

HB 150 -- UNEMPLOYMENT COMPENSATION

SPONSOR: Fitzpatrick

COMMITTEE ACTIONS: Voted "Do Pass" by the Standing Committee on Employment Security by a vote of 9 to 2. Voted "Do Pass" by the Committee on Labor and Industrial Relations by a vote of 6 to 2.

Currently, the maximum total amount of benefits any insured worker may receive during any benefit year must not exceed 20 times his or her weekly benefit amount or 33 1/3% of his or her wage credits, whichever is lesser. This bill repeals that provision and limits benefits during any benefit year to the following:

- (1) 20 weeks if the Missouri average unemployment rate is 9% or higher;
- (2) 19 weeks if the Missouri average unemployment rate is between 8 1/2% and 9%;
- (3) 18 weeks if the Missouri average unemployment rate is 8% up to and including 8 1/2%;
- (4) 17 weeks if the Missouri average unemployment rate is between 7 1/2% and 8%;
- (5) 16 weeks if the Missouri average unemployment rate is 7% up to and including 7 1/2%;
- (6) 15 weeks if the Missouri average unemployment rate is between 6 1/2% and 7%;
- (7) 14 weeks if the Missouri average unemployment rate is 6% up to and including 6 1/2%; and
- (8) 13 weeks if the Missouri average unemployment rate is below 6%.

"Missouri average unemployment rate" means the average statewide unemployment rate during the three months of the most recent third calendar year quarter.

The bill also modifies the method to repay federal advances to the Unemployment Compensation Fund and raises the amount required in the fund before an employer's contribution rate is decreased.

PROPONENTS: Supporters say that the bill will increase funding for the Unemployment Compensation Fund. When the fund is depleted, Missouri borrows money from the federal government. When the

federal government is not repaid in a timely manner, businesses throughout the state are billed for the unpaid portion. This places an unexpected burden on all businesses throughout the state.

Testifying for the bill were Representative Fitzpatrick; Missouri Chamber of Commerce and Industry; National Federation of Independent Business; and Associated Industries Of Missouri.

OPPONENTS: Those who oppose the bill say that it will place a burden on certain businesses, such as construction companies, that have higher unemployment rates due to weather or other uncontrollable circumstances and that the Unemployment Compensation Fund is projected to keep a positive balance until 2023.

Testifying against the bill were Department Of Labor And Industrial Relations; United Steelworkers District 11; Sheet Metal, Air, Rail and Transportation, Smart Transportation Division; and Missouri AFL-CIO.