DIGEST

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HB 340 Engrossed

2023 Regular Session

Romero

Abstract: Provides for a decrease in the duration of unemployment compensation benefits and provides for extended benefits for claimants.

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

<u>Present law</u> provides that no claimant shall receive a benefit check for any week beyond the number of weeks computed on his initial claim unless that claimant is participating in a program providing partial unemployment or has been paid wages for part-time or full-time work.

<u>Present law</u> further provides that if a base period employer has provided severance pay, which when prorated weekly is an amount which equals or exceeds the claimant's weekly benefit amount, the claimant's benefit entitlement computed pursuant to <u>present law</u> shall be reduced by one week for each week of severance pay, provided that the claimant's entitlement shall not be reduced to less than one week.

<u>Proposed law</u> changes the number of weeks <u>from 26 to 20</u>. <u>Proposed law</u> otherwise retains <u>present law</u>.

<u>Proposed law</u> provides that the maximum number of weekly benefits a claimant may be eligible for in a benefit year shall depend on the average of the three most recently published seasonally adjusted unemployment rates preceding the month in which the claimant files his first claim for benefits.

<u>Proposed law</u> provides that for all valid unemployment claims submitted, the maximum duration of benefits available to a claimant will be based upon the average unemployment rate as determined by the administrator (the secretary of the La. Workforce Commission (LWC)) according to the following formula:

- (1) When the average unemployment rate is 5% or less, the maximum duration of benefits shall be limited to 12 weeks.
- When the average unemployment rate is greater than 5% but less than 5.5%, the maximum duration of benefits shall be limited to 13 weeks.
- (3) When the average unemployment rate is equal to or greater than 5.5% but less than 6%, the maximum duration of benefits shall be limited to 14 weeks.

- (4) When the average unemployment rate is equal to or greater than 6% but less than 6.5%, the maximum duration of benefits shall be limited to 15 weeks.
- (5) When the average unemployment rate is equal to or greater than 6.5% but less than 7%, the maximum duration of benefits shall be limited to 16 weeks.
- (6) When the average unemployment rate is equal to or greater than 7% but less than 7.5%, the maximum duration of benefits shall be limited to 17 weeks.
- (7) When the average unemployment rate is equal to or greater than 7.5% but less than 8%, the maximum duration of benefits shall be limited to 18 weeks.
- (8) When the average unemployment rate is equal to or greater than 8% but less than 8.5%, the maximum duration of benefits shall be limited to 19 weeks.
- (9) When the average unemployment rate is equal to or greater than 8.5%, the maximum duration of benefits shall be limited to 20 weeks.

<u>Proposed law</u> provides that, on a monthly basis, LWC shall publish on its website the maximum number of weekly benefits a claimant may be eligible for in a benefit year, for a claimant who has filed an initial claim for unemployment benefits in any week in that month.

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

<u>Proposed law</u> provides that the weekly extended benefit amount payable to an individual for a week of total unemployment during his eligibility period shall be an amount equal to the weekly benefit amount determined pursuant to <u>proposed law</u>. <u>Proposed law</u> further provides that these weekly extended benefits shall be payable to the individual during his benefit year with respect to when he last became an exhaustee.

<u>Proposed law</u> provides that the individual's total extended benefit amount, with respect to any benefit year, shall be eight times his weekly benefit amount.

<u>Proposed law</u> provides that an individual shall not be eligible for extended benefits if the secretary of LWC, determines that the individual is no longer enrolled or participating in the training program or the individual has completed the training program.

Effective Jan. 1, 2025.

(Amends R.S. 23:1595; Adds R.S. 23:1606)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Labor and Industrial Relations

to the <u>original</u> bill:

- 1. Add an effective date of Jan. 1, 2025.
- 2. Make technical changes.