

2021 Regular Session

HOUSE BILL NO. 610

BY REPRESENTATIVE LYONS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

UNEMPLOYMENT COMP: Provides relative to the maximum weekly benefit amount and creates a back-to-work enhancement program

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AN ACT

To amend and reenact R.S. 23:1474(G)(3)(b) and (I) and 1592(E) and to enact R.S. 23:1475, relative to unemployment compensation; to provide for the maximum weekly benefit amount; to provide for the formula for computation of benefits; to create a back-to-work enhancement program; to require employment verification; to provide eligibility and requirements to participate in the back-to-work enhancement program; to provide for a qualifying period; to require the Louisiana Workforce Commission and Louisiana Department of Treasury to administer the program; to provide for the promulgations of rules and regulations; to provide for an effective date; to change the determination for the maximum weekly benefit amount; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 23:1474(G)(3)(b) and (I) and 1592(E) are hereby amended and reenacted and R.S.23:1475 is hereby enacted to read as follows:

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

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3 (b) He shall thereupon apply, in compliance with this Section, the proper
4 procedure from the table in Subsection I of this Section to such next calendar year
5 beginning January first for maximum dollar amount of "wages", maximum weekly
6 benefit amount, with any applicable discounts under R.S. 23:1592, and publish
7 annually the formula for computation of benefits.

8 * * *

9 I. The following table shall be applied by the administrator subsequent to his
10 determination of comparative balance and applied trust fund balance range, in
11 compliance with this Section:

Procedure	Applied Trust Fund Balance Range	Maximum Dollar Amount of "wages" under R.S. 23:1474	Formula for Computation of Benefits	Maximum Weekly Benefit Amount
1	Less than seven hundred fifty million dollars	Eight thousand five hundred dollars	Apply R.S. 23:1592 without seven percent discount under R.S. 23:1592(D), then multiply by 1.05 and then multiply such amount by 1.03 <u>to formula for computation of benefits</u>	Two hundred twenty-one <u>forty-nine</u> dollars
2	Equal to or greater than seven hundred fifty million dollars but less than one billion one hundred fifty million dollars	Seven thousand seven hundred dollars	Apply R.S. 23:1592 without seven percent discount under R.S. 23:1592(C) and without five percent discount under R.S. 23:1592(D), then multiply such amount by 1.05 and then multiply such amount by 1.15 <u>to formula for computation of benefits</u>	Two hundred forty-seven <u>seventy-five</u> dollars

1	3	Equal to or greater than one billion one hundred fifty million dollars but less than one billion four hundred million dollars	Seven thousand dollars	Apply R.S. 23:1592 without seven percent discount under R.S. 23:1592(C) and without five percent discount under R.S. 23:1592(D), then multiply such amount by 1.05 and then multiply such amount by 1.20 to <u>formula for computation of benefits</u>	Two hundred fifty-eight <u>eighty-two</u> dollars
2	4	Greater than one billion four hundred million dollars	Seven thousand dollars	Apply R.S. 23:1592 without seven percent discount under R.S. 23:1592(C) and without five percent discount under R.S. 23:1592(D), then multiply such amount by 1.05 and then multiply such amount by 1.32 to <u>formula for computation of benefits</u>	Two hundred eighty-four <u>Three hundred twelve</u> dollars

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4 §1475. Back-to-work enhancement program

5 A. The Louisiana Workforce Commission may make a one-time lump sum
 6 payment to each individual who was eligible to receive Federal Pandemic
 7 Unemployment Compensation and who meets all of the following requirements:

8 (1) The individual was eligible for Federal Pandemic Unemployment
 9 Compensation for any week beginning after the date of enactment of this Act.

10 (2) The individual is no longer eligible, as determined by the Louisiana
 11 Workforce Commission, to receive Federal Pandemic Unemployment Compensation
 12 as a result of earnings due to being employed.

13 (3) The individual was verified by his employer pursuant to Subsection E of
 14 this Section.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 (4) The individual is employed for wages equivalent to an annual salary of
2 not more than seventy-five thousand dollars and he remains employed with an intent
3 to continue such employment.

4 (5) The employee has not previously received a back-to-work incentive
5 pursuant to this Section.

6 B.(1) A payment made to an individual pursuant to this Section shall be paid
7 in a lump sum amount of one thousand dollars, if the individual, on average, has
8 worked at least thirty hours or more per week during the qualifying period.

9 (2) A payment made to an individual pursuant to this Section shall be paid
10 in a lump sum amount of five hundred dollars, if the individual, on average, has
11 worked at least ten hours or more per week, but not more than twenty hours in a
12 week, during the qualifying period.

13 C. For the purpose of this Section, the term "qualifying period" means, with
14 respect to an individual, a period beginning on the date the individual commenced
15 employment and extending at least twenty-four consecutive weeks from such date.

16 D. No lump sum payment may be made to any individual pursuant to this
17 Section with respect to a qualifying period beginning on or after July 1, 2021.

18 E. Before making a lump sum payment to an individual pursuant to this
19 Section, the Louisiana Workforce Commission shall require verification from the
20 individual's employer all of the following:

21 (1) The individual's employment status.

22 (2) The wages paid to the individual during the qualifying period.

23 (3) The hours the individual worked during the qualifying period.

24 F.(1) The Louisiana Workforce Commission may not provide more than one
25 payment pursuant to this Section to an individual.

26 (2) The Louisiana Workforce Commission may not provide unemployment
27 benefits to a qualifying individual for a period of twenty-six weeks following
28 acceptance of a back-to-work incentive.

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.