

2020 Regular Session

SENATE BILL NO. 461

BY SENATOR REESE

UNEMPLOYMENT COMP. Provides relative to deferral of certain unemployment insurance benefit charges and employer contributions. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 23:1552(C)(7) and 1553(C), and to enact R.S. 23:1531(D) and
3 1533(A)(5), relative to unemployment insurance benefit charges and employer
4 contributions; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 23:1552(C)(7) and 1553(C) are hereby amended and reenacted and
7 R.S. 23:1531(D) and 1533(A)(5) are hereby enacted to read as follows:

8 §1531. Basis of employer contributions; time for payment; computation

9 * * *

10 **D. During calendar year 2020, each employer's first, second and third**
11 **quarter wage and tax reports, along with any contributions pertaining thereto,**
12 **shall be deferred until two months after their regular quarterly due dates.**
13 **Fourth quarter wage and tax reports, along with any contributions pertaining**
14 **thereto, shall remain due and payable by their regular quarterly due date.**

15 * * *

16 §1533. Experience rating records; administrator's duty to prepare

17 A. The administrator shall prepare and maintain an experience rating record

1 for each employer, and shall credit such record with all the contributions paid by him
 2 with respect to wages paid for each calendar quarter. Nothing in this Chapter shall
 3 be construed to grant any employer or any individual performing services for him
 4 prior claims or rights to amounts paid by the employer into the fund. The
 5 administrator shall terminate the experience rating record of an employer who has
 6 ceased to be subject to this Chapter, or may do so provided the employer has had no
 7 employment in this state for a period of three consecutive calendar years. Benefits
 8 accruing and paid to an individual in accordance with the provisions of this Chapter
 9 shall be charged against the experience rating records of his base-period employers
 10 subject to the following limitations:

11 * * *

12 **(5) Benefits paid to employees of experience-rated employers pursuant**
 13 **to Proclamations JBE 2020-27 and JBE 2020-29 shall not be charged against the**
 14 **experience rating records of a claimant's base period employer. If any federal**
 15 **funds are received as reimbursement for benefits paid in accordance with these**
 16 **proclamations and otherwise chargeable to employers pursuant to this Section,**
 17 **such amount shall be applied toward the unemployment compensation trust**
 18 **fund.**

19 * * *

20 §1552. Financing benefits paid to employees of nonprofit organizations and of the
 21 state, its instrumentalities and political subdivisions and Indian tribes
 22 or tribal units

23 * * *

24 C. * * *

25 (7) With regard to any benefits paid to unemployed individuals pursuant to
 26 ~~Executive Orders KBB 2005-34, KBB 2005-46, and KBB 2005-76 and~~
 27 ~~hurricane-related layoffs~~ **Proclamations JBE 2020-27 and JBE 2020-29, such**
 28 **benefits shall not be** chargeable to the accounts of employers pursuant to this
 29 Section **nor** required to be reimbursed under the provisions of this Subsection, ~~such~~

1 reimbursement shall not be recouped. In the event that any employer pursuant to this
 2 Section was insured by private entities offering any form of insurances, bonds,
 3 certificates of deposit, or any other form of guarantee against unemployment claims
 4 chargeable to the employer's account, the state shall have the right to recoup such
 5 funds from those private entities or their insurer for repayment of funds paid out of
 6 the unemployment compensation trust fund for any unemployment claims covered
 7 in this Section. **If any federal funds are received as reimbursement for benefits**
 8 **paid in accordance with these proclamations and otherwise chargeable to**
 9 **employers pursuant to this Section, such amount shall be applied toward the**
 10 **unemployment compensation trust fund.**

11 * * *

12 §1553. Noncharging of benefits; recoupment; social charge account; social charge
 13 tax rate

14 * * *

15 C. Recoupment of the charges set forth in Subsections A and B of this
 16 Section shall be spread to all employers who pay, or are required to pay,
 17 contributions under this Chapter and shall be performed on the basis of charging all
 18 the amounts called for to separate accounts. The total for these amounts shall be
 19 computed as of June thirtieth of each year and designated as the social charge
 20 account. However, benefits paid to employees of experience-rated employers
 21 pursuant to Executive Orders KBB 2005-34, KBB 2005-46, and KBB 2005-76
 22 **Proclamations JBE 2020-27 and JBE 2020-29** shall not be recouped by spreading
 23 the charges to employers in this manner. **If any federal funds are received as**
 24 **reimbursement for benefits paid in accordance with these proclamations and**
 25 **otherwise chargeable to employers pursuant to this Section, such amount shall**
 26 **be applied toward the unemployment compensation trust fund.**

27 * * *

28 Section 2. This Act shall become effective upon signature by the governor or, if not
 29 signed by the governor, upon expiration of the time for bills to become law without signature

1 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 2 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 3 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 Jerry J. Guillot.

DIGEST

SB 461 Original

2020 Regular Session

Reese

Proposed law, relative to unemployment compensation, provides that during calendar year 2020, each employer's first, second and third quarter wage and tax reports, along with any contributions pertaining thereto, shall be deferred until two months after their regular quarterly due dates. Further fourth quarter wage and tax reports, along with any contributions pertaining thereto, shall remain due and payable by their regular quarterly due date.

Proposed law provides that benefits paid to employees of experience-rated employers pursuant to Proclamations JBE 2020-27 and JBE 2020-29 shall not be charged against the experience rating records of a claimant's base period employer. Provides that if any federal funds are received as reimbursement for benefits paid in accordance with these proclamations and otherwise chargeable to employers pursuant to present law, such amount shall be applied toward the unemployment compensation trust fund.

Present law provides that with regard to any benefits paid to unemployed individuals pursuant to Executive Orders KBB 2005-34, KBB 2005-46, and KBB 2005-76 and hurricane-related layoffs, such benefits chargeable to the accounts of employers pursuant to present law required to be reimbursed under present law, such reimbursement shall not be recouped. In the event that any employer pursuant to present law was insured by private entities offering any form of insurances, bonds, certificates of deposit, or any other form of guarantee against unemployment claims chargeable to the employer's account, the state shall have the right to recoup such funds from those private entities or their insurer for repayment of funds paid out of the unemployment compensation trust fund for any unemployment claims covered in present law.

Proposed law provides that with regard to any benefits paid to unemployed individuals pursuant to Proclamations JBE 2020-27 and JBE 2020-29, such benefits shall not be chargeable to the accounts of employers pursuant to present law and nor required to be reimbursed under present law, such reimbursement shall not be recouped. In the event that any employer pursuant to present law was insured by private entities offering any form of insurances, bonds, certificates of deposit, or any other form of guarantee against unemployment claims chargeable to the employer's account, the state shall have the right to recoup such funds from those private entities or their insurer for repayment of funds paid out of the unemployment compensation trust fund for any unemployment claims covered in present law. Provides that if any federal funds are received as reimbursement for benefits paid in accordance with these proclamations and otherwise chargeable to employers pursuant to present law, such amount shall be applied toward the unemployment compensation trust fund.

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

(Amends R.S. 23:1552(C)(7) and 1553(C); adds R.S. 23:1531(D) and 1533(A)(5))