

## **Amendments to State Unemployment Insurance Laws**

### **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. 3  
December 22, 2000

#### Amendments to State Unemployment Insurance Laws

<b>ARIZONA</b>	HB 2262 CH 383	ENACTED April 25, 2000 EFFECTIVE as noted
----------------	-------------------	--

##### Taxation

Beginning January 1, 2001, through December 31, 2007, (or, if earlier, when the federal unemployment tax is reduced to 6 percent), decreases the required income rates by one-tenth of one percent; the required income rate is used to adjust employer tax rates.

Beginning January 1, 2001, through December 31, 2007, imposes on employers a job training employer tax to replace State general fund monies as the funding source for the existing Arizona job training program; funds will be collected by the Department of Economic Security and deposited in the job training fund.

Provides that unexpended or unencumbered monies in the job training fund upon repeal of the job training program in 2008 revert to the unemployment compensation fund if the monies were attributable to the job training employer tax.

Deletes the provision related to non-charging benefits attributable to former welfare recipients. (Resolves conformity issue)

<b>ILLINOIS</b>	HB 3260 (PA 91-890)	ENACTED and EFFECTIVE July 6, 2000
-----------------	------------------------	---------------------------------------

##### Coverage

Specifies the conditions under which an individual (under a contract between an employee leasing company and a client employer) is considered an employee of either the employee leasing company or the client employer.

<b>MASSACHUSETTS</b>	HB 4867 (CH 172)	ENACTED December 30, 1999 EFFECTIVE Upon enactment or as indicated
----------------------	---------------------	---

## Administration

Established two legislative task forces:

to study the financing of the State's unemployment insurance fund, the feasibility of exempting employers from unemployment tax on former welfare recipients, and how a portion of the unemployment fund might be used to finance a personal development allowance to allow a claimant to apply a portion of their benefits to pay for retraining and skill development,

to study the establishment of a statewide insurance and retirement plan for temporary disability, family medical related leave and retirement.

(Task force reports were due 5/15/2000.)

## Financing

### Effective for calendar year 2000

Supersedes the employer tax rate schedule that would have automatically been in effect for 2000, ranging from 1.8 to 7.7 percent of payroll, and replaces it with a rate schedule ranging from 1.325 to 7.225 percent of payroll.

Postpones effective date on repeal of workforce training tax from 12/31/2001 to 12/31/2002.

## **NEW HAMPSHIRE**

HB 1512  
(CH 83)

ENACTED and EFFECTIVE  
April 21, 2000

## Benefits

Establishes a committee to study the feasibility of implementing a paid family and medical leave insurance program and potential funding sources to support it.

## **NEW YORK**

SB 6539  
(CH 5)

ENACTED February 15, 2000  
EFFECTIVE as noted

## Administrative

Requires that monies credited with respect to Federal fiscal years 2000, 2001, and 2002 be transferred to the unemployment administration fund and be used only for expenses incurred by the State for the administration of the unemployment insurance law and not be used for the payment of unemployment compensation or for the administration of State public employment offices. (Effective March 2, 2000)

Establishes an unemployment insurance (UI) control fund which will consist of all penalties imposed and collected for failure to file a combined withholding, wage reporting and UI return, and other funds. Requires money's in the UI control fund to be kept separate from and not commingled with any other moneys and to be used for the location and prevention of fraud and abuse, collection and enforcement activities,

benefit payment control activities and other quality control activities related to the UI program. (Effective January 1, 2001)

Changes to 30 (from 20) days the time period an employer has to file a return or corrected or insufficient return. (Effective December 31, 2000)

Specifies the penalties (with waivers for good cause or subsequent compliance) for employer failure to provide complete and correct wage reporting information on the return. Requires the penalties imposed and collected to be credited to the special fund. (Effective January 1, 2001)

Modifies the definition of the term Aqualified employer@ to include any employer who has had an amount of contributions due and/or an amount of wages paid determined by the commissioner. (Effective December 31, 2000)

Modifies the penalty for failure to file required returns to impose a penalty of 5 percent of the amount of contributions required (including assessment or modification) if failure to file return is less than 1 month with an additional 5 percent for each additional month or fraction thereof during with such failure continues, not exceeding 25 percent in the aggregate, with not less than \$100 for each occurrence.

Revises the employer tax rate schedule changing the range of rates from 0.0 to 8.5 percent to 0.0 to 8.9 percent. (Effective January 1, 2001)

Specifies that for any calendar year when contributions paid into the re-employment service fund equals \$35 million, excess contributions will be credited to the general account. (Effective February 15, 2000)

### Benefits

Clarifies the term Aweek of employment@ to mean a Monday-Sunday period. (Effective March 2, 2000)

Limits the earnings in the high calendar quarter of the base period in determining a valid original claim to 22 times the maximum benefit rate. (Effective March 2, 2000)

Specifies that a reconsideration of the weekly benefit amount may be requested to the commissioner by the claimant if certain conditions are met. (Effective March 2, 2000)

Modifies the conditions related to the prevailing wage under which a claimant must accept employment after receiving 13 weeks of benefits. (Effective February 15, 2000) (Resolves pending issue.)

Modifies the pension offset provision dealing with benefit reductions, to make it consistent with the Federal Unemployment Tax Act. (Effective February 15, 2000) (Resolves pending issue.)

### Financing

Requires that monies from the re-employment service fund be deposited in the unemployment insurance fund. (Effective March 2, 2000)

**VIRGINIA**

HB 1464

ENACTED and EFFECTIVE  
April 8, 2000

Benefits

Provides that an individual shall not be denied benefits because the individual is in training with the approval of the Virginia Employment Commission, including training under the Workforce Investment Act, or because of application of the provisions relating to availability for work, failure to apply for, or refusal to accept, suitable work for any week in which he is in such training.