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

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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))