

HB 354 -- EMPLOYER PROBATIONARY PERIOD

SPONSOR: Baker

COMMITTEE ACTION: Voted "Do Pass" by the Special Committee on Small Business by a vote of 17 to 0. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 10 to 0.

Currently charges may not be made against the unemployment benefits account of an employer with respect to benefits paid to any individual unless that individual was employed for longer than a probationary period of 28 days. This bill extends that probationary period to 90 days.

This bill is similar to SB 694 (2020).

PROPOSERS: Supporters say that this bill is really an insignificant change to an outdated procedure. Allowing use or certified mail without requiring a return receipt will provide a significant cost savings with no loss of effectiveness.

Testifying for the bill were Representative Baker; Missouri Chamber of Commerce and Industry; and Missouri Department of Labor and Industrial Relations.

OPPOSERS: Those who oppose the bill say that the bill will change the unemployment laws that allows an employer to dismiss an employee within the first 28 days of employment to 90 days without having to pay any unemployment contributions. This legislation as is would allow an employer to hire workers during a peak season, terminate that employee during the 90-day probationary period, and not be liable for any unemployment compensation to the dismissed employee. The employer would get a free ride during the peak season while not contributing to the unemployment in this state. The 28 day period has worked well and needs to remain as is.

Testifying against the bill were Arnie Dienoff; and Missouri AFL-CIO.

Written testimony has been submitted for this bill. The full written testimony can be found under Testimony on the bill page on the House website.