

## RÉSUMÉ DIGEST

ACT 276 (HB 183)

2021 Regular Session

Brown

Relative to unemployment compensation, prior law provided that the administrator of the La. Workforce Commission shall apply the proper procedure found in existing law to the next calendar year beginning January 1<sup>st</sup> for maximum dollar amount of "wages", maximum weekly benefit amount, with any applicable discounts under existing law, and the formula for computation of benefits.

New law provides that the administrator shall apply the proper procedure found in existing law to the next calendar year beginning January 1<sup>st</sup> for maximum dollar amount of "wages", the maximum weekly benefit amount, with any applicable discounts under existing law, and publish annually the formula for computation of benefits.

Existing law provides a table with parameters for determining the maximum dollar amount of "wages", the formula for computing benefits, and the maximum weekly benefit amount based on the unemployment trust fund balance range.

Prior law provided the calculation for the formula for computation of benefits found in the table in existing law, which applied existing law without the 7 % discount found in existing law and then multiply by 1.05% and then multiply such amount by 1.03%.

New law deletes the multiplication portion of the formula calculation.

Prior law established the procedure which the administrator applied to determine the maximum weekly benefit amount.

- (1) Procedure 1: If the applied trust fund balance was less than \$750 million, the maximum benefit amount was \$221.
- (2) Procedure 2: If the applied trust fund balance was equal to or greater than \$750 million but less than \$1.15 billion, the maximum weekly benefit amount was \$247.
- (3) Procedure 3: If the applied trust fund balance was equal to or greater than \$1.15 billion but less than \$1.4 billion, the maximum benefit amount was \$258.
- (4) Procedure 4: If the applied trust fund balance was greater than \$1.4 billion, the maximum benefit amount was \$284.

New law changes Procedure 1 by increasing the weekly maximum benefit amount from \$221 to \$249.

New law changes Procedure 2 by increasing the weekly maximum benefit amount from \$247 to \$275.

New law changes Procedure 3 by increasing the weekly maximum benefit amount from \$258 to \$282.

New law changes Procedure 4 by increasing the weekly maximum benefit amount from \$284 to \$312.

Prior law provided that in no event shall the weekly amount paid exceed \$284.

New law increases the weekly benefit amount from \$284 to \$312.

Prior law provided that if a claimant was eligible to receive any federal disaster unemployment assistance in addition to the maximum weekly benefit amounts established in existing law, then the claimant, when filing a claim for state unemployment compensation benefits, would be required to withhold state income taxes at the time the claim was filed.

New law changes the mandatory requirement that the claimant shall withhold state income taxes at the time the claim is filed to the claimant may elect to withhold state income taxes at the time the claim is filed.

New law provides that new law shall become effective on the January 1<sup>st</sup> immediately following the ending of the federal supplemental program as certified by the administrator of Louisiana Workforce Commission.

Effective January 1, 2022.

(Amends R.S. 23:1474(G)(3)(b) and (I), 1592(E), and 1693(J)(1))