

HB 2098 -- EMPLOYMENT SECURITY

SPONSOR: Thompson

COMMITTEE ACTION: Voted "Do Pass" by the Special Committee on Public Policy by a vote of 6 to 0. Voted "Do Pass" by the Standing Committee on Rules- Administrative Oversight by a vote of 8 to 2.

This bill modifies the definition of "wages" to include vacation pay, termination pay, severance pay and holiday pay for the week that it is payable. Further, to determine eligibility for unemployment benefits, if the total wages are paid in a lump sum, the wages are prorated on a weekly basis at the rate of pay received by the insured at the time of termination.

This bill is similar to HB 1115 and HB 726 (2023).

PROPOSERS: Supporters say that this is a bipartisan effort. Supporters say that the bill fixes a loophole in the Missouri unemployment law that currently allows people receiving severance pay and other termination payments to also collect unemployment benefits simultaneously. The unemployment fund exists to assist those who are unemployed through no fault of their own and to provide a short bridge to their next job. When an employer has already provided that bridge, unemployment benefits should not be received until those payments have been exhausted.

Testifying in person for the bill were Representative Thompson; Missouri Grocers Association; Missouri Retailers Association; Associated Industries of Missouri; Logan Hobbs, Department of Labor and Industrial Relations; and the Missouri Chamber of Commerce.

OPPOSERS: There was no opposition voiced to the committee.

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