employees and ex-servicemen pursuant to 5 U.S.C. Chapter 85) other than extended benefits;
- (6) "Extended benefits" means benefits (including benefits payable to federal civilian employees and to ex-servicemen pursuant to 5 U.S.C. Chapter 85) payable to an individual under the provisions of this section for weeks of unemployment in his or her eligibility period;
- (7) "Eligibility period" of an individual means the period consisting of the weeks in his or her benefit year which begin in an extended benefit period and, if his or her benefit year ends within such extended benefit period, any weeks thereafter which begin in such period;
- (8) "Exhaustee" means an individual who, with respect to any week of unemployment in his or her eligibility period:
- (a) Has received, prior to such week, all of the regular benefits that were available to him or her under this law or any other state law (including dependents' allowances and benefits payable to federal civilian employees and ex-servicemen under 5 U.S.C. Chapter 85) in his or her current benefit year that includes such week; provided, that, for the purposes of this paragraph, an individual shall be deemed to have received all of the regular benefits that were available to him or her although as a result of a pending appeal with respect to wages or employment, or both, that were not considered in the original monetary determination in his or her benefit year, he may subsequently be determined to be entitled to added regular benefits; or
- (b) Has received, prior to such week, all the regular compensation available to him or her in his or her current benefit year that includes such week under the unemployment compensation law of the state in which he or she files a claim for extended compensation or the unemployment compensation law of any other state after a cancellation of some or all of his or her wage credits or the partial or total reduction of his or her right to regular compensation; or
- (c) His or her benefit year having expired prior to such week, he or she has insufficient wages or employment, or both, on the basis of which he or she could establish in any state a new benefit year that would include such week, or having established a new benefit year that includes such week, he or she is precluded from receiving regular compensation by reason of a state law provision which meets the requirement of section 3304(a)(7) of the Internal Revenue Code of 1954; and
- (d) a. Has no right to unemployment benefits or allowances, as the case may be, under the Railroad Unemployment Insurance Act, the Trade Expansion Act of 1962, the Automotive Products Trade Act of 1965 and such other federal laws as are specified in regulations issued by the United States Secretary of Labor; and
- b. Has not received and is not seeking unemployment benefits under the unemployment compensation law of Canada; but if he or she is seeking such benefits and the appropriate agency

finally determines that he or she is not entitled to benefits under such law he or she is considered an exhaustee;

- (9) "State law" means the unemployment insurance law of any state, approved by the United States Secretary of Labor under Section 3304 of the Internal Revenue Code of 1954.
- 2. Except when the result would be inconsistent with the other provisions of this section, as provided in the regulations of the director, the provisions of this law which apply to claims for, or the payment of, regular benefits shall apply to claims for, and the payment of, extended benefits.
- 3. An individual shall be eligible to receive extended benefits with respect to any week of unemployment in his or her eligibility period only if the deputy finds that with respect to such week:
 - (1) He or she is an exhaustee as defined in subdivision (8) of subsection 1 of this section;
- (2) He or she has satisfied the requirements of this law for the receipt of regular benefits that are applicable to individuals claiming extended benefits, including not being subject to a disqualification for the receipt of benefits; except that, in the case of a claim for benefits filed in another state, which is acting as an agent state under the Interstate Benefits Payment Plan as provided by regulation, which claim is based on benefit credits accumulated in this state, eligibility for extended benefits shall be limited to the first two compensable weeks unless there is an extended benefit period in effect in both this state and the agent state in which the claim was filed;
- (3) The other provisions of this law notwithstanding, as to new extended benefit claims filed after September 25, 1982, an individual shall be eligible to receive extended benefits with respect to any week of unemployment in his or her eligibility period only if the deputy finds that the total wages in the base period of his or her benefit year equal at least one and one-half times the wages paid during that quarter of his or her base period in which his or her wages were highest.
- 4. A claimant shall not be eligible for extended benefits following any disqualification imposed under subsection 1 or 2 of section 288.050, unless subsequent to the effective date of the disqualification, the claimant has been employed during at least four weeks and has earned wages equal to at least four times his or her weekly benefit amount.
- 5. For the purposes of determining eligibility for extended benefits, the term "suitable work" means any work which is within such individual's capabilities except that, if the individual furnishes satisfactory evidence that the prospects for obtaining work in his or her customary occupation within a reasonably short period are good, the determination of what constitutes suitable work shall be made in accordance with the provisions of subdivision (3) of subsection 1 of section 288.050. If a deputy finds that a person who is claiming extended benefits has

- refused to accept or to apply for suitable work, as defined in this subsection, or has failed to actively engage in seeking work subsequent to the effective date of his or her claim for extended benefits, that person shall be ineligible for extended benefits for the period beginning with the first day of the week in which such refusal or failure occurred. That ineligibility shall remain in effect until the person has been employed for at least four weeks after the week in which the refusal or failure occurred and has earned wages equal to at least four times his or her weekly benefit amount.
 - 6. Extended benefits shall not be denied under subsection 5 of this section to any individual for any week by reason of a failure to accept an offer of or apply for suitable work if:
 - (1) The gross average weekly remuneration for such work does not exceed the individual's weekly benefit amount plus the amount of any supplemental unemployment benefits, as defined in section 501(c)(17)(d) of the Internal Revenue Code, payable to such individual for such week; or
 - (2) The position was not offered to such individual in writing or was not listed with the state employment service; or
 - (3) If the remuneration for the work offered is less than the minimum wage provided by Section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended, without regard to any exemption or any applicable state or local minimum wage, whichever is the greater.
 - 7. For the purposes of this section, an individual shall be considered as actively engaged in seeking work during any week with respect to which the individual has engaged in a systematic and sustained effort to obtain work as indicated by tangible evidence which the individual provides to the division.
 - 8. Extended benefits shall not be denied for failure to apply for or to accept suitable work if such failure would not result in a denial of benefits under subdivision (3) of subsection 1 of section 288.050 to the extent that the provisions of subdivision (3) of subsection 1 of section 288.050 are not inconsistent with the provisions of subsections 5 and 6 of this section.
 - 9. The division shall refer any claimant entitled to extended benefits under this law to any suitable work which meets the criteria established in subsections 5 and 6 of this section.
 - 10. Notwithstanding other provisions of this chapter to the contrary, as to claims of extended benefits, subsections 4 to 9 of this section shall not apply to weeks of unemployment beginning after March 6, 1993, and before January 1, 1995. Entitlement to extended benefits for weeks beginning after March 6, 1993, and before January 1, 1995, shall be determined in accordance with provisions of this chapter not excluded by this subsection.
 - 11. "Weekly extended benefit amount." The weekly extended benefit amount payable to an individual for a week of total unemployment in his or her eligibility period shall be an amount equal to the weekly benefit amount payable to him or her during his or her applicable

- benefit year, reduced by a percentage equal to the percentage of the reduction in federal payments to states under Section 204 of the Federal State Extended Unemployment Compensation Act of 163 1970, in accord with any order issued under any law of the United States. Such weekly benefit amount, if not a multiple of one dollar, shall be reduced to the nearest lower full dollar amount.
 - 12. (1) "Total extended benefit amount." The total extended benefit amount payable to any eligible individual with respect to his or her applicable benefit year shall be the lesser of the following amounts:
 - (a) Fifty percent of the total amount of regular benefits which were payable to him or her under this law in his or her applicable benefit year;
 - (b) Thirteen times his or her weekly benefit amount which was payable to him or her under this law for a week of total unemployment in the applicable benefit year.
 - (2) Notwithstanding subdivision (1) of this subsection, during any fiscal year in which federal payments to states under Section 204 of the Federal State Extended Unemployment Compensation Act of 1970 are reduced under any order issued under any law of the United States, the total extended benefit amount payable to an individual with respect to his or her applicable benefit year shall be reduced by an amount equal to the aggregate of the reductions under subsection 11 of this section in the weekly amounts paid to the individual.
 - (3) Notwithstanding the other provisions of this subsection, if the benefit year of any individual ends within an extended benefit period, the remaining balance of extended benefits that such individual would, but for this subdivision, be entitled to receive in that extended benefit period, with respect to weeks of unemployment beginning after the end of the benefit year, shall be reduced, but not below zero, by the product of the number of weeks for which the individual received trade readjustment allowances under the Trade Act of 1974, as amended, within that benefit year, multiplied by the individual's weekly benefit amount for extended benefits.
 - (4) (a) Effective with respect to weeks beginning in a high unemployment period, subdivision (1) of this subsection shall be applied by substituting:
- a. Eighty percent for fifty percent in paragraph (a) of subdivision (1) of this subsection; and
 - b. Twenty times for thirteen times in paragraph (b) of subdivision (1) of this subsection.
 - (b) For purposes of paragraph (a) of this subdivision, the term "high unemployment period" means any period during which an extended benefit period would be in effect if subparagraph a. of paragraph (c) of subdivision (2) of subsection 1 of this section were applied by substituting eight percent for six and one-half percent.
 - 13. (1) Whenever an extended benefit period is to become effective in this state as a result of a state "on" indicator, or an extended benefit period is to be terminated in this state as a result of a state "off" indicator, the director shall make an appropriate public announcement.

197 (2) Computations required by the provisions of subdivision (4) of subsection 1 of this 198 section, shall be made by the director, in accordance with regulations prescribed by the United 199 States Secretary of Labor.

Section B. Because immediate action is necessary to help Missourians during economic hardship, section A of this act is deemed necessary for the immediate preservation of the public

- 3 health, welfare, peace, and safety, and is hereby declared to be an emergency act within the
- 4 meaning of the constitution, and section A of this act shall be in full force and effect upon its
- 5 passage and approval.

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