

2016 Regular Session

HOUSE BILL NO. 1142 (Substitute for House Bill No. 941 by Representative Horton)

BY REPRESENTATIVE HORTON

UNEMPLOYMENT COMP: Provides for unemployment compensation for military spouses who resign employment to relocate pursuant to a permanent change of station order

1 AN ACT

2 To amend and reenact R.S. 23:1553(B)(5) through (11) and to enact R.S. 23:1553(D)(12)  
3 and 1601(1)(d), relative to unemployment compensation; to provide with respect to  
4 the disqualification for benefits; to provide for exceptions; to provide that a  
5 resignation in order to relocate pursuant to an order for a permanent change of station  
6 is not a disqualifying separation of employment for certain military spouses; to  
7 provide with respect to the noncharging of benefits against the experience rating of  
8 an employer; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 23:1553(B)(5) through (11) are hereby amended and reenacted and  
11 R.S. 23:1553(D)(12) and 1601(1)(d) are hereby enacted to read as follows:

12 §1553. Noncharging of benefits; recoupment; social charge account; social charge  
13 tax rate

14 \* \* \*

15 B.

16 \* \* \*

17 (5) Amounts noncharged as a result of the application of R.S. 23:1601(1)(d)  
18 relating to the relocation of a military spouse due to a permanent change of station  
19 order shall be recouped as a social charge to all employers.

1           (6) Amounts not charged against the experience-rating records of a base-  
2           period employer pursuant to the provisions of R.S. 23:1533 shall be recouped as a  
3           social charge to all employers.

4           ~~(6)~~(7) No amounts shall be credited to the Incumbent Worker Training  
5           Account as provided under R.S. 23:1514 in any calendar year in which the applied  
6           trust fund balance is less than seven hundred fifty million dollars. Furthermore,  
7           following any year in which monies are appropriated from the Incumbent Worker  
8           Training Account for use in the state general fund, such appropriated amount shall  
9           be subtracted from amounts to be charged pursuant to Paragraphs (7) and (9) of this  
10          Subsection.

11          ~~(7)~~(8) Amounts not to exceed twenty million dollars to be credited to the  
12          Incumbent Worker Training Account to fund the Incumbent Worker Training  
13          Program as provided under R.S. 23:1514 shall be charged to this account only in any  
14          calendar year in which the applied trust fund balance range as defined in R.S.  
15          23:1474 is equal to or greater than seven hundred fifty million dollars, but less than  
16          one billion two hundred fifty million dollars and only in the amount necessary to  
17          bring the balance of unobligated funds in such subaccount to twenty million dollars.

18          ~~(8)(a)~~(9)(a) Amounts not to exceed four million dollars to be credited to the  
19          Employment Security Administration Account as provided under R.S. 23:1515 for  
20          use expressly in the supplemental funding of costs associated with specific  
21          unemployment insurance and employment functions shall be restricted to those  
22          provided according to the provisions of this Chapter for the following:

- 23                 (I) Auditing of claims filed.
- 24                 (ii) Recovery of amounts overpaid to claimants.
- 25                 (iii) Auditing of experience-rating accounts.
- 26                 (iv) Recovery of delinquent contributions.
- 27                 (v) Disposition of appeals.
- 28                 (vi) Cash management and remittance processing.
- 29                 (vii) Call center services.

1 (viii) Outreach to employers, employees, and unemployed persons.

2 (ix) Information technology services.

3 (x) Labor exchange services.

4 (b) Such amounts shall not be expended or be available for expenditure in  
5 any manner which would permit their substitution for, or a corresponding reduction  
6 in, federal funds which in the absence of such monies would be made available for  
7 the administration of this Chapter. These amounts shall be charged to this account  
8 in a calendar year in which the administrator deems necessary.

9 ~~(9)~~(10) Amounts not to exceed thirty-five million dollars to be credited to  
10 the Incumbent Worker Training Account to fund the Incumbent Worker Training  
11 Program as provided under R.S. 23:1514 shall be charged to this account only in any  
12 calendar year in which the applied trust fund balance range as defined in R.S.  
13 23:1474 is equal to or greater than one billion two hundred fifty million dollars and  
14 only in the amount necessary to bring the balance of unobligated funds in such  
15 subaccount to thirty-five million dollars.

16 ~~(10)~~(11) As used in this Chapter, the following terms shall be defined as  
17 follows:

18 (a) "Cash balance" means the actual cash balance in the Louisiana State  
19 Treasury account and at the Louisiana Workforce Commission at the close of  
20 business on September thirtieth.

21 (b) "Contractual obligations" means the open contract balance at the close  
22 of business on September thirtieth.

23 (c) "Noncontractual obligations" means the allowable ten percent maximum  
24 for administrative costs and the maximum amount to be allocated for small business  
25 employee training costs allowable under the law.

26 (d) "Unobligated funds" means cash balance, less contractual obligations,  
27 less noncontractual obligations.

28 ~~(11)~~(12) Amounts noncharged as the result of the application of R.S. 23:1604  
29 shall be recouped as a social charge to all employers.

1 \* \* \*

2 §1601. Disqualification for benefits

3 An individual shall be disqualified for benefits:

4 (1)

5 \* \* \*

6 (d)(I) No individual who is otherwise eligible for benefits shall be  
7 disqualified for benefits pursuant to the provisions of this Chapter if all of the  
8 following conditions are met:

9 (aa) He is the spouse of an active-duty military service person.

10 (bb) His spouse receives an order of permanent change of station.

11 (cc) He has resigned his employment to relocate with his spouse pursuant to  
12 an order of permanent change of station.

13 (ii) Benefits paid pursuant to the provisions of this Subparagraph shall not  
14 be charged against the experience rating of an employer from whom an employee  
15 leaves to relocate, however benefits paid shall be recouped as a social charge to all  
16 employers in accordance with R.S. 23:1553(D).

17 \* \* \*

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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)]

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HB 1142 Original

2016 Regular Session

Horton

**Abstract:** Provides that a spouse of a military service member shall not be disqualified for unemployment compensation benefits if he resigns employment to relocate with his spouse pursuant to an order of permanent change of station.

Present law provides that in a claim for unemployment compensation, an individual is disqualified for benefits if he:

- (1) Left his employment without good cause attributable to a substantial change in employment.
- (2) Is employed by a staffing firm and does not contact the staffing firm for reassignment after completing an assignment.
- (3) Has been discharged for misconduct connected with his employment.

- (4) Fails to apply for available, suitable work when so directed by the administrator, or to accept suitable work when offered to him, or to return to his customary self-employment when so directed by the administrator.
- (5) Is unemployed because he is participating in a labor strike.
- (6) Is seeking unemployment compensation from another state.
- (7) Makes a false statement or representation to obtain or increase his benefits.
- (8) Has been discharged for the use of illegal drugs.
- (9) Has not, after participation in a work-release program, worked and earned wages for insured work.

Proposed law retains present law.

Present law provides an exception to disqualification by voluntarily resigning which provides that no individual shall be disqualified from benefits for leaving part-time employment in order to protect his full-time employment.

Proposed law retains present law and further provides that an individual shall not be disqualified from receiving benefits if he is otherwise eligible to receive benefits, is the spouse of a military service member, and resigns his employment in order to relocate with his spouse pursuant to an order of permanent change of station.

Present law provides that benefits charged after a requalification for benefits shall not be charged against an employer's experience-rating if the employer files a separation notice alleging disqualification, a notice of claim or a response to a notice to base period employer is filed, or the separation is determined to have been under disqualifying conditions.

Present law further provides that amounts waived that were paid pursuant to an agency, appeal referee, board of review, or court decision shall be recouped as a social charge to all employers.

Proposed law retains present law and further provides that benefits paid to an employee who leaves his job pursuant to his spouse's permanent change of station order shall not be charged against the experience rating of an employer from whom an employee leaves to relocate and shall be recouped as a social charge.

(Amends R.S. 23:1553(B)(5) - (11); Adds R.S. 23:1553(D)(12) and 1601(1)(d))