

Amendments to State Unemployment Insurance Laws

U.S. DEPARTMENT OF LABOR
Employment and Training Administration
Washington, D.C. 20210

REPORT ON STATE LEGISLATION

REPORT NO. 4
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CALIFORNIA AB 1430 ENACTED and EFFECTIVE August 3, 2003
 (CH 183)

Coverage

Excludes from the definition of "employment" services performed by an individual as an election official or election worker if the amount of remuneration reasonably expected to be received during the calendar year for such services is less than \$1,000 (formerly \$200).

ILLINOIS HB 810 ENACTED December 26, 2003
 (PA 93-634) EFFECTIVE January 1, 2004

Administration

Provides that the Employment Security Advisory Board will hold public hearings on the progress toward meeting the 2004 Trust Fund solvency projections. The hearings will also consider issues related to benefit eligibility, benefit levels, employer contributions, and future trust fund solvency goals. The Board will, in accordance with its operating resolutions, approve and report findings from the hearings to the Illinois General Assembly by April 1, 2007.

Financing

Establishes the taxable wage base for the following calendar years:

2004 - \$9,800 (previously \$10,000)	2007 - \$11,500
2005 - \$10,500	2008 - \$12,000
2006 - \$11,000	2009 - \$12,300

For calendar year 2010 and each calendar year thereafter, the taxable wage base will be the sum of the wage base adjustment for that year (ranging from +\$220 to -\$220, depending on the trust fund balance) plus the wage base of the immediately preceding calendar year; however, the wage base will not be less than \$12,300 nor greater than \$12,960 for any calendar year after calendar year 2009.

Establishes solvency adjustments applicable to the calculation of the taxable wage

base, tax rates, and the dependent child allowance beginning with year 2010.

Under certain circumstances, provides for noncharging of benefits paid to claimants who left work due to domestic violence.

Provides that for calendar year 1988 and each calendar year thereafter the state experience factor will be determined as follows:

For every \$50,000,000 by which the adjusted trust fund balance falls below the target balance, the state experience factor for the succeeding year shall be increased (or decreased) one percent absolute.

Provides that the target balance in calendar year 2004 is \$960,000,000; and in calendar year 2005 and each calendar year thereafter is \$1,000,000,000.

Modifies adjustments applicable to the state experience factor.

Provides that the following fund building rates (applicable to employers with a contribution rate of 0.2 percent or higher) will be in effect for the following calendar years:

0.7 percent for 2004	0.6 percent for 2008
0.9 percent for 2005	0.4 percent for 2009
0.8 percent for 2006-07	

For year 2010 and thereafter, the fund building rate may not be less than 0.4 percent or greater than 0.55 percent, depending on the prior year's fund building factor and the applicable rate adjustment.

Authorizes the issuance of bonds, and establishes the Master Bond Fund which is separate and apart from all other state funds.

Provides that fund building receipts and all moneys directed for transfer from the Master Bond Fund to the state's account in the unemployment trust fund will be administered by the Director; provides for the immediate deposit of moneys directed from the Master Bond Fund to the state's account in the unemployment trust fund into the clearing account.

Defines "fund building receipts" as amounts directed for deposit into the Master Bond Fund, and provides for the deposit of fund building receipts into the Master Bond Fund.

Repeals the 0.2 percent federal penalty tax avoidance surcharge payable when the state's account in the unemployment trust fund is less than \$80,000,000.

Repeals the employment assistance revolving fund used to pay job search or start-up expenses to the unemployed or newly hired but not yet paid.

Monetary Entitlement

Prohibits wages used to establish a valid claim from being reused in establishing a

subsequent regular base period.

Provides for the use of an alternative base period consisting of the last 4 completed calendar quarters immediately preceding the benefit year for individuals ineligible to receive benefits under the regular base period, effective January 1, 2008.

Computes the weekly benefit amount as 48 percent (previously 49.5 percent) of the individual's prior average weekly wage, not to exceed the maximum weekly benefit amount and not less than \$51 for benefit years beginning on or after January 4, 2004 and before January 6, 2008; computes the weekly benefit amount as 47 percent of the individual's prior average weekly wage, not to exceed the maximum weekly benefit amount and not less than \$51 unchanged for benefit years beginning on or after January 6, 2008.

Computes the maximum weekly benefit amount as 48 percent (previously 49.5 percent) of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, for benefit years beginning on or after January 4, 2004, and before January 6, 2008; computes the maximum weekly benefit amount as 47 percent of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, for benefit years beginning on or after January 6, 2008.

Reduces the cap on nonworking spouse support from 58.5 percent of the statewide average weekly wage to 57 percent for 2004 through 2007, and to 56 percent thereafter.

Increases the dependent child allowance from 16 percent of the individual's average weekly wage to 17.2 percent for 2004 through 2007 and decreases the cap from 65.5 percent of the statewide average weekly wage to 65.2 percent; to 18.2 percent with no changes in the cap for 2008-2009; varies from 17.3 percent to 18.2 percent depending on a solvency adjustment thereafter, with a cap based on the statewide average weekly wage and the percentage used to calculate the dependent child allowance.

Nonmonetary Eligibility

Provides that an individual has not left work voluntarily without good cause due to circumstances resulting from the individual being a victim of domestic violence if such individual has made reasonable efforts to preserve the employment.

An individual will be treated as a victim of domestic violence if the individual provides the following:

- written notice to the employing unit of the reason for voluntarily leaving; and to the department provides:
 - an order of protection or other documentation of equitable relief issued by a court of competent jurisdiction; or
 - a police report or criminal charges documenting the domestic violence; or
 - medical documentation of the domestic violence; or
 - evidence of domestic violence from a counselor, social worker, health worker or domestic violence shelter worker.

Provides that an individual will be held to have voluntarily terminated employment for

and maximum rates remain unchanged.

Extends until June 30, 2004, the requirement for the reduction by a factor of 15 percent in the contribution rate for each employer liable to pay contributions.

Extends until June 30, 2004, the 0.1825 percent employee tax (deposited in the unemployment compensation fund) on individuals working for governmental or nongovernmental contributing employer, or nonprofit organization, whether contributing or reimbursing; increases the rate to 0.3825 percent on and after July 1, 2004.

OHIO SB 92 ENACTED and EFFECTIVE December 23, 2003
(Session Law 46)

Administration

Provides that the new hire reports will be used for the administration of the employment security program under the director of job and family services and to verify eligibility for:

- any Temporary Assistance for Needy Families program;
- the Medicaid program;
- the unemployment compensation program;
- the food stamp program; and
- certain other authorized programs.

Provides that information in the new hire reports may be disclosed to:

- any child support enforcement agency and any agent under contract with a child support enforcement agency;
- any county department of job and family services and any agent under contract with a county department of job and family services;
- employees of the department of job and family services and any agent under contract with the department of job and family services; and
- the administrator of workers' compensation for the purpose of administering the workers' compensation system.

Appeals

Provides that no order of a reviewing court must be given collateral estoppel or res judicata effect in any separate or subsequent judicial, administrative, or arbitration proceeding other than a proceeding arising from unemployment insurance appeals.

Monetary Entitlement

Waives the 1-week waiting period for individuals totally or partially unemployed due to a major disaster declared by the President.

Nonmonetary Eligibility

Permits the director to waive the requirement to actively seeking work when the individual's unemployment is directly attributable to a major disaster declared by the

President, and the employer whose operation was adversely affected by the disaster requests a waiver from the director for the individual to be exempt from the requirement to actively seek suitable work.

Delays, until December 26, 2004, implementation of the requirement that a duration disqualification be removed in order to establish a benefit year, unless technological systems to implement the requirement are in place before that date.