

## 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. 2  
June 2007

<b>ARKANSAS</b>	HB 2338 (Act No. 1201)	SB 834 (Act No. 1032)	ENACTED April 4, 2007 EFFECTIVE July 1, 2007
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#### Financing

Amends the Arkansas Revenue Stabilization Law to provide that the Employment Security Special Fund will also consist of unemployment compensation contribution interest and penalty payments collected as a result of State Unemployment Tax Act (SUTA) dumping.

<b>IOWA</b>	SB 448 (CH 96)	ENACTED April 17, 2007 EFFECTIVE July 1, 2007
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#### Administration

Requires that the department hold confidential unemployment insurance information received by the department from an unemployment insurance agency of another state.

Provides that a public official or an agent or contractor of a public official who receives unemployment information or a third party other than an agent acting on behalf of a claimant or employer and who violates the confidentiality requirements is guilty, upon conviction, of a serious misdemeanor. For purposes of this provision, "public official" means an official or employee within the executive branch of federal, state, or local government, or an elected official of the federal or a state or local government. (Previously, this provision applied to an employee of the department, an administrative law judge, or a member of the appeal board.)

<b>KANSAS</b>	SB 235 (CH 44)	ENACTED and EFFECTIVE April 5, 2007
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#### Coverage

Excludes from the definition of "employment" services performed by an owner-operator of a motor vehicle that is leased from a licensed motor carrier, provided that under the terms of the lease agreement, the owner-operator is not treated as an employee under federal law. Additionally, the employees or agents of the owner-operator will not be considered employees of the licensed motor carrier.

<b>MARYLAND</b>	HB 1031 (CH 263)	SB 720 (CH 50)	ENACTED April 10, 2007 EFFECTIVE June 1, 2007
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### Administration

Reestablishes the Joint Committee on Unemployment Insurance (UI) Oversight, and establishes the membership and staffing of the Committee. Requires the committee to examine the condition of the UI system as a result of the implementation of the 2005 amendments to Chapter 169 and allows examination of additional alterations, including charging/taxation provisions and the eligibility/benefit provisions. Requires the committee to report its findings and recommendations on December 31, of each year. Dissolves the committee on December 31, 2007, unless reestablished by action of the General Assembly.

**NEW YORK**

AB 6163  
(CH 6)

ENACTED March 13, 2007  
EFFECTIVE April 2, 2007

### Administration

Allows the Department of Labor to receive and redisclose unemployment insurance (UI) information from quarterly combined withholding, wage reporting, and UI returns filed by employers for the administration of the UI program, the employment services program, and Federal and state employment and training programs, employment statistics and labor market information programs, worker protection programs, other Federal programs for which the Department of Labor has responsibility, or other purposes deemed appropriate by the Commissioner of Labor. (Previously allowed disclosure of such information for employment security programs, evaluation of employment and training programs, reporting, and monitoring.)

Allows information to be used in court in actions pursuant to disclosures to Federal, state, or local agencies, or to adjudicate a claim for benefits.

Requires information to be disclosed upon request to any Federal, state, or local agency entitled to such information under the Social Security Act or any other Federal law in the manner prescribed by such law or its implementing regulations.

Allows the Commissioner to require written agreements with requesting Federal, state, or local agencies consistent with Federal regulations including the regulation concerning the confidentiality and disclosure of state unemployment compensation information, and assurances that the requesting agency has adequate security safeguards in place.

Allows information to be disclosed to Federal, state, or local agencies for the following legitimate governmental purposes:

- investigation of fraud or misuse of public funds;
- programmatic purposes of workforce agencies, workforce investment boards and their agents, one-stop operating partners;
- U.S. Department of Labor requirements for receipt of Federal administrative funding;
- carrying out statutory functions of state and local economic development agencies;
- and
- determining coverage compliance of the Worker's Compensation Board, the State Insurance Fund, and the State Insurance Department.

Provides that wage reporting information obtained from the department of taxation and information from quarterly combined withholding, wage reporting, and UI returns filed by

employers must be confidential and must be used for the administration of the UI program, the employment services program, Federal and state employment and training programs, employment statistics and labor market information programs, employer services program, worker protection programs, other Federal programs for which the Department of Labor has responsibility, or other purposes deemed appropriate by the Commissioner of Labor.

**NORTH DAKOTA**

HB 1056

ENACTED April 11, 2007  
EFFECTIVE July 1, 2007

Financing

Provides for continuing appropriation of the Federal advance interest repayment fund, and authorizes use of monies in this fund for the purposes of reemployment programs to ensure the integrity of the unemployment insurance program.

**NORTH DAKOTA**

HB 1278  
(CH 4)

ENACTED April 17, 2007  
EFFECTIVE August 1, 2007

Financing

Excludes design and engineering firms connected with construction projects estimated at a cost of at least \$50 million planned for completion or discontinuance within a 7-year period from posting a bond or an irrevocable letter of credit.

Changes the computation of the amount of bond or irrevocable letter of credit, the estimation of contributions expected, and the estimation of benefits paid.

Provides that the general or prime contractor, or the owner when there is no general or prime contractor, must remain liable for any amount of benefits paid to the employees working on the project which exceeds the amount of contributions collected from the employers who worked on the project which is not covered by the amount of the bond or irrevocable letter of credit.

**NORTH DAKOTA**

HB 1413

ENACTED and EFFECTIVE March 9, 2007

Financing

Amends the provision on determination of rates by providing that:

the positive employer minimum rate in the first rate schedule is 0.01 percent and in each subsequent rate schedule the rate is the previous rate schedule's positive employer minimum rate plus 0.01 percent;  
the negative employer minimum rate needed to generate the amount of income needed to pay benefits is the positive employer minimum (previously maximum) rate plus 6 (previously 5.1) percent;  
the positive employer minimum (previously maximum) rate necessary to generate the amount of income needed to pay benefits must be set so that all rates combined generate the average required rate for income needed to pay benefits; and  
new employers must be assigned a rate that is 90 (previously 150) percent of the positive employer maximum rate or a rate of 1 percent, whichever is greater, unless classified in construction services.

Amends the provisions on how the variations in standard rate of contributions are

determined by providing that in the schedule of positive employer rate groups:

each successive rate group for positive employers must be assigned a rate equal to 120 percent of the previous group's rate with a minimum increase of 0.1 percent and a maximum increase of 0.4 percent;

the number of rate groups in the positive employer schedule must be 10;

after assigning rates based on ranking employers with the highest reserve ratio, each successively ranked positive employer must be assigned to a rate so that the first rate in the schedule is assigned 60 percent of the positive employer's prior year's taxable wages and each of the remaining 9 rates within the rate schedule are assigned the same proportion of the remaining 40 percent of the positive employer's prior year's taxable wages (previously rates in the schedule were assigned in the same proportion); and

an employer with a quarterly taxable payroll in excess of \$50,000 and at least 3 times its established average annual payroll or the average annual payroll is zero, the employer's cumulative lifetime reserve balance is positive, then the employer's tax rate is 90 (previously 150) percent of the positive employer maximum rate in effect that year or a rate of 1 percent whichever is greater, beginning the first day of the calendar quarter in which it occurred and for the remainder the calendar year.

**VIRGINIA**

HB 964  
(CH 426)

ENACTED March 19, 2007  
EFFECTIVE January 1, 2009

Financing

Allows filing of payroll and tax reports, and payment of taxes annually if the employment is exclusively domestic service in a private home and quarterly payroll does not exceed \$5,000 regardless of the number of persons providing service.

**VIRGINIA**

HB 2066  
(CH 628)

ENACTED March 20, 2007  
EFFECTIVE July 1, 2007

Monetary Entitlement

Increases the maximum weekly benefit amount from \$347 to \$363 effective July 1, 2007.

**VIRGINIA**

HB 2272  
(CH 638)

ENACTED March 20, 2007  
EFFECTIVE July 1, 2007

Administration

Requires employers who report 100 or more employees in any calendar quarter to file quarterly reports on an electronic medium in a format prescribed by the Commissioner beginning January 1, 2009. Imposes a penalty of \$75 for failure to file electronically without good cause for employers who had not obtained a waiver. Requires penalties collected to be paid to the Special Unemployment Compensation Administration Fund.

