

2022 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 5

BY REPRESENTATIVE ZERINGUE

UNEMPLOYMENT COMP: Suspends certain provisions of law relative to unemployment compensation taxes and benefits

1 A CONCURRENT RESOLUTION

2 To suspend until sixty days after final adjournment of the 2023 Regular Session of the
3 Legislature of Louisiana R.S. 23:1474(C), (G)(3), and (H) providing for the
4 determination of the unemployment insurance taxable wage base, maximum weekly
5 benefit amount, and formula for the calculation of benefits for the 2023 calendar
6 year.

7 WHEREAS, present law requires the Revenue Estimating Conference to meet every
8 September to adopt an official projection of the state's unemployment trust fund balance for
9 September first of the next calendar year; and

10 WHEREAS, present law states that subsequent to the Revenue Estimating
11 Conference's adoption of the projected balance, the secretary of the Louisiana Workforce
12 Commission shall determine the comparative balance and the applied trust fund balance
13 range, respectively, and thereafter apply the maximum dollar amount of "wage" along with
14 any applicable discounts, maximum weekly benefit amount, and formula for computation
15 of benefits for the next calendar year; and

16 WHEREAS, before the COVID-19 pandemic, the unemployment trust fund sat at a
17 bountiful balance of approximately one billion five hundred million dollars; however, as the
18 pandemic progressed, businesses were forced to temporarily and, in some cases, permanently
19 lay off workers, which resulted in an unprecedented filing of unemployment compensation
20 claims; and

1 WHEREAS, as a result of the unprecedented filings, the trust fund drastically
2 depleted to zero dollars, which caused the Louisiana Workforce Commission, on behalf of
3 the state, to borrow funds from the federal government in order to pay unemployment
4 benefits; and

5 WHEREAS, the state, with the help of funds it received from the American Rescue
6 Plan Act of 2021, paid the federal loans and is beginning to replenish the trust fund account;
7 and

8 WHEREAS, although, as of February 2022, the state's trust fund sits at a healthier
9 estimated balance of two hundred forty-six million dollars, this balance is substantially lower
10 than what the state had pre-pandemic; and

11 WHEREAS, even with this current estimated balance, by law, employers will still
12 have to pay more in unemployment taxes and lose discounts and unemployed workers will
13 receive a reduction in weekly benefits; and

14 WHEREAS, this state's workers and businesses have suffered enough and are still
15 suffering financially from the residual effects of the COVID-19 pandemic; and

16 WHEREAS, in order to aid businesses and unemployed workers in their recovery
17 from this ongoing pandemic, it is necessary to temporarily suspend the provisions of present
18 law that impact the determination of unemployment taxes and benefits; and

19 WHEREAS, the provisions of Article III, Section 20 of the Constitution of Louisiana
20 authorize the legislature to suspend a law.

21 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana hereby suspends
22 the provisions of R.S. 23:1474(C), (G)(3), and (H) providing for the determination of the
23 unemployment insurance taxable wage base, maximum weekly benefit amount, and formula
24 for the calculation of benefits if the Legislature of Louisiana deposits funds into the clearing
25 account of the Unemployment Compensation Fund pursuant to R.S. 23:1491.

26 BE IT FURTHER RESOLVED that this suspension shall become effective upon
27 adoption of this Resolution and shall extend through the sixtieth day after final adjournment
28 of the 2023 Regular Session of the Legislature of Louisiana.

29 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
30 secretary of the Louisiana Workforce Commission.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HCR 5 Original

2022 Regular Session

Zeringue

Suspends R.S. 23:1474(C), (G)(3), and (H) which provides for the adoption of an official projection of the state's unemployment trust fund balance by the Revenue Estimating Conference; and with that adopted and projected balance, the secretary of the Louisiana Workforce Commission shall determine and apply the maximum dollar amount of "wage" along with an applicable discount, maximum weekly benefit amount, and formula for computation of benefits for the next calendar year.

Suspends the aforementioned provisions of law, if the legislature deposits funds into the clearing account of the Unemployment Compensation Fund.

Effective through the 60th day following the 2023 R.S.

(Suspends R.S. 23:1474(C), (G)(3), and (H))