

2022 Regular Session

HOUSE BILL NO. 657

BY REPRESENTATIVE DESHOTEL

UNEMPLOYMENT COMP: Provides relative to the unemployment compensation maximum weekly benefit amount and extended benefits

1 AN ACT

2 To amend and reenact R.S. 23:1474(I), 1592(A) and (E), and 1595 and to enact R.S.
3 23:1606, relative to unemployment compensation; to provide for the maximum
4 weekly benefit amount; to provide for a formula for the calculation of the weekly
5 benefit amount; to provide for the duration of benefits; to provide definitions; to
6 provide for extended benefits; to provide for the termination of extended benefits;
7 to provide for an effective date; to provide for the promulgation of rules; and to
8 provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 23:1474(I), 1592(A) and (E), and 1595 are hereby amended and
11 reenacted and R.S. 23:1606 is hereby enacted to read as follows:

12 §1474. Administrator; Revenue Estimating Conference; "wages"; weekly benefit
13 amounts

14 * * *

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

1	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
2	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(C) to formula for computation of benefits	Two hundred forty-nine <u>eighty</u> dollars
3	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), to formula for computation of benefits	Two hundred seventy-five <u>Three</u> <u>hundred six</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), to formula for computation of benefits	Two hundred eighty-two <u>Three hundred thirteen</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), to formula for computation of benefits	Three hundred twelve forty- <u>three</u> dollars
---	---	------------------------	---	--

3

* * *

1 §1592. Weekly benefit amount

2 A.(1) The formula for the calculation of a claimant's weekly benefit amount
3 shall be determined each calendar year based upon the state average unemployment
4 rate, as defined in R.S. 23:1595, for the third quarter of the previous calendar year.

5 Whenever a claimant's base period wages for insured work is not less than one
6 thousand two hundred dollars, his weekly benefit amount shall be ~~one twenty-fifth~~
7 ~~of the average of his total wages for insured work paid during the four quarters of his~~
8 ~~base period. This amount, if not a multiple of one dollar, shall be computed to the~~
9 ~~next lowest multiple of one dollar.~~ as follows:

10 (a) An amount equivalent to one-twelfth of the average of his total wages for
11 insured work paid during the four quarters of his base period when the state's average
12 unemployment rate is at or below five and one half percent.

13 (b) An amount equivalent to one-thirteenth of the average of his total wages
14 for insured work paid during the four quarters of his base period when the state's
15 average unemployment rate is above five and one half percent and at or below six
16 percent.

17 (c) An amount equivalent to one-fourteenth of the average of his total wages
18 for insured work paid during the four quarters of his base period when the state's
19 average unemployment rate is above six percent and at or below six and one half
20 percent.

21 (d) An amount equivalent to one-fifteenth of the average of his total wages
22 for insured work paid during the four quarters of his base period when the state's
23 average unemployment rate is above six and one half percent and at or below seven
24 percent.

25 (e) An amount equivalent to one-sixteenth of the average of his total wages
26 for insured work paid during the four quarters of his base period when the state's
27 average unemployment rate is above seven percent and at or below seven and one
28 half percent.

1 (f) An amount equivalent to one-seventeenth of the average of his total
2 wages of insured work paid during the four quarters of his base period when the
3 state's average unemployment rate is above seven and one half percent and at or
4 below eight percent.

5 (g) An amount equivalent to one-eighteenth of the average of his total wages
6 for insured work paid during the four quarters of his base period when the state's
7 average unemployment rate is above eight percent and at or below eight and one half
8 percent.

9 (h) An amount equivalent to one-nineteenth of the average of his total wages
10 for insured work paid during the four quarters of his base period when the state's
11 average unemployment rate is above eight and one half percent and at or below nine
12 percent.

13 (i) An amount equivalent to one-twentieth of the average of his total wages
14 for insured work paid during the four quarters of his base period when the state's
15 average unemployment rate is above nine percent.

16 (2) If the amount provided for in Paragraph (1) of this Subsection is not a
17 multiple of one dollar, it shall be computed to the next lowest multiple of one dollar.

18 * * *

19 E. In no event shall the weekly amount paid in accordance with this Section
20 be more than three hundred ~~twelve~~ forty-three dollars.

21 * * *

22 §1595. Duration of benefits

23 A.(1) Anytime the state's average unemployment rate is at or below five
24 and one half percent, any otherwise eligible individual shall be entitled during any
25 benefit year to a total amount of benefits equal to ~~twenty-six~~ twelve times his weekly
26 benefit amount as determined pursuant to R.S. 23:1592 provided that such total
27 amount of benefits, if not a multiple of one dollar, shall be computed to the nearest
28 multiple of one dollar.

1 (2)(a) In addition to the amount provided in Paragraph (1) of this Subsection
 2 and when the state's average unemployment rate is above five and one half percent,
 3 any otherwise eligible individual shall be entitled an additional amount of benefits
 4 equivalent to his weekly benefit amount as determined pursuant to R.S. 23:1592
 5 times the number of half a percent increments that the state's average unemployment
 6 rate exceeds five and one half percent, provided that such total amount of benefits,
 7 if not a multiple of one dollar, shall be computed to the nearest multiple of one
 8 dollar.

9 (b) The additional amount provided in Subparagraph (a) of this Paragraph
 10 shall not exceed an amount equivalent to eight times his weekly benefit amount.

11 B.(1) No claimant shall receive a benefit check for any week beyond the
 12 number of weeks computed on his initial claim unless that claimant is participating
 13 in a program providing partial unemployment as set forth in R.S. 23:1472(19)(a) or
 14 has been paid wages for part-time or full-time work.

15 (2) Further, if a base period employer has provided severance pay, which
 16 when prorated weekly is an amount which equals or exceeds the claimant's weekly
 17 benefit amount, the claimant's benefit entitlement computed pursuant to the
 18 provisions of this Subsection shall be reduced by one week for each week of
 19 severance pay, provided that no claimant's entitlement shall be reduced to less than
 20 one week.

21 ~~B.C.(1)~~ For the purposes of this Section, "wages" shall be counted as "wages
 22 for insured work" for the benefit purposes with respect to any benefit year only if the
 23 benefit year begins subsequent to the date on which the employing unit by whom the
 24 wages were paid became an employer within the meaning of this Chapter.

25 (2) For the purposes of this Section, "state average unemployment rate"
 26 means the average of the three months for the most recent third calendar year quarter
 27 of the seasonally adjusted unemployment rates as published by the Louisiana
 28 Workforce Commission, who shall be responsible for collecting and publishing
 29 unemployment rate data.

1 D. The Louisiana Workforce Commission shall promulgate all rules and
2 regulations as are necessary for the purposes of this Section.

3 * * *

4 §1606. Extended benefits for training; definitions; eligibility; weekly extended
5 benefit amount; total extended benefit amount; termination of extended
6 benefits

7 A. For the purposes of this Section, the following terms have the meanings
8 ascribed to them:

9 (1) "Eligibility period of an individual" means the period consisting of the
10 weeks in an individual's benefit year which begin in an extended benefit period and,
11 if his benefit year ends within such extended benefit period, any weeks thereafter
12 which begin in such period.

13 (2) "Exhaustee" means an individual who, with respect to any week of
14 unemployment in his eligibility period, either:

15 (a) Has received, prior to such week, all of the regular benefits that were
16 available to him in accordance with this Chapter or any other unemployment
17 insurance law of any state approved by the United States Secretary of Labor under
18 Section 3304 of the Internal Revenue Code of 1954, 26 U.S.C. §3304, including
19 dependent's allowances and benefits payable to federal civilian employees and ex-
20 servicemen pursuant to 5 U.S.C. Chapter 85, in his current benefit year that includes
21 such week. For the purposes of this Paragraph, an individual shall be considered to
22 have received all of the regular benefits that were available to him although as a
23 result of a pending appeal with respect to wages or employment, or both, that were
24 not considered in the original monetary determination in his benefit year, he may
25 subsequently be determined to be entitled to added regular benefits.

26 (b) His benefit year having expired prior to such week, has no wages, or has
27 insufficient wages or employment, or both, on the basis of which he could establish
28 a new benefit year that would include such week if all of the following apply:

1 (i) He has no right to unemployment insurance benefits or allowances, as the
2 case may be, under the Railroad Unemployment Insurance Act, 45 U.S.C. §351 et
3 seq., or under such other federal laws as are specified in regulations issued by the
4 United States secretary of labor.

5 (ii) He has not received and is not seeking unemployment insurance benefits
6 under the unemployment insurance law of Canada or the Virgin Islands, but if the
7 individual is seeking such benefits and the appropriate agency finally determines that
8 the individual is not entitled to benefits under such law, the individual shall be
9 considered an exhaustee if the other provisions of this definition are met. Provided,
10 that the reference in this Subparagraph to the Virgin Islands shall be effective on the
11 day after the day on which the United States secretary of labor approves under
12 Section 3304(a) of the Internal Revenue Code of 1954, 26 U.S.C. §3304 (a), an
13 unemployment compensation law submitted to the secretary of the Virgin Islands for
14 approval.

15 (3) "Extended benefits" means benefits payable to an individual under the
16 provisions of this Section for weeks of unemployment in his eligibility period.

17 (4) "Extended benefit period" means a period which begins upon exhaustion
18 of regular unemployment benefits and ends upon the exhaustion or disqualification
19 for extended benefits pursuant to this Section.

20 (5) "Regular benefits" means benefits payable to an individual in accordance
21 with this Chapter or in accordance with the Unemployment Insurance Law of any
22 state, approved by the United States secretary of labor under Section 3304 of the
23 Internal Revenue Code of 1954, 26 U.S.C. §3304, including benefits payable to
24 federal civilian employees and to ex-servicemen pursuant to 5 U.S.C. Chapter 85,
25 other than extended benefits.

26 B. An individual shall be eligible to receive extended benefits with respect
27 to any week of unemployment in his eligibility period, only if the administrator finds
28 that with respect to such week the following:

29 (1) He is an exhaustee as defined in this Section.

1 (2) He is enrolled and participating in an approved training program as
2 provided in R.S. 23:1602 at the time his regular benefits are exhausted.

3 C. The weekly extended benefit amount payable to an individual for a week
4 of total unemployment in his eligibility period shall be an amount equal to the
5 weekly benefit amount determined pursuant to R.S. 23:1592 payable to him during
6 his benefit year with respect to which he last became an exhaustee.

7 D. The total extended benefit amount payable to any eligible individual with
8 respect to any one benefit year shall be eight times his weekly benefit amount which
9 was payable to him in accordance with this Chapter for a week of total
10 unemployment in such benefit year.

11 E. Except when the result would be inconsistent with the provisions of this
12 Section and as provided in the regulation of the administrator, the provisions of this
13 Chapter which apply for, or the payment of, regular benefits shall apply to claims for
14 and the payment of, extended benefits.

15 F. An individual shall not be eligible for extended benefits for any week if
16 the administrator determines that the individual is no longer enrolled or participating
17 in the training program or the individual has completed the training program.

18 Section 2. This Act shall take effect and become operative when the state's average
19 unemployment rate, as defined in R.S. 23:1595, is less than five and one-half percent for two
20 consecutive calendar quarters and the programs authorized by the Coronavirus Aid, Relief,
21 and Economic Security Act of 2020, as amended, have expired.

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)]

HB 657 Original

2022 Regular Session

Deshotel

Abstract: Provides relative to the unemployment compensation weekly benefit amount and provides for extended benefits for claimants.

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 \$249.
- (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 benefit amount is \$275.
- (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 \$282.
- (4) Procedure 4: When the applied trust fund balance is greater than \$1.4 billion, the maximum benefit amount is \$312.

Proposed law changes Procedure 1 by increasing the weekly maximum benefit amount from \$249 to \$280.

Proposed law changes Procedure 2 by increasing the weekly maximum benefit amount from \$275 to \$306.

Proposed law changes Procedure 3 by increasing the weekly maximum benefit amount from \$282 to \$313.

Proposed law changes Procedure 4 by increasing the weekly maximum benefit amount from \$312 to \$343.

Present law provides that whenever a claimant's based period wages for insured work is not less than \$1,200, his weekly benefit amount shall be one twenty-fifth of the average of his total wages for insured work paid during the four quarters of his base period.

Proposed law provides that the formula for the calculation of a claimant's weekly benefit amount shall be determined each calendar year based upon the state average unemployment rate, as defined in present law, for the third quarter of the previous calendar year.

Proposed law provides that whenever a claimant's base period wages for insured work is not less than \$1,200, his weekly benefit amount shall be as follows:

- (1) An amount equivalent to 1/12 of the average of his total wages for insured work paid during the four quarters of his base period when the state's average unemployment rate is at or below 5.5%.
- (2) An amount equivalent to 1/13 of the average of his total wages for insured work paid during the four quarters of his base period when the state's average unemployment rate is above 5.5% and at or below 6%.
- (3) An amount equivalent to 1/14 of the average of his total wages for insured work paid during the four quarters of his base period when the state's average unemployment rate is above 6% and at or below 6.5%.
- (4) An amount equivalent to 1/15 of the average of his total wages for insured work paid during the four quarters of his base period when the state's average unemployment rate is above 6.5% and at or below 7%.
- (5) An amount equivalent to 1/16 of the average of his total wages for insured work paid during the four quarters of his base period when the state's average unemployment rate is above 7% and at or below 7.5%.
- (6) An amount equivalent to 1/17 of the average of his total wages for insured work paid during the four quarters of his base period when the state's average unemployment rate is above 7.5% and at or below 8%.

- (7) An amount equivalent to 1/18 of the average of his total wages for insured work paid during the four quarters of his base period when the state's average unemployment rate is above 8% and at or below 8.5%.
- (8) An amount equivalent to 1/19 of the average of his total wages for insured work paid during the four quarters of his base period when the state's average unemployment rate is above 8.5% and at or below 9%.
- (9) An amount equivalent to 1/20 of the average of his total wages for insured work paid during the four quarters of his base period when the state's average unemployment rate is above 9%.

Proposed law provides that if the amount provided for in proposed law is not a multiple of one dollar, it shall be computed to the next lowest multiple of one dollar.

Present law provides that in no event shall the weekly benefit amount paid exceed \$312.

Proposed law increases the weekly benefit amount from \$312 to \$343.

Present law provides that any otherwise eligible individual shall be entitled to receive unemployment compensation benefits for 26 weeks during a 12 month period.

Proposed law changes the number of weeks from 26 to 12. Proposed law otherwise retains present law.

Proposed law provides that when the state's average unemployment rate is above 5.5%, any otherwise eligible individual shall be entitled to an additional amount of benefits equivalent to his weekly benefit amount as determined pursuant to present law times the number of 0.5% increments that the state's average unemployment rate exceeds 5.5%, provided that such total amounts of benefits, if not a multiple of one dollar, shall be computed to the nearest multiple of one dollar.

Proposed law defines "eligibility period of an individual", "exhaustee", "extended benefits", "extended benefit periods", and "regular benefits".

Proposed law provides for extended benefits for up to eight weeks for an individual who has exhausted their regular benefits and is enrolled and participating in an approved training program. Proposed law further provides that the weekly extended benefit amount is equal to the individual's weekly benefit amount payable to such person during his benefit year.

Effective when the state's average unemployment rate, as defined in present law, is less than 5.5% for two consecutive calendar quarters and the programs authorized by the 2020 Coronavirus, Aid, Relief, and Economic Security Act have expired.

(Amends R.S. 23:1474(I), 1592(A) and (E), and 1595; Adds R.S. 23:1606)