SB92

188334-3

By Senators Orr, Albritton, Reed, Sanford, Allen, Livingston, Stutts, Holtzclaw, Bussman, Williams, Dial and Whatley

RFD: Fiscal Responsibility and Economic Development

First Read: 09-JAN-18
A BILL

TO BE ENTITLED

AN ACT

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

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

"§25-4-72.

"(a) For weeks of unemployment during benefit years which begin before the effective date of subsection (b) of
this section, an individual's weekly benefit amount shall be
as prescribed by this section as amended through July 6, 1997.

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

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

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

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

"(4) Effective with benefit years beginning on or
after July 5, 2009, if the amount thus derived is more than
two hundred sixty-four dollars fifty cents ($264.50), the
weekly maximum benefit shall be two hundred sixty-five dollars ($265).

"(5) Effective with benefit years beginning on or after January 1, 2019, if the amount thus derived is more than two hundred seventy-four dollars fifty cents ($274.50), the weekly maximum benefit shall be two hundred seventy-five dollars ($275).

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

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

"(e) There is hereby appropriated out of funds made available to this state under Section 903 of the Social Security Act, as amended by Title II, Section 209, "Special Reed Act Transfer in Fiscal Year 2002," of the "Temporary Extended Unemployment Compensation Act of 2002," as contained in the "Job Creation and Worker Assistance Act of 2002," an amount not to exceed 15 percent of the funds, or so much thereof to be used as may be necessary, under the direction of the State of Alabama, Department of Labor, for the expenses incurred for the administration of this state's unemployment
compensation law and public employment offices. Notwithstanding the foregoing, the additional amount of up to $7,940,119 of "Reed Act" funds may be withdrawn from the Unemployment Compensation Trust Fund and used for administrative purposes from May 29, 2008, until September 30, 2009. Furthermore, whatever amount is withdrawn during this time period, that amount shall not change the Employer Tax Schedules pursuant to Section 25-4-54 for the calendar year beginning January 1, 2010.

"§25-4-74.

"(a) Any otherwise eligible individual shall be entitled during any benefit year, beginning on or after July 3, 1983, to a total amount of benefits equal to whichever is the lesser of 26 14 times his or her weekly benefit amount, if the average unemployment rate in the county of residence of the eligible individual is at or below 6.5 percent, with an additional weekly benefit amount added for each 0.5 percent increase in the average unemployment rate in the county of residence of the eligible individual above 6.5 percent up to a maximum of 20 times his or her weekly benefit amount if the average unemployment rate in the county of residence of the eligible individual equals or exceeds nine percent, and one third one-fourth of the wages paid to him or her for insured work during his or her base period; provided, that such total amounts of benefits, if not a multiple of $1.00, shall be computed to the nearest multiple of $1.00.
"(b) For the purpose of this article, wages shall be counted as "wages for insured work" with respect to any benefit year only if such the wages were paid in the base period immediately preceding such the benefit year; except, that any lump sum payment of wages in lieu of notice, dismissal, or severance allowance or "back pay" award shall be prorated over the period or periods with respect to which such the payment is made and treated as though it had been paid in such the period or periods.

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

"(d) As used in this section, the term "average unemployment rate in the county of residence of the eligible individual" means the average of the three months for the most recent third calendar quarter of the seasonably adjusted county unemployment rate as published by the Alabama Department of Labor.

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

"(f) Any otherwise eligible individual shall be entitled during the current benefit year to an additional five weeks after all regular benefits have exhausted under
subsection (a) of this section, and is enrolled and making satisfactory progress in a job training or certification program approved by the Alabama Department of Labor. Each approved training program shall prepare individuals for entry into a high wage, high demand occupation.

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

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

Section 2. This act shall become effective on January 1, 2019, following its passage and approval by the Governor, or its otherwise becoming law.
Senate

Read for the first time and referred to the Senate committee on Fiscal Responsibility and Economic Development........................................... 09-JAN-18

Read for the second time and placed on the calendar........................................... 11-JAN-18

Read for the third time and passed as amended .... 25-JAN-18

Yeas 21
Nays 8

Patrick Harris,
Secretary.