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## DIGEST

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HB 610 Engrossed

2021 Regular Session

Lyons

**Abstract:** Provides relative to the maximum weekly benefit amount for unemployment benefits and creates a back-to-work enhancement program.

Present law provides that the administrator shall apply the proper procedure found in present 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 present law, and the formula for computation of benefits.

Proposed law provides that the administrator shall apply the proper procedure found in present 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 present law, and publish annually the formula for computation of benefits.

Present law provides a table, containing different categories such as, the different procedures, applied trust fund balance range, maximum dollar amount of "wages", the formula for computation of benefits, and the maximum weekly benefit amount, that the administrator shall apply when making the determination for the comparative balance and applied trust fund balance range.

Present law provides in the table found in present law the formula for computation of benefits, which is to apply present law without the seven percent discount found in present law and then multiply by one point five percent and then multiply such amount by one point three percent.

Proposed law deletes the multiplication portion of the formula calculation and instead adds the phrase "to formula for computation of benefits".

Present law establishes the procedure which shall be applied by the administrator in determining the maximum weekly benefit amount.

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

- (4) Procedure 4: When the applied trust fund balance is greater than \$1.4 billion, the maximum benefit amount is \$284.

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

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

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

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

Present law provides that in no event shall the weekly amount paid exceed \$284.

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

Proposed law creates a back-to-work enhancement program.

Proposed law provides that the Louisiana Workforce Commission (LWC) may make a one-time lump sum payment to each individual who was eligible to receive Federal Pandemic Unemployment Compensation and who meets all of the following requirements:

- (1) The individual was eligible for Federal Pandemic Unemployment Compensation for any week beginning after the date of enactment of proposed law.
- (2) The individual is no longer eligible, as determined by the LWC, to receive Federal Pandemic Unemployment Compensation as a result of earnings due to being employed.
- (3) The individual was verified by his employer pursuant to proposed law.
- (4) The individual is employed for wages equivalent to an annual salary of not more than \$75,000 and he remains employed with an intent to continue such employment.
- (5) The employee has not previously received a back-to-work incentive pursuant to proposed law.

Proposed law provides that if an individual, on average, has worked at least 30 hours or more per week during the qualifying period, he shall be paid \$1000 in a lump sum amount. Proposed law further provides that if an individual, on average, has worked at least 10 hours or more in a week, but not more than 20 hours per week, during the qualifying period, he shall be paid in a lump sum amount of \$500.

Proposed law provides that for the purpose of proposed law, the term "qualifying period" means, with respect to an individual, a period beginning on the date the individual commenced employment and extending at least 24 consecutive weeks from such date.

Proposed law provides that no lump sum payment may be made to any individual pursuant to proposed law with respect to a qualifying period beginning on or after July 1, 2021.

Proposed law provides that before making a lump sum payment to an individual pursuant to proposed law, the LWC shall require verification from the individual's employer all of the following:

- (1) The individual's employment status.
- (2) The wages paid to the individual during the qualifying period.
- (3) The hours the individual worked during the qualifying period.

Proposed law provides that the LWC may not provide more than one payment to an individual. Proposed law further provides that the LWC may not provide unemployment benefits to a qualifying individual for a period of 26 weeks following acceptance of a back-to-work incentive.

Proposed law provides that the La. Dept. of Treasury, in conjunction with the LWC, shall administer the program and distribute the funds from the state's unemployment trust fund. Proposed law further provides that the La. Dept. of Treasury and the LWC, respectively, shall promulgate rules and regulations necessary for the implementation of proposed law.

(Amends R.S. 23:1474(G)(3)(b) and (I) and 1592(E); Adds R.S. 23:1475)

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Labor and Industrial Relations to the original bill:

1. Make technical changes.
2. Delete proposed law that created a new determination for the maximum weekly benefit amount.
3. Change how the formula for computation of benefits is applied and calculated.
4. Provide an effective date of January 1, 2022.
5. Provide for an increase in the maximum weekly benefit amount.
6. Restore provisions in present law that referred to the weekly benefit amount.
7. Create a back-to-work enhancement program to provide a monetary incentive for individuals who meet certain requirements.