HB 150 -- UNEMPLOYMENT COMPENSATION

(Vetoed by the Governor -- Overridden by the General Assembly)

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, beginning January 1, 2016, 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 of the seasonally adjusted statewide unemployment rates as published by the United States Department of Labor for the time period of January 1 through March 31 and July 1 through September 30.

The bill revises the definition of "wages" as it applies to employment security laws to include termination pay and severance pay. The total amount of wages derived from severance pay, if paid in a lump sum, must be pro-rated on a weekly basis at the rate of pay received by the insured at the time of termination for the purposes of determining unemployment benefits eligibility.

The bill specifies that an employer who reasonably believes that he or she has been assigned an erroneous experience rating as a result of the purchase of a company must have the right to file a timely appeal for recovery of overpayments for the last five years due to the erroneous assignment as specified in the bill.

Currently, when the average balance of the Unemployment Compensation Trust Fund is between $600 million and $750 million, an employer's contribution rate must be reduced by 7% for the following year. The bill changes the amount to between $720 million and $870 million. Currently, when the average balance in the fund exceeds $750 million, an employer's contribution rate is reduced by 12% for the following year unless the employer's calculated contribution rate is 6% or greater, in which case the reduction may be no more than 10%. The bill changes the amount to $870 million.

In the event that the amount of moneys owed by the fund for total advancements by the federal government exceeds $300 million, the Board of Unemployment Fund Financing must be required to meet to consider authorizing the issuance, sale, and delivery of credit instruments for the entire amount of the debt owed.

Currently, interest is charged to employers when the state has an outstanding balance for federal advancements. The bill requires employers to continue to pay the interest assessment to fully finance the credit instruments when credit instruments are issued to pay off the balance of the federal advancement.