SS SB 673 -- EMPLOYMENT SECURITY

(Vetoed by the Governor)

This bill changes the laws regarding employment security.

UNEMPLOYMENT BENEFITS

Currently, the maximum duration for an individual to receive unemployment benefits is 20 weeks. The bill specifies that the duration of benefits payable during any benefit year must be limited to:

(1) 20 weeks if the Missouri average unemployment rate is 9% or higher;

(2) 19 weeks if the Missouri average unemployment rate is between 8 1/2% and 9%;

(3) 18 weeks if the Missouri average unemployment rate is 8% up to and including 8 1/2%;

(4) 17 weeks if the Missouri average unemployment rate is between 7 1/2% and 8%;

(5) 16 weeks if the Missouri average unemployment rate is 7% up to and including 7 1/2%;

(6) 15 weeks if the Missouri average unemployment rate is between 6 1/2% and 7%;

(7) 14 weeks if the Missouri average unemployment rate is 6% up to and including 6 1/2%; and

(8) 13 weeks if the Missouri average unemployment rate is below 6%.

"Missouri average unemployment rate" means the average statewide unemployment rate during the three months of the most recent third calendar year quarter.

UNEMPLOYMENT COMPENSATION TRUST FUND

Currently, when the average balance of the Unemployment Compensation Trust Fund, less any federal advances, is between $600 million and $750 million, an employer's contribution rate is reduced by 7% for the following year. The bill changes that threshold to between $720 million and $870 million. Currently, when the average balance of the fund exceeds $750 million, an employer's contribution rate is reduced by 12% for the following year unless the employer's calculated contribution rate is 6% or greater, in which case the reduction may be no more than 10%. The bill changes that threshold to $870 million.

In the event that the amount of moneys owed by the fund for total advancements by the federal government exceeds $300 million, the bill requires the Board of Unemployment Fund Financing to meet to consider authorizing the issuance, sale, and delivery of credit instruments under Section 288.330, RSMo, for the entire amount of the debt owed. If credit instruments are issued, the required interest assessment must continue to be paid and used to fully finance the instruments and must be paid at the same rate applicable at the time of issuance for all subsequent years until the instruments are fully financed.