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## DIGEST

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HB 620 Original

2020 Regular Session

Beaullieu

**Abstract:** Provides relative to unemployment insurance.

Present law provides that whenever a claimant's base period wages for insured work is not less than \$1,200, his weekly benefit amount shall be one twenty-fifth of the average of his total wages for insured work paid during the four quarters of his base period. Further, this amount, if not a multiple of one dollar, shall be computed to the next lowest multiple of one dollar.

Proposed law provides that whenever a claimant's base period wages for insured work is not less than \$1,200, his weekly benefits amount shall be based on an equal division of the current weeks compensated of his total wages for insured work paid during the four quarters of his base period. Proposed law retains present law.

Present law provides that an eligible individual shall be entitled to a total amount of benefits equal to 26 times his weekly benefit amount. Further if the amount is not a multiple of one dollar then the amount shall be computed to the nearest multiple of one dollar.

Proposed law provides that during a calendar year, an eligible individual shall be entitled to a total amount of benefits equal to twelve times his weekly benefit amount, when the state's average unemployment rate is at or below five and one half percent. Proposed law further provides that in addition to the 12 weeks, an additional week shall be added for each half percent increment in the state's average unemployment rate above five and one half percent. Proposed law further provides, if the state's average unemployment rate exceeds nine percent, an individual can only receive up to a maximum of 20 weeks.

Present law provides that no claimant shall receive a benefit check for any week beyond the number of weeks computed on his initial claim unless he is participating in a program providing partial unemployment or has been paid wages for part-time or full-time work.

Present law further provides that when a based period employer has been provided severance pay, which when prorated weekly equals or exceeds the claimant's weekly benefit amount, the claimant's benefit entitlement computed shall be reduced by one week for each week of severance pay.

Proposed law retains present law.

Proposed law defines "state average employment rate" as meaning the average of the three months for the most recent third calendar year quarter of the seasonally adjusted unemployment rates as

published by the Louisiana Workforce Commission responsible for collecting and publishing unemployment rate data. Proposed law further provides that Workforce Commission shall promulgate all rules and regulations as are necessary to carry out this Act.

Proposed law provides that this Act shall be known and may be cited as the "Unemployment Insurance Sustainability Act of 2020".

Proposed law provides that the purpose of this Act is to ensure the sustainability of the unemployment insurance program and promote workforce participation.

Effective January 1, 2021.

(Amends R.S. 23:1592(A) and 1595)