HB 493 -- EMPLOYMENT SECURITY

SPONSOR: Barnes

Currently, the maximum duration for an individual to receive unemployment benefits is 20 weeks. This bill bases the duration on the Missouri unemployment rate as follows:

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

(2) 19 weeks if the Missouri average unemployment rate is between 8.5% and 9%;

(3) 18 weeks if the Missouri average unemployment rate is 8% up to and including 8.5%;

(4) 17 weeks if the Missouri average unemployment rate is between 7.5% and 8%;

(5) 16 weeks if the Missouri average unemployment rate is 7% up to and including 7.5%;

(6) 15 weeks if the Missouri average unemployment rate is between 6.5% and 7%;

(7) 14 weeks if the Missouri average unemployment rate is 6% up to and including 6.5%; and

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

Currently, when the average balance of the unemployment compensation trust fund rises from between $600 million and $720 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 unemployment compensation trust 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.

Currently, the Board of Unemployment Fund Financing may issue credit instruments with a simple majority vote authorizing the issuance. The bill requires the board to meet and consider the issuance of credit instruments when the amount owed to the federal government for advancements exceeds $300 million.

Currently, interest is charged to employers when the state has an outstanding balance for federal advancements. Under the bill, when credit instruments are issued to pay off the balance of the federal advancement, employers are required to continue to pay the interest assessment to fully finance the credit instruments.