

Increases the maximum weekly benefit amount from \$370 to \$410 for new claims effective beginning on or after January 1, 2004, and before January 1, 2005.

Increases the maximum weekly benefit amount from \$410 to \$450 for new claims effective beginning on or after January 1, 2005.

COLORADO SB 36 ENACTED April 18, 2002
EFFECTIVE July 1, 2002

Coverage

Provides that a for-profit entity that has contracted with a governmental entity is not liable for any benefits to persons sentenced to participate in community or useful public service, but a for-profit is not prohibited from covering such persons under Workers' Compensation.

COLORADO HB 1401 ENACTED June 1, 2002
 (CH 248) EFFECTIVE October 11, 2002

Financing

Makes permanent a 20 percent employer tax credit, available if the unemployment compensation fund balance is at least one and one-tenth percent of the total amount of insured wages for the preceding year. Employers who have not filed required reports or paid taxes due, who are negative balance employers, or who reimburse the fund rather than pay contributions are not eligible for the tax credit. The tax credit was originally applicable only for calendar years 2000 and 2001.

CONNECTICUT HB 6004a ENACTED and EFFECTIVE August 15, 2002

Administration

Appropriates \$9 million of the March 14 Reed Act distribution for the use of paying administrative expenses for the administration of the unemployment compensation law and of public employment offices.

Monetary Entitlement

Establishes, from January 1, 2003 to December 31, 2005, an alternative base period (for individuals ineligible under the standard base period) consisting of the 4 most recently completed calendar quarters prior to the individual's benefit year, and for workers' compensation recipients or individuals properly absent from work due to sickness or disability, the alternate base period consists of the 4 most recently worked calendar quarters prior to such benefit year; requires the administrator to promptly contact the individual's employer to obtain wage information for the most recently worked calendar quarter if unavailable from the quarterly reports.

DELAWARE HB 425 ENACTED June 20, 2002
 (CH 303) EFFECTIVE January 1, 2003

Administration

Provides that the North American Industry Classification System, not the Standard Industrial Classification system shall be used in the determination of average employer assessments, average industry assessment rates, average construction industry rates, and new employer rates.

DELAWARE SB 311 ENACTED and EFFECTIVE May 29, 2002
 (CH 271)

Coverage

Defines “employee leasing company,” “professional employment organization,” and “employer client company.”

Provides that the employer client company, not the employee leasing company, is the employer of leased employees for unemployment insurance tax purposes .

FLORIDA SB 20e ENACTED and EFFECTIVE May 16, 2002

Administration

Requires the Florida Department of Education to develop and maintain a management information system with access to the unemployment insurance wage reports, to collect and report placement information about former students. Disallows the disclosure of the individual identities of former students.

FLORIDA SB 426 ENACTED and EFFECTIVE MAY 1, 2002
 (CH 218)

Coverage (Retroactive to December 21, 2000)

Amends the definition of employment to include service performed for an Indian tribe or tribal unit, resulting in unemployment insurance coverage of such services.

Allows an Indian tribe to either pay contributions or to elect to make reimbursements.

May require reimbursing tribe or tribal unit to execute and file a surety bond or deposit money or securities at the discretion of the director.

Under certain circumstances, terminates the reimbursement election and coverage when a tribe fails to make the required payments; provides for reinstatement when failure is corrected.

Requires extended benefits not reimbursed by the federal government to be financed in their entirety by the Indian tribe.

Financing

Permits the Revenue Department to release unemployment tax rate information to an employer payroll services agent which provides services for more than 500 employers, pursuant to a Memorandum of Understanding that also states the agent will retain the confidentiality of such information, has power of attorney to obtain such information, and will provide, upon request, a copy of the employer's power of attorney.

Establishes that the Revenue Department is considered to be administering a revenue law of the State of Florida when such Department provides unemployment compensation tax collection services pursuant to a contract of the department with the agency, and that certain sections of Florida Statutes apply to the collection of unemployment contributions by the Revenue Department unless prohibited by federal law.

Makes the following changes to the provisions concerning reporting and payment of taxes on domestic service employees:

- Removes the restriction that employers of domestic service employees pay contributions or report wages other than quarterly on only a limited basis.
- Allows all (not certain) such employers to do so;
- Changes the due date from April 1 to January 1 for employers of domestic service employees to report wages and pay taxes annually and the delinquent date from April 30 to February 1;
- Adds a new requirement that to qualify for the election the employer must be eligible for a variation from the standard rate;
- Specifies that the furnishing of any wage information must be timely;
- Specifies that failure to timely furnish wage information when required will (previously may) result in the employer's loss of program election;
- Establishes that the loss of election is effective the calendar quarter immediately following the calendar quarter in which such failure occurred;
- Establishes that the employer is eligible to reapply for annual reporting after 1 complete calendar year has elapsed since the employer's disqualification if the employer timely furnished any requested wage information during the period in which annual reporting was denied.

GEORGIA

HB 1285

ENACTED and EFFECTIVE May 1, 2002

Administration

Authorizes the State auditor to conduct audits and disclose confidential information, including unemployment information, for other public purposes including to other officers independently entitled to its receipt. (pending issue)

GEORGIA HB 68 ENACTED AND EFFECTIVE May 14, 2002
 (Act No. 904)

Financing

Changes from an option to a requirement that employers paying \$1,000 or more for domestic services during a calendar quarter file tax and wage reports on an annual rather than quarterly basis.

GEORGIA HB 342 ENACTED and EFFECTIVE May15, 2002
 (CH 8)

Financing

Ends after calendar year 2003 the limitation that contribution rates for rated employers are not to be imposed above the level of 1% of statutory contribution rates. Authority for governor to suspend the limitation for 2002 and 2003 remains in effect.

Suspends for calendar year 2003, the rate increase required occurring when the calculated state-wide reserve ratio is less than 1.7%.

Monetary Entitlement

Implements a temporary 18-month alternative base period (for individuals ineligible under the standard base period) from January 1, 2003 to June 30, 2004, calculated using the last four completed quarters immediately preceding the first day of an individual's benefit year.

Requires the use of Reed Act moneys for unemployment benefit payments made using the temporary alternative base period.

Increases the weekly earnings disregarded from \$30 to \$50 for claims filed on or after July 1, 2002.

Requires the deduction of earnings in excess of \$50 from the weekly benefit amount.
 Provides that earnings of \$50 or less will not affect benefit entitlement.

Requires jury duty pay not be considered as earnings.

Increases the minimum weekly benefit amount from \$39 to \$40 for benefit years beginning on or after July 1, 2002.

Increases the maximum weekly benefit amount from \$284 to \$295 for claims filed on or after July 1, 2002, but before July 1, 2003 and from \$295 to \$300 for claims filed on or after July 1, 2003.

Amends computation of the weekly benefit amount by changing the factor:

- From 1/48 to 1/46 of wages paid to the individual in the highest 2 quarters of the base period;
- From 1/24 to 1/23 of the highest single quarter of the base period wages, if an individual fails to meet the regular qualifying requirements.

Deletes the provision providing for no increase in the weekly benefit amount which occurs when the statewide reserve ratio is less than 1.25%.

HAWAII SB 2788 ENACTED and EFFECTIVE April 5, 2002
(Act No. 3)

Administration

Provides option to file an appeal at the employment security appeals referee's office.

IOWA HB 2344 ENACTED and EFFECTIVE April 8, 2002

Administration

Requires that the recording of oral proceedings of a hearing (before an administrative law judge) in which the decision is not appealed to the board be filed and maintained for at least 2 years from the decision date.

ILLINOIS HB 4531 ENACTED and EFFECTIVE June 24, 2002
(Pub. Act 92-555)

Coverage (Retroactive to December 21, 2000)

Provides that an Indian tribe includes any subdivision, subsidiary or business enterprise wholly owned by an Indian tribe.

Amends the definition of employment to include service performed for an Indian tribe, resulting in unemployment insurance coverage of such services and to exclude coverage of certain services.

Allows an Indian tribe to either pay contributions or to elect to make reimbursements.

Under certain circumstances, terminates the reimbursement election when a tribe fails to make the required payments; provides for reinstatement when failure is corrected.

KANSAS **HB 3021**
 (CH 84)

ENACTED April 23, 2002
EFFECTIVE July 1, 2002

Financing

Provides for noncharging of contributing employers or rated governmental employer's account with respect to their pro rata share of benefit charges if such charges are \$100 or less.

Monetary Entitlement

Establishes an alternative base period for certain individuals meeting the eligibility conditions when a qualifying injury occurred; defines alternative base period to mean the last four completed quarters immediately preceding the date the qualifying injury occurred; excludes the use of wages used in a prior claim from usage in the alternative base period; defines qualifying injury to mean a personal injury by accident arising out of and in the course of employment within the coverage of the Kansas workers compensation act.

Requires that an unemployed individual be eligible for benefits if the claimant is returning to work after a qualifying injury and has been paid total wages for insured work in the claimant's alternative base period of not less than 30 times the claimant's weekly benefit amount and has been paid wages in more than 1 quarter of the claimant's alternative base period if:

- (1) The claimant has filed for benefits within 4 weeks of being released to return to work by a licensed and practicing health care provider.
- (2) The claimant files for benefits within 24 months of the date the qualifying injury occurred.
- (3) The claimant attempted to return to work with the employer where the qualifying injury occurred, but the individual's regular work or comparable and suitable work was not available.

MASSACHUSETTS **HR 4452**
 (CH 347)

ENACTED October 9, 2002
EFFECTIVE October 9, 2002 or as
 otherwise indicated

Coverage (Effective as of December 31, 2000)

Amends the definition of "employment" to include service performed for an Indian tribe, resulting in unemployment insurance coverage of such services and to exclude coverage of certain services.

Allows an Indian tribe to either pay contributions or to elect to make reimbursements.(Election of reimbursements payments are effective January 1 after effective date of this act.)

May require an Indian tribe that elects to make reimbursement to execute and file a surety bond or deposit money or securities.

Under certain circumstances, terminates the reimbursement election when a tribe fails to make the required payments; provides for reinstatement when failure is corrected.

Requires extended benefits not reimbursed by the federal government to be financed in their entirety by the Indian tribe. (resolves pending issue)

Financing

Allows employers who have met certain criteria to pay voluntary contributions which must be paid not later than 30 days after the date a contribution rate notice has been issued or prior to the expiration of 120 days after the start of the calendar year for which the contribution rates are effective, whichever is earlier. (Effective relative to computation dates occurring not less than 90 days after October 9, 2002.)

Provides for charging benefits to the solvency account after a separation if a base period employer recalls an employee to work during the benefit year and the employee is separated from such employment within the benefit year for reasons relating to voluntary quit, discharge or convictions of felony or misdemeanor had such employer been the employee's most recent employer. (Effective for claims filed on or after October 6, 2002.)

Clarifies that a judgment entered in favor of the applicant and against the commissioner is entered without interest when the court finds that an adjustment or refund of a contribution or payment in lieu of contribution is excessive or has been collected or imposed incorrectly or unlawfully.

Deletes the provision requiring that interest imposed on an adjustment or refund of a contribution or payment in lieu of contribution be payable only if such interest is \$10 or more.

Decreases from 15% to 10% of the amount of unemployment benefits deducted and withheld for federal income tax purposes for those individuals electing voluntary withholding. (Effective relative to benefits paid on or after July 1, 2002.) (Resolves pending issue)

Changes from 5.95 percent to the rate of tax imposed under the revenue code as the amount of unemployment benefits deducted and withheld for state income tax purposes for those individuals electing voluntary withholding. (Effective relative to benefits paid on or after July 1, 2002.)

Allows the commissioner to participate with the commissioner of revenue in a program which permits employing units to file with the department of revenue a consolidated return which includes unemployment insurance, unemployment health insurance, workforce training, income tax withholding and wage reporting information, together with the required payment.

Changes the date from not later than December 31 to not later than November 30 for determining the total taxable wages required for determining experience rates. (Effective relative to computation dates occurring not less than 90 days after October 9, 2002.)

MICHIGANHB 5763
(Act No. 192)

ENACTED and EFFECTIVE April 26, 2002

Administration

Creates the Bureau of Worker's and Unemployment Compensation, within the Department of Consumer and Industry Services; transfers the authority, powers, functions, duties and responsibilities of the unemployment agency to such bureau.

Coverage (Retroactive to December 20, 2000)

Amends the definition of employer to include service performed for an Indian tribe or tribal unit, resulting in unemployment insurance coverage of such services.

Allows an Indian tribe to either pay contributions or to elect to make reimbursements.

Requires reimbursing tribe or unit, meeting certain conditions, to post a security in the form of a surety bond, irrevocable letter of credit, or other banking device or deposit money or securities at the discretion of the director.

Under certain circumstances, terminates the reimbursement election when a tribe fails to make the required payments; provides for reinstatement when failure is corrected.

Financing

Reduces the taxable wage base to \$9,000 from \$9,500 for calendar years after 2002.

Beginning 2003, reduces to 0.1%, 0.09%, 0.08%, 0.07%, and 0.06% the maximum nonchargeable benefits component for employers who have no benefit charges against their account for 5, 6, 7, 8, and 9 years respectively; requires nonconsideration of denied or fraudulent claims for benefits in charges against employers accounts when determining the nonchargeable benefits component.

Beginning 2003, increases from 6.0% to 6.3% the chargeable benefits components.

Authorizes the unemployment agency to withdraw \$79,500,000 from the contingency fund for deposit into the general fund on June 30, 2002.

Requires contingency funds in excess of \$15,000,000 to lapse to the unemployment trust fund at the close of the state fiscal year in 2002 and each year after 2002.

Provides for noncharging a base period employer that paid a claimant \$200 or less in wages; the nonchargeable benefits account will be charged.

Clarifies that if benefits for a week of unemployment are charged to 2 or more base period employers, the share of benefits charged to a contributing employer must be charged to the nonchargeable benefits account if the claimant during the week earns remuneration with that employer that equals or exceeds the amount of benefits charged to that employer.

Monetary Entitlement

Increases the maximum weekly benefit rate from \$300 to \$362 effective on and after April 26, 2002 for all claims in existence.

Increases to 43% the percentage of base period wages considered in calculating benefit duration for benefit years beginning the week after April 26, 2002.

Provides that vacation or holiday pay, and retroactive pay, pay in lieu of notice, severance payments, salary continuation, or other remuneration intended by the employing unit as continuing wages or other monetary consideration as the result of the separation, excluding SUB payments, are to be considered remuneration in determining whether an individual is unemployed and also in determining benefit payments for the period to which designated by the contract/agreement or current or former employing unit.

Nonmonetary Eligibility

Provides that an individual who left work is presumed to have left work voluntarily without good cause attributable to the employer or employing unit and has the burden of proof to establish he or she left work involuntarily or for good cause attributable to the employer or employing unit.

Provides for nondisqualification from benefits if during an established and effective benefit year the individual leaves unsuitable work within 60 days after the beginning of the work.

Disqualifies an individual from receiving benefits:

- If suspended or discharged for misconduct connected with the individual's work or for intoxication while at work;
- For failure without good cause to apply for available suitable work after receiving notice of the availability of that work;
- For failure without good cause while unemployed to report to the a former employer or employing unit within a reasonable time after a notice was provided of the availability of an interview concerning available suitable work with the former employer or employing unit.

Increases from 6 to 13 the weeks needed to requalify after a disqualification for:

- Failure without good cause to apply for available suitable work after receiving notice of the availability of that work;
- Failure without good cause while unemployed to report to the a former employer or employing unit within a reasonable time after a notice was provided of the availability of

an interview concerning available suitable work with the former employer or employing unit;

- Failure without good cause to accept suitable work offered or to return to customary self-employment;
- Losing a job due to absence from work because of a conviction and sentencing to jail or prison;
- Being discharged due to strike in violation of the collective bargaining agreement resulting in stoppage of work or restriction of or interference with production or a wildcat strike; or
- Failure to provide the temporary help firm the required information after completing services for the client.

Increases from 13 to 26 the weeks needed to requalify after a disqualification:

- For being discharged for an act of assault and battery, theft, or willful destruction of property connected with the work;
- For committing theft after receiving a layoff or discharge notice resulting in loss or damage to the otherwise chargeable employer;
- Was discharged for illegally ingesting, injecting, inhaling or possessing a controlled substance on the premises of the employer, refusing to submit to a drug test; or
- Testing positive on a drug test.

Requires, for a requalifying week, individuals to earn or receive remuneration equal to at least 1/13 of the minimum amount needed in a calendar quarter of the base period for an individual to qualify for benefits. (Applies to the above-mentioned disqualifications.)

Changes the earnings requirement amount needed to requalify after a disqualification for voluntarily leaving work without good cause attributable to the employer or employing unit to 12 times the weekly benefit rate. (formerly the lesser of 7 times the weekly benefit rate or 40 times the state minimum hourly wage times 7)

Changes the earnings requirement amount needed to requalify after a disqualification for a suspension or discharge for misconduct connected with the work or for intoxication while at work to 17 times the weekly benefit rate. (formerly, the lesser of 7 times the weekly benefit rate or 40 times the state minimum hourly wage times 7)

Denies benefits to individuals refusing an offer of suitable work at a rate paying at least 70% of the gross pay rate received immediately before becoming unemployed.

Requires any base period employer to notify the agency of a possible disqualifying separation due to a voluntary quit within 30 days of the separation in order for a further reconsideration to be made.

Requires the unemployment agency by October 26, 2002, to establish and provide access to a secure internet site enabling employers to determine whether the agency has received correspondence sent by employers; requires the unemployment agency to post within 10 days on

the internet site a statement confirming receipt of a request for redetermination or a protest from an employer or employing unit.

Provides for the commissioner to attempt to recover the amount obtained due to fraudulent improper payments of \$500 or more, and provides that the commissioner may recover damages equal to 4 times the amount.

MINNESOTA SB 3431; HB 3648
(CH 380)

ENACTED May 21, 2002
EFFECTIVE AS INDICATED

Administration

Requires the unemployment insurance advisory council to present to the legislature, by January 15, 2003, a report, including proposals for any legislation, on the long-term solvency of the Minnesota unemployment insurance program trust fund.

Appropriates \$12,000,000 of the approximately \$163,000,000 of federal "Reed Act" money transferred under the Temporary Extended Unemployment Compensation Act of 2002, for unemployment insurance program administration, effective July 1, 2002.

Coverage

Provides that wage credits may not be used to determine unemployment insurance eligibility if earned working for a private employer performing work under a contract between the employer and an elementary or secondary school and the employment was related to food services provided to the school by the employer. Expires December 31, 2004.

Extensions and Special Programs

Establishes a temporary additional benefit program in effect from June 1, 2001, through December 31, 2003—

- For individuals permanently laid off:
 - From the Farmland Food Company in Freeborn county on or after July 8, 2001;
 - By Fingerhut Companies, Inc. on or after January 1, 2002 and worked at one of that employer's facilities in the St. Cloud Eveleth, or Mora areas; or
 - By Northwest, Sun Country, or certain other Airlines or US Airways on or after September 11, 2001 and before June 1, 2002.
- Individual is eligible if:
 - A majority of the applicant's wage credits were with the employer responsible for the layoff;

- ❑ the individual meets the State eligibility requirements;
 - ❑ the individual is not subject to disqualification under the State unemployment insurance law;
 - ❑ the individual is not entitled to any regular, additional, or extended unemployment benefits for that week and the individual is not entitled to receive unemployment benefits under any other state or federal law or the law of Canada for that week; and
 - ❑ the individual is enrolled in, or has within the last 2 weeks successfully completed, a program that qualifies as reemployment assistance training under the state dislocated worker program, except that an individual whose training is scheduled to begin in more than 30 days may be considered to be in training if certain conditions are met.
- Exhaustees of regular benefits that qualify for a new regular benefit account must apply for and exhaust the new regular benefits or any other type of unemployment insurance benefits under any State or federal law.
 - Weekly amount of additional benefits payable is the same as the regular weekly benefit amount, and the maximum weekly additional benefits amount is 13 times the weekly additional amount.
 - Benefits are payable from unemployment insurance fund.

Establishes a special state temporary extended unemployment program in effect from March 10 through December 28, 2002—

For individuals who:

- Do not qualify for unemployment benefits under the federal Temporary Extended Unemployment Compensation Act of 2002 because the individuals do not meet the 20 weeks of full-time insured employment or the equivalent in insured wages requirement of that act.
- Have established a benefit account effective on or after March 19, 2000, under the same terms and conditions as apply to federal temporary extended unemployment compensation. Individuals may not receive more than a combined total of 13 times the individual's weekly benefit amount available under the federal Temporary Extended Unemployment Compensation Act and this provision.

Special state temporary extended unemployment benefits must be paid from the Minnesota unemployment insurance program trust fund and not be used in computing the future

unemployment tax rate of a taxpaying employer nor charged to the reimbursing account of a government or nonprofit employer.

Financing

Discontinues the solvency assessment based on the fund balance as of June 30 and imposes a special assessment for interest on federal loans if on October 31 interest on any loan from the federal unemployment trust fund is due the following calendar year.

Authorizes the Commissioner to determine the appropriate level of the assessment due the following year ranging from 2 to 8 percent of the quarterly unemployment insurance taxes due necessary to pay the loan interest.

Requires that at the end of each calendar quarter, any excess assessment, after paying interest on federal loans or on any loan as of that date that has accrued or will accrue the next calendar quarter, immediately be paid to the federal fund.

Provides that for calendar year 2003, the unemployment insurance base tax rate for employers is 0.38 percent.

NEBRASKA LB 921 ENACTED and EFFECTIVE April 19, 2002

Coverage

Requires a professional employer organization to report and pay combined tax, penalties, and interest owed on wages earned by worksite employees under the client's employer account number using the client's combined tax rate. Provides that the client is liable for such payments if unpaid, and the worksite employees are considered employees of the client for purposes of the Nebraska Employment Security Law.

NEW HAMPSHIRE SB 418 ENACTED May 1, 2002
(CH 77) EFFECTIVE May 5, 2002,

Monetary Entitlement

Increases the maximum weekly benefit amount from \$311 to \$372 and the maximum total amount of benefits payable from \$8,606 to \$9,672.

NEW JERSEY AB 2503 ENACTED and EFFECTIVE July 8, 2002
(CH 29)

Financing

Reduces the amount transferred from the Health Care Subsidy Fund to the unemployment insurance fund for the first quarter of 2002 by \$125 million.

NEW YORK	SB 6476 (CH 102)	ENACTED June 28, 2002 EFFECTIVE Retroactive to December 21, 2000
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Coverage

Extends unemployment insurance coverage to include services performed for an Indian tribe.

Allows an Indian tribe to either pay contributions or to elect to make reimbursements.

Provides for joint and several liability among members of a tribe which elect to make reimbursements as a group.

Requires an Indian tribe that elects to make reimbursements to file a surety bond.

Under certain conditions, terminates the reimbursement election and permits the industrial commissioner to terminate coverage when a tribe fails to make the required payments.

Permits two or more Indian tribes to form a joint account.

Provides that extended benefits attributable to service in the employ of an Indian tribe that are not reimbursed by the Federal government shall be financed in their entirety by the Indian tribe.

NEW YORK	SB 6318 (CH 565)	ENACTED September 24, 2002 EFFECTIVE February 23, 2002
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Coverage

Requires professional employer organizations operating in New York to register with the department of labor and sets forth standards for registration requirements for such organizations.

Provides definitions relating to professional employer organizations.

Requires professional employer organizations to pay unemployment taxes.

NEW YORK	AB 6167 (CH 574)	ENACTED September 24, 2002 EFFECTIVE November 23, 2002
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Coverage

Excludes licensed insurance agents and brokers from coverage, under certain circumstances, classifying them as independent contractors.

OKLAHOMA SB 1404 ENACTED June 5, 2002
 (Ch. 52) EFFECTIVE November 1, 2002 or as indicated

Administration

Allows the Commissioner to release unemployment compensation information to:

- Officials, employees, and agents of public housing agencies for purposes of determining eligibility;
- An agency of the state or its political subdivisions, or any nonprofit corporation that operates a program or activity designated as a partner in the Workforce Investment Act One-Stop delivery system based on a showing of need made to the Commission and after an agreement concerning the release of information (wage and benefit claim information) is entered into with the entity receiving the information;
- The wage record interchange system; or
- The U.S. Social Security Administration.

Provides that any information obtained in connection with the administration of the employment service may be made available to any agency of the state or its political subdivisions or nonprofit corporation that operates a program or activity designated as a required partner in the Workforce Investment Act One-Stop delivery system in accordance with a written agreement entered into between the partner and the Commission.

Appeals

Provides that appeals may be filed by telephone through the interactive voice response system or by speaking with a claims representative. To be considered timely, an appeal filed by telephone through the interactive voice response system must be completed by 12 midnight on the date it is due, and an appeal filed by phone through a claims representative must be completed before the end of normal business hours.

Coverage (Indian Coverage Effective July 1, 2002)

Provides that a tribal unit includes subdivisions, subsidiaries, and business enterprises wholly owned by an Indian tribe.

Amends the definition of employment to include service performed for an Indian tribe, resulting in unemployment insurance coverage of such services and to exclude coverage of certain services.

Allows an Indian tribe to either pay contributions or to elect to make reimbursements.

Under certain circumstances, terminates the reimbursement election and coverage when a tribe fails to make the required payments; provides for reinstatement and coverage when failure is corrected.

Requires extended benefits not reimbursed by the federal government to be financed in their entirety by the Indian tribe.

Eliminates the exclusion from the definition of employment for service performed for a for-profit corporation by an individual owning 100% of the stock of the corporation.

Extensions and Special Programs

Establishes a supplemental unemployment benefit (SUB) plan, under which an employer may make payments to its employees during a temporary layoff that supplement unemployment benefits. Under such a plan, an employer must be able to give reasonable assurance that the employee will be able to return to work at the end of the temporary layoff. The purpose of the plan is to allow an employer to keep its workforce intact during a temporary layoff.

Requires that any SUB plan be approved by the Director of the Unemployment Insurance Division of the Oklahoma Employment Security Commission.

Eliminates obsolete extended benefit State “On” and “Off” indicators provisions.

Provides that an individual is ineligible for extended benefits unless, in the base period with respect to which the individual exhausted all rights to regular benefits, the individual was paid wages for insured work of at least 1 1/2 times the amount of wages during that quarter of the base period in which the wages were the highest.

Financing

Provides for noncharging employers’ accounts for unemployment benefits if a claim was established utilizing an alternative base period. (pending issue)

Provides that Reed Act funds may be used for the payment of unemployment benefits or may be appropriated by the Legislature for the administration of the unemployment compensation law and public employment offices in the state.

Monetary Entitlement

Provides that the exclusion from the definition of wages for payment by an employer on behalf of an employee to a retirement fund shall not include employee contributions or deferrals after December 31, 2002, under a qualified 401(k) plan.

Excludes payments made under an approved supplemental unemployment benefit plan from the definition of wages.

Establishes an alternative base period and provides that if an individual lacks sufficient base period wages of \$1,500 to establish a claim for benefits, any wages paid in the most recent 4 completed calendar quarters immediately preceding the 1st day of an individual’s benefit year

(the alternative base period) shall be considered in determining monetary eligibility. With respect to alternative base periods provides:

- For the Commission to accept an affidavit from the individual supported by wage information such as check stubs, deposit slips, or other supporting documentation to determine wages paid if the Commission has not received wage information for the most recent calendar quarter from the employer.
- For adjustment of a determination of benefits based on an alternative base period when the quarterly wage report is received, if the wage information in the report differs from that reported by the individual.
- That if alternative base period wages are established by affidavit, the employer to which the wages are attributed will have the right to protest the wages reported and requires the employer to provide documentary evidence of wages paid if such a protest is made.
- That the wages paid will be determined based on the preponderance of the evidence presented by each party.
- That wages used to establish a claim under an alternative base period will not be subsequently used to establish a second benefit year.
- That the alternative base period provisions are not applicable and no alternative base period will be available in any calendar year in which the balance in the Unemployment Compensation Fund is below a certain level.

Changes the income tax withholding provision to provide that the federal withholding will be deducted at the percentage specified in federal law.

Provides that if it has been determined that any individual committed fraud in a particular benefit year and in any subsequent benefit year, the individual will be ineligible to receive unemployment compensation for the week in which the subsequent determination is made and for the next following 103 weeks, and that no benefit year will be established during such period of ineligibility. Further provides that the individual will be disqualified for each week benefits were paid as a result of a false statement or representation or a failure to disclose a material fact, and the individual will be deemed overpaid for the entire amount of benefits paid as a result of claimant fraud. Provides that the ineligibility and disqualification are in addition to the penalty imposed by other provisions of Oklahoma law. Provides that a determination of fraud must be made within 2 years of the date on which the violation occurred.

Nonmonetary Eligibility

Provides that no claim for unemployment benefits will be allowed or paid unless the claimant resides within a state or foreign country with which the State of Oklahoma has entered into a reciprocal or cooperative arrangement.

Provides that if a person is convicted of claim fraud in a particular benefit year, and in any subsequent benefit year again commits such fraud, that person is guilty of a misdemeanor and will be punished by a fine of not less than \$100 nor more than \$1,000, or by imprisonment for not more than 180 days, or by both fine and imprisonment, and that each false statement or

representation or failure to disclose a material fact constitutes a separate offense for each week of benefits.

Changes the provisions relating to overpayment of unemployment benefits such that overpayments are classified in one of three ways with recovery and recoupment to be conducted as follows.

1. Fraud overpayment. When an individual intentionally makes a false statement or representation or fails to disclose a material fact, and has received any sum as benefits to which the individual was not entitled, the individual will be liable to repay this sum, plus interest at the rate of 1% monthly on the unpaid balance of the overpayment. The interest will cease to accrue when the total accrued interest equals the amount of the overpayment. If an overpayment is modified, the interest will cease to accrue when the total accrued interest equals the amount of the modified overpayment. The principal sum may be deducted from any future benefits payable to the individual.

2. Claimant error overpayment. When an individual, by mistake of law or fact, makes a false statement or representation or fails to disclose a material fact and has received any sum as benefits to which the individual was not entitled. Recovery and recoupment will be identical to that outlined in 1. above.

3. Administrative overpayment. When an individual has received:
- a. any sum as benefits due to an error by the Commission or an employer, or
 - b. benefits and, under a redetermination or a reversal of a decision on appeal, the individual has been found to be not entitled to benefits, the individual will be liable to have this sum deducted from any future benefits payable to the individual with respect to the benefit year current at the time of the receipt and the next subsequent benefit year that begins within 1 year after the expiration of the benefit year current at the time of the receipt. No interest will accrue on administrative overpayments.

RHODE ISLAND SB 2752 ENACTED AND EFFECTIVE May 29, 2002
(PL 40)

Extensions and Special Programs

Extends maximum allowable duration of unemployment compensation paid under a worksharing plan from 26 to 52 weeks.

RHODE ISLAND SB 2267 ENACTED and EFFECTIVE June 28, 2002
(Ch. 243)

Appeals

Changes from 15 to 30 the number of days any interested party has to file a petition for judicial review from a board of review decision.

Lowers delinquent employer rate from 5.4 percent to 2.64 percent (delinquent employer pays higher of 2.64 percent or experience rate).

Expands successor employer rating period from one quarter to one year.

VERMONT HB 767 ENACTED and EFFECTIVE June 21, 2002
(Act No. 143)

Administration

Requires the Department of Employment and Training to study the unemployment contribution system by:

- Reviewing the effectiveness of the experience rating system in associating cost with contribution rates and the distribution of cost by industry and employer size;
- Reviewing the adequacy standard inherent in the system to determine whether it leads to an appropriate trust fund balance; and
- Examining employers who elect to make payments in lieu of contributions.

Requires such department in developing its recommendation to consult with any interested party, including the Vermont State Labor Council, Associated industries of Vermont, Vermont State Chamber of Commerce, Vermont Retail Association and Associated General contractors.

Extensions and Special Programs

Provides for an additional weekly benefit of \$18 per individual from July 1, 2002, through June 30, 2003. Limits the total amount of such benefits to \$6 million. Requires each additional benefit payment to be identified as a temporary unemployment benefit supplement.

Provides for 13 weeks of additional unemployment compensation (UC) for individuals who exhausted rights to regular UC after March 15, 2001 and who do not qualify for temporary extended UC solely because of the requirement in federal law that an individual have 20 weeks of full-time insured employment or the equivalent in insured wages in the base period.

Financing

Provides employers with an unemployment insurance tax credit by reducing their contributions for the first 3 calendar quarters beginning on July 1, 2001 by the difference between the payments made under the tax schedule in effect and the payments that would have been made under a lower tax rate schedule; requires payments of such additional credits until the end of the quarter in which the credits paid exceed \$7.5 million. (pending issue)

Monetary Entitlement

Increases the maximum weekly benefit amount from \$298 to \$312 from July 1, 2001 through June 30, 2002 and from \$312 to \$351 from July 1, 2002 through June 30, 2003.

WEST VIRGINIA

SB 497
(CH316)

ENACTED and EFFECTIVE April 2, 2002

Coverage

Excludes from employment service performed in the employ of a governmental entity as an election official appointed to serve during any municipal, county, or state election.

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

REPORT ON STATE LEGISLATION

JANUARY 2003 ADDENDUM TO
REPORT NO. 2
December 2002

MASSACHUSETTS	HB 5368 (CH 428)	ENACTED December 28, 2002 EFFECTIVE as indicated
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Extensions and Special Programs

Modifies the extended benefits (EB) program eligibility conditions which claimants must meet to be eligible for EB to allow the use of more than one method of measuring employment and earnings by requiring individuals to have had 20 weeks of work, or the equivalent in wages (1 1/2 times high quarter wages, or 40 times the weekly benefit amount). (Effective March 9, 2002.)

Financing

For calendar year 2003, sets the minimum experience rate at 1.325% and the maximum at 7.225% (Table B). (Effective January 1, 2003.)

PENNSYLVANIA	HB 731 (Act No. 158)	ENACTED December 9, 2002 EFFECTIVE February 7, 2003
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Appeals

Requires the party's attorneys or other representatives of record to be duly notified of the time and place of a referee's hearing and of the decision and reasons for the decision when an appeal from a determination or revised determination is filed.

Requires referees to conduct their hearing de novo (from the beginning).

Provides that, under certain circumstances, no finding of fact or law, judgment, conclusion or final order made with respect to a claim for unemployment compensation may be deemed to be conclusive or binding in any separate or subsequent action or proceeding in another forum (collateral estoppel).

Nonmonetary Eligibility

Changes the provisions with respect to making false statements or representations to obtain or increase compensation by:

- Increasing the sentence to pay a fine to of not less than \$100 nor more than \$1,000 (formerly \$30 nor more than \$200).
- Providing that in addition to any other sanction, convicted individuals must make restitution of the compensation to which they were not entitled and interest on the compensation in accordance with the state unemployment insurance law.
- Changing the penalty weeks to begin within the 4-year period following the end of the benefit year with respect to which the improper payment or payments occurred (formerly within the 2-year period following the departmental determination imposing such penalty weeks).

Changes the provisions with respect to making false statements or representations to prevent or reduce compensation by:

- Increasing the sentence to pay a fine to of not less than \$100 nor more than \$1,500 (formerly \$50 nor more than \$500).
- Deleting the language requiring sentencing to imprisonment in default of the payment of such fine and costs.
- Providing that in addition to any other sanction, any employer, officer agent or other convicted person for willful failure or refusal to make a payment must make restitution of the unpaid amounts, including interest and penalty from the date the payment was due through the date of payment.

Changes the provision with respect to Violation of Act and Rules and Regulations by:

- Increasing the sentence to pay a fine to of not less than \$100 nor more than \$1,000 (formerly \$20 nor more than \$200).
- Deleting the language requiring sentencing to imprisonment in default of the payment of such fine and costs.

PENNSYLVANIA HB 591 ENACTED and EFFECTIVE December 9, 2002
(Act No. 156)

Financing

Requires that reimbursable employers not be charged for benefits paid during a calendar year if the employer satisfies the following requirements:

- Pays a nonrefundable solvency fee within 30 days after notice of the fee is sent to the employer's last known address; and
- Files all required reports for calendar quarters through the second calendar quarter of the preceding calendar year. (Applicable to calendar years beginning after December 31, 2002, and to compensation paid on applications for benefits effective after December 31, 2002.)

Defines solvency fee for a calendar year as the monetary amount determined by multiplying the solvency fee rate for the year by the amount of wages paid, without regard to the exclusion specified in law, by the employer in the 4 consecutive calendar quarters ending on June 30 of the preceding calendar year; an employer's solvency fee for a year must not be less than \$25.

Provides that for calendar years 2003, 2004, and 2005, the solvency fee rate is .0003.

Requires the Secretary to redetermine the solvency fee rate in 2005 so that the unrounded rate yields solvency fees approximately equal to the amount of compensation for which charges are relieved. Requires the Secretary to use the amount of compensation (for which charges are relieved) paid during 2003 and 2004 and the amount of wages paid, without regard to the exclusion specified in the law, during the same time period by employers who paid a solvency fee. Requires the redetermined rate to take effect for the next calendar year and remain in effect for 3 years.

Requires the Secretary to redetermine the solvency fee rate beginning in 2008 and each 5th year thereafter so that the unrounded rate yields solvency fees approximately equal to the amount of compensation for which charges are relieved. Requires the Secretary to use the amount of compensation (for which charges are relieved) paid during the 5 calendar years immediately preceding the year in which the redetermination occurs and the amount of wages paid, without regard to the exclusion specified in the law, during the same time period by employers who paid a solvency fee. Requires the redetermined rate to take effect for the next calendar year and remain in effect for 5 years.

Provides that if the solvency fee rate redetermined as such is not a multiple of 100th of 1.0% it must be rounded to the next higher multiple of 100th of 1.0%.

Requires the deposit of solvency fees paid by employers in the unemployment compensation fund. Requires noncharged benefits not be used in the calculation of the state adjustment factor.

Provides for noncharging an employer's account for benefits attributable to individuals separated from their most recent work by a base period employer and disqualified due to discharge or temporary suspension from work due to failure to submit and/or pass a drug test.

Nonmonetarily Eligibility

Requires that unemployed individuals (to requalify for compensation) must earn remuneration for services at least 6 times their weekly benefit rate after being disqualified due to discharge or temporary suspension due to failure to submit and/or pass a drug test.

Provides that an employee must be ineligible for compensation for any week in which his/her unemployment is due to discharge or temporary suspension due to failure to submit and/or pass a drug test conducted pursuant to an employer's established substance abuse policy, provided that the drug test is not requested or implemented in violation of the law or of a collective bargaining agreement.

Clarifies that an employee will not be eligible for unemployment compensation for any weeks of unemployment while incarcerated after a conviction (applies to compensation for weeks ending on or after December 9, 2002).

Requires the Department to refer all claimants eligible for compensation to employment offices for reemployment services.

NEW JERSEY SB 1213 ENACTED and EFFECTIVE November 8, 2002
(CH 94)

Benefits

Requires that an otherwise eligible unemployed individual may not be considered unavailable for work and ineligible for benefits solely as a result of work as a board worker for a county board of elections on an election day.

Modifies the term “remuneration” to exclude moneys paid to an individual by a county board of elections for work as a board worker on an election day in the calculation of unemployment benefits.