

2020 Second Extraordinary Session

SENATE BILL NO. 54

BY SENATORS CORTEZ AND REESE

UNEMPLOYMENT COMP. Provides relative to the Revenue Estimating Conference certifying a projected unemployment trust fund balance. (gov sig) (Items #8 and #30)

1 AN ACT

2 To amend and reenact R.S. 23:1474(H), relative to the Unemployment Trust Fund; to
3 provide relative to the Revenue Estimating Conference's official projection of the
4 state unemployment trust fund; to provide for an effective date; and to provide for
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 23:1474(H) is hereby amended and reenacted to read as follows:

8 §1474. Administrator; Revenue Estimating Conference; "wages"; weekly benefit
9 amounts

10 * * *

11 H.(1) Each September, no earlier than September fifth, the Revenue
12 Estimating Conference shall adopt its official projection of the state unemployment
13 trust fund balance for September first of the next calendar year. Such official
14 projection shall be reported to the Louisiana Workforce Commission no later than
15 September thirtieth. The Revenue Estimating Conference shall consider all
16 information, including projections and information from the United States and state
17 departments of labor, in its analysis for official projection of the state unemployment

1 trust fund balance for September first of the next calendar year.

2 **(2) Notwithstanding any provision of this Section to the contrary, the**
 3 **Revenue Estimating Conference may meet at times other than in September to**
 4 **review the balance in the state unemployment trust fund and to adopt or revise**
 5 **its official projection.**

6 * * *

7 Section 2. This Act shall become effective upon signature by the governor or, if not
 8 signed by the governor, upon expiration of the time for bills to become law without signature
 9 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 10 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 11 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Dawn Romero Watson.

DIGEST

SB 54 Original

2020 Second Extraordinary Session

Cortez

Present law provides for unemployment compensation as a joint federal-state program financed by federal payroll taxes under the Federal Unemployment Tax Act (FUTA) and by state payroll taxes under a State Unemployment Tax Acts (SUTA). Provides that revenues collected through Louisiana's SUTA are deposited into an account for Louisiana within the federal Unemployment Trust Fund. The account is referenced in present law as the state's unemployment trust fund and is dedicated to the payment of unemployment benefits for Louisiana's unemployed workers.

Present law provides a chart that uses four different trust fund balance ranges to determine:

- (1) The maximum dollar amount of wages (or "taxable wage base") paid to an employee upon which their Louisiana employer will be liable for SUTA taxes.
- (2) The maximum weekly benefit amount a qualified unemployed worker may receive in unemployment benefits.
- (3) The formula for calculating unemployment benefits for a qualified unemployed worker.

Present law provides for the applicable balance range to be determined and the corresponding taxable wage base, maximum weekly benefit amount, and benefit calculation formula to apply for a calendar year. Requires that each September, the Revenue Estimating Conference meet to adopt its official projection of the state's unemployment trust fund balance for September 1st of the next calendar year and report such to the secretary of the Louisiana Workforce Commission. Present law then requires the secretary of the Louisiana Workforce Commission to annually set the applicable balance range to be used for the following calendar year by applying to the chart in present law the lower amount of: (1) the actual balance in Louisiana Unemployment Trust Fund account on September 1st; and (2) the amount of the balance in Louisiana Unemployment Trust Fund projected by the Revenue

Estimating Conference for the following September 1st.

Proposed law authorizes the Revenue Estimating Conference to meet at times other than in September to review the balance in the state's unemployment trust fund and to adopt or revise its official balance projection.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 23:1474(H))