

1 SB188
2 182129-2
3 By Senators Orr, Bussman, Allen, Sanford, Chambliss and
4 Pittman
5 RFD: Fiscal Responsibility and Economic Development
6 First Read: 14-FEB-17

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4 ENGROSSED

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7 A BILL
8 TO BE ENTITLED
9 AN ACT

10
11 To amend Sections 25-4-72 and 25-4-74, Code of
12 Alabama 1975, to change the maximum amount of benefits payable
13 to the lesser of 14 or 20 times his or her weekly benefit
14 amount and one-fourth of the wages paid to the individual for
15 insured work during a base period dependent upon the state's
16 average unemployment rate; and to change the maximum weekly
17 benefit amount to an amount that is an equal division of the
18 current weeks compensated of the average of the wages for
19 insured work paid to the individual during the two quarters of
20 his or her base period in which the total wages were the
21 highest.

22 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

23 Section 1. Sections 25-4-72 and 25-4-74, Code of
24 Alabama 1975, is amended to read as follows:

25 "§25-4-72.

26 "(a) For weeks of unemployment during benefit years
27 which begin before the effective date of subsection (b) of

1 this section, an individual's weekly benefit amount shall be
2 as prescribed by this section as amended through July 6, 1997.

3 "(b) For weeks of unemployment during benefit years
4 beginning on or after July 2, 2006, an individual's weekly
5 benefit amount shall be an amount ~~equal to one twenty-sixth of~~
6 ~~the average~~ based on an equal division of the current weeks
7 compensated of the wages for insured work paid to the
8 individual during the two quarters of his or her base period
9 in which the total wages were the highest; except, that:

10 "(1) If the amount thus derived is not a multiple of
11 one dollar (\$1), fractional parts of one dollar (\$1) in excess
12 of fifty cents (\$.50) shall be rounded to the next higher
13 multiple of one dollar (\$1) and fractional parts of one dollar
14 (\$1) which are fifty cents (\$.50) or less shall be dropped to
15 the next lower multiple of one dollar (\$1).

16 "(2) If the amount derived before the application of
17 subdivision (1) of this subsection is not in excess of
18 forty-four dollars fifty cents (\$44.50), there shall be no
19 weekly benefit amount.

20 "(3) Effective with benefit years beginning on or
21 after July 6, 2008, if the amount thus derived is more than
22 two hundred fifty-four dollars fifty cents (\$254.50), the
23 weekly maximum benefit amount shall be two hundred fifty-five
24 dollars (\$255).

25 "(4) Effective with benefit years beginning on or
26 after July 5, 2009, if the amount thus derived is more than
27 two hundred sixty-four dollars fifty cents (\$264.50), the

1 weekly maximum benefit shall be two hundred sixty-five dollars
2 (\$265).

3 "(5) Effective with benefit years beginning on or
4 after January 1, 2018, if the amount thus derived is more than
5 two hundred seventy-four dollars fifty cents (\$274.50), the
6 weekly maximum benefit shall be two hundred seventy-five
7 dollars (\$275).

8 "(c) If, as a condition for approval of this section
9 for full tax credit against the tax imposed by the federal
10 Unemployment Tax Act, federal law should require a greater
11 maximum weekly benefit amount than that provided herein, then
12 the maximum weekly benefit amount shall be the minimum
13 required by any such federal law for such approval.

14 "(d) Nothing herein shall serve to deprive any
15 individual of any benefit for which he or she had qualified in
16 any benefit year beginning prior to the effective date of the
17 provisions of subsection (b) of this section.

18 "(e) There is hereby appropriated out of funds made
19 available to this state under Section 903 of the Social
20 Security Act, as amended by Title II, Section 209, "Special
21 Reed Act Transfer in Fiscal Year 2002," of the "Temporary
22 Extended Unemployment Compensation Act of 2002," as contained
23 in the "Job Creation and Worker Assistance Act of 2002," an
24 amount not to exceed 15 percent of the funds, or so much
25 thereof to be used as may be necessary, under the direction of
26 the State of Alabama, Department of Labor, for the expenses
27 incurred for the administration of this state's unemployment

1 compensation law and public employment offices.
2 Notwithstanding the foregoing, the additional amount of up to
3 \$7,940,119 of "Reed Act" funds may be withdrawn from the
4 Unemployment Compensation Trust Fund and used for
5 administrative purposes from May 29, 2008, until September 30,
6 2009. Furthermore, whatever amount is withdrawn during this
7 time period, that amount shall not change the Employer Tax
8 Schedules pursuant to Section 25-4-54 for the calendar year
9 beginning January 1, 2010.

10 "§25-4-74.

11 "(a) Any otherwise eligible individual shall be
12 entitled during any benefit year, beginning on or after July
13 3, 1983, to a total amount of benefits equal to whichever is
14 the lesser of ~~26~~ 14 times his or her weekly benefit amount, if
15 the state's average unemployment rate is at or below 6.5
16 percent, with an additional weekly benefit amount added for
17 each 0.5 percent increase in the state's average unemployment
18 rate above 6.5 percent up to a maximum of 20 times his or her
19 weekly benefit amount if the state's average unemployment rate
20 equals or exceeds nine percent, and ~~one-third~~ one-fourth of
21 the wages paid to him or her for insured work during his or
22 her base period; provided, that such total amounts of
23 benefits, if not a multiple of \$1.00, shall be computed to the
24 nearest multiple of \$1.00.

25 "(b) For the purpose of this article, wages shall be
26 counted as "wages for insured work" with respect to any
27 benefit year only if ~~such~~ the wages were paid in the base

1 period immediately preceding ~~such~~ the benefit year; except,
2 that any lump sum payment of wages in lieu of notice,
3 dismissal, or severance allowance or "back pay" award shall be
4 prorated over the period or periods with respect to which ~~such~~
5 the payment is made and treated as though it had been paid in
6 ~~such~~ the period or periods.

7 "(c) In determining an individual's benefit rights,
8 remuneration payable but unpaid to ~~such~~ the individual shall,
9 to the extent that regulations promulgated by the secretary
10 prescribe, be deemed to be "wages paid" to ~~such~~ the
11 individual.

12 "(d) As used in this section, the term "state's
13 average unemployment rate" means the average of the three
14 months for the most recent third calendar quarter of the
15 seasonably adjusted statewide unemployment rate as published
16 by the Alabama Department of Labor.

17 "~~(b)~~ (e) For benefit years beginning prior to July
18 3, 1983, any otherwise eligible individual shall be entitled
19 to a total amount of benefits as was provided in this section
20 prior to ~~such~~ that date.

21 "(f) Any otherwise eligible individual shall be
22 entitled during the current benefit year to an additional five
23 weeks after all regular benefits have exhausted under
24 subsection (a) of this section, and is enrolled and making
25 satisfactory progress in a job training or certification
26 program approved by the Alabama Department of Labor. Each

1 approved training program shall prepare individuals for entry
2 into a high wage, high demand occupation.

3 "(1) The amount of benefits payable under this
4 section shall equal the weekly benefit amount established by
5 the most recent benefit year.

6 "(2) Such compensation is not required to be paid to
7 an individual who is receiving similar benefits or other
8 training allowances from other unrelated sources."

9 Section 2. This act shall become effective on
10 January 1, 2018, following its passage and approval by the
11 Governor, or its otherwise becoming law.

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Senate

Read for the first time and referred to the Senate
committee on Fiscal Responsibility and Economic
Development..... 14-FEB-17

Read for the second time and placed on the calen-
dar 1 amendment..... 23-FEB-17

Read for the third time and passed as amended 03-MAY-17

Yeas 20
Nays 0

Patrick Harris,
Secretary.