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.

<u>Present law</u> 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.
- 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.

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

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

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

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

<u>Present law</u> 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.

<u>Proposed law</u> 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.

<u>Proposed law</u> 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%.

<u>Proposed law</u> provides that if the amount provided for in <u>proposed law</u> 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.

<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>Proposed law</u> changes the number of weeks <u>from 26 to 12</u>. <u>Proposed law</u> otherwise retains <u>present law</u>.

<u>Proposed law</u> 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 <u>present law</u> 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.

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

<u>Proposed law</u> 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. <u>Proposed law</u> 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 <u>present law</u>, 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)