

Changes in unemployment insurance legislation during 1985

At the national level, phaseout of Federal Supplemental Compensation was legislated; State developments included the creation of shared-work compensation plans, and changes designed to pay interest on outstanding advances by the Federal Government

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Last year, for the first time in 5 years, the Federal unemployment insurance law was not amended in any way that required States to change their laws. However, the Federal Supplemental Compensation (FSC) Act of 1982 was amended by Public Law 99-15 to phase out payment of FSC benefits. The change specified that only those claimants receiving FSC at the time of phaseout could continue to collect the remainder of their entitlement during uninter-

rupted periods of unemployment.

In 1985, 12 States¹ amended their laws to include tips in the definition of covered wages for tax purposes. To reflect 1983 amendments to the Federal law, a few States² amended their definitions of covered wages in other respects.

Following is a summary of significant changes in State unemployment insurance (UI) laws during 1985.³

Arizona

Benefits. The maximum weekly benefit amount was increased from \$115 to \$125. In July 1986, it will increase to \$135.

Disqualification. An individual will be disqualified for voluntarily leaving a job because of commuting difficulties unless he or she can show that the travel requirements are in excess of the normal practice in the occupation and the individual's past practice, or that there are compelling personal circumstances for leaving. Compelling personal circumstances include the need to commute more than 30 miles or for more than 1½ hours from home to work.

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Arkansas

Financing. Beginning January 1, 1987, the advance interest tax shall range from 0 to 0.2 percent, depending on the assets of the unemployment insurance fund on the computation date. Shared-work benefits will be charged to employers' experience rating accounts in the same manner as regular benefits. (See *Benefits.*)

Benefits. The maximum weekly benefit amount will be computed as 66 2/3 percent of the State average weekly wage for the preceding calendar year. A shared-work compensation plan was established which provides for 26 weeks of shared-work benefits. Under such plans, workers who go on a short work schedule in order to avert a layoff receive unemployment benefits for the hours of work lost. Benefits are calculated as a proportion of the ordinary benefit amount for a full week of unemployment.

Disqualification. The "able to work" and "availability for work" provisions may be waived in the event of the death of a member of an individual's immediate family for the day of death and 6 more calendar days. An individual on short-term layoff shall not be required to register for work or to seek work during layoff if he or she expects to be recalled for full-time work within 8 weeks of the layoff. If an individual is not actively seeking work while serving on jury duty, he or she shall not be disqualified.

Administration. The chairman of the State board of review must be a licensed practicing attorney who is not a representative of employers or employees.

California

Financing. The option allowing specified public entities to finance benefits

through a special contribution system was deleted. These organizations will now be able to choose either fund contributions or fund reimbursement as the financing method. Also repealed was the special reduced rate for an employer whose average base payroll increased 25 percent or more over the previous year's base payroll.

Colorado

Coverage. Legislation redefined "employer" (excluding agricultural, domestic, or nonprofit organizations) to mean an employing unit which employs at least one individual to perform services at any time. Regulations concerning the exclusion from coverage of services in casual labor were changed to specify that the services will be excluded only if cash remuneration to the provider is less than \$50 and if that individual is not regularly employed to perform the services.

Benefits. The provision for an alternative base period for covered wages, which consisted of the most recent four quarters, was deleted. The base period is now the first four of the last five completed calendar quarters immediately preceding the individual's benefit year. An individual's benefit year will be 53 weeks if the filing of a new claim results in overlapping any quarter of the base year of a previously filed new claim.

Disqualification. A 10-week deferral of benefits will be imposed if a disqualification is established for an individual's most recent separation. The law now allows the State unemployment insurance division to withhold more than 25 percent of a benefit claim in cases where overpayments have already occurred on the claim.

Connecticut

Financing. A base-period employer who has elected to use the fund reimbursement alternative will not be charged for benefits paid to an individual if the employer continues to employ the individual to the same extent as in the base period.

Disqualification. An individual will not be disqualified for voluntarily leaving a job without sufficient cause if he or she has quit: (1) to care for a seriously ill spouse, child, or parent domiciled with the individual, if the illness has been documented by a licensed physician; or (2) because transportation used to get to and from work has been discontinued and no reasonable alternative transportation is available. An individual will be disqualified from benefits if discharged or suspended for conduct constituting larceny in excess of \$50.

Delaware

Financing. The taxable wage base increased from \$8,000 to \$8,250; on January 1, 1987, it will be raised to \$8,500. Beginning January 1, 1986, the maximum basic contribution rate for employers increased to 8.0 percent. An employer which reemploys a former employee within a specified period will receive rehire credits of 25 to 75 percent of the benefits previously charged to its account, depending on the amount of the rehired employee's benefit payments that had been charged to the employer.

Benefits. The maximum weekly benefit increased from \$165 to \$195. For the period July 1, 1986, to June 30, 1987, the maximum weekly benefit amount will increase to \$205. The minimum will remain at \$20. After June 30, 1987, the maximum will be computed annually at 66 $\frac{2}{3}$ percent of the Statewide average weekly wage.

Disqualification. A statute now limits to 3 years the period during which the State may collect overpayments made earlier to the claimant.

Florida

Benefits. The maximum weekly benefit amount increased from \$150 to \$175.

Georgia

Financing. On Jan. 1, 1986, the taxable wage base rose from \$7,000 to \$7,500.

Benefits. An individual's weekly benefit amount will be determined as 1/50 of total wages earned in the two quarters of highest wages during the base period. (Previously, the benefit was 1/25 of the high-quarter wages.) The maximum weekly benefit amount increased from \$125 to \$135, and beginning July 1, 1986, it will rise to \$145. However, the law specified that if assets of the unemployment trust fund fall below \$175 million, the weekly benefit amount will be reduced to \$115.

Administration. New legislation permits, rather than requires, the Commissioner to create an Employment Security Agency within the Georgia Department of Labor.

Idaho

Financing. For calendar years 1985 and 1986, the fund contribution rates for experience-rated employers will range from 1.7 to 5.6 percent of taxable wages.

Disqualification. The amount of wages needed to purge a disqualification for voluntary leaving, discharge for misconduct,

refusal of suitable work, and voluntary leaving due to marital obligations decreased to 16 (previously 20) times the weekly benefit amount.

Illinois

Financing. For all of calendar 1986 (previously only the first and second calendar quarters), the taxable wage base will be \$8,500. Thereafter, it will revert to \$7,000 unless legislation is enacted to maintain the higher level. Extended to all of calendar 1986 was the provision that an employer's benefit-wage ratio be determined on the basis of liability in each of the two years (normally three years) preceding the year for which the contribution rate is determined. (Previously this provision applied only to the first 6 months of the year.) New legislation also extended to the last two quarters of 1986 the minimum contribution rate, which will be the greater of 0.2 percent of taxable wages or the product of the adjusted State experience factor multiplied by 0.2 percent; and a maximum rate, which will be the greater of 5.5 percent or the product of 5.5 percent and the adjusted State experience factor for the year, but no higher than 6.7 percent or lower than 6.5 percent. Finally, the emergency contribution rate of 0.6 percent for employers whose rates would be 0.2 percent or higher, which was imposed to ensure adequate fund levels, will be continued through the end of this calendar year.

Benefits. The requirement that an individual's weekly benefit amount be computed as 48 percent of his or her average weekly wage (up to 48 percent of the State average weekly wage), which was due to expire on July 6, 1986, was extended until January 3, 1987. For the same extended period, the formula for dependents' allowances shall be 7 percent of the claimant's prior average weekly wages (not to exceed 55 percent of the State average weekly wage) if the claimant has a non-working spouse, and 14.4 percent (not to exceed 62.4 percent of the State average) if he or she has any dependent children. The maximum weekly benefit is frozen at \$161 until December 31, 1986. The Director of the State's Department of Employment Security now is permitted to prescribe regulations authorizing a deduction from an individual's weekly benefit amount to pay for health insurance, if the individual elects the deduction and it is made under a program approved by the U.S. Secretary of Labor.

Indiana

Financing. The standard rate for employer contributions to the UI fund in-

creased to 5.4 percent. The maximum rate for the most and least favorable schedules was raised to 5.4 percent. Previously, the maximum rates were 2.8 and 4.5 percent.

Benefits. The limitation on wage credits used in computing duration of benefits increased from \$3,926 to \$4,186. The maximum weekly benefit amount was raised to \$90 (previously \$84) for persons with no dependents; \$106 (previously \$99) for those with one dependent; \$121 (previously \$113) for those with two dependents; \$137 (previously \$128) for those with three dependents; and \$151 (previously \$141) for those with four dependents or more. Beginning July 6, 1986, the maximum weekly benefit amounts will increase to \$96, \$113, \$129, \$147, and \$161, respectively. The required amount of qualifying wages was raised to 1½ times high-quarter wages, with at least \$1,500 earned in the last two quarters of the base period and \$2,500 earned in the base period as a whole. Formerly, the requirement was 1¼ times the high-quarter wages, with \$900 earned in the last two quarters and total base-period wages of \$1,500.

Administration. The appeal authority for judicial review was shifted from the State appellate court to the State Court of Appeals.

Kansas

Benefits. The maximum weekly benefit amount increased from \$175 to \$190.

Disqualification. New legislation redefined good cause for voluntary leaving as good cause attributable to the work or the employer. The disqualification for voluntary leaving without good cause changed from 10 weeks (with an equal reduction of benefits) to a duration disqualification or until the individual has earned wages in insured work of three times the weekly benefit amount. The special disqualification for individuals who voluntarily leave work because of domestic or family responsibilities (not including pregnancy), a shift to self employment, retirement because of disability or old age, or school attendance was deleted.

Other legislative changes provided that an individual will not be disqualified for voluntary leaving if the individual left: (1) temporary work to return to his or her regular employer; (2) to enlist in the armed forces, but was rejected or delayed in entering; (3) because a spouse is being transferred by his or her employer to another locality outside a reasonable commuting distance for the claimant; (4) because

of unwelcome harassment; (5) as a result of being instructed or required by the employer to perform a service or to commit an act in the course of duties which is in violation of an ordinance or statute; (6) because of illness or injury upon a physician's advice, but finds after recovery that the old job or comparable work is unavailable; and (7) because of violation of a work agreement. Also, the disqualification will not apply if the individual left to accept better work or because of hazardous working conditions.

Administration. The State Department of Human Resources was authorized to continue operations until July 1, 1993. The Department's division of employment security will be administered by the Secretary of Human Resources in a manner he or she deems necessary. Formerly, the division was administered by the division director.

Louisiana

Financing. Shared-work benefits will be charged to employers' accounts in the same manner as regular benefits.

Benefits. The computation of the duration of benefits was changed to be the lesser of 26 times the weekly benefit amount or 27 percent (previously 40 percent) of base-period wages. If an individual's high-quarter wages exceed \$875, his or her weekly benefit amount will be computed as 1/25 of wages in the two highest quarters of the base period. Wages earned for a successive benefit year must be in insured work. Established was a shared-work compensation plan, under which individuals working shortened schedules to avert layoffs may collect up to 26 weeks of benefits.

Disqualification. An individual will be disqualified for benefits in any week that he or she receives accrued vacation pay or compensation in the form of severance or dismissal pay. However, if the payment is less than the UI weekly benefit amount, the individual may receive the difference.

Maine

Financing. Beginning January 1, 1986, the fund contribution rate for new employers is no more than 4.0 percent (formerly 3.0 percent) or less than 1.0 percent.

Benefits. Remuneration earned for a second benefit year must be in covered employment.

Disqualification. An individual who was discharged because he or she was absent from work for more than two workdays due

to incarceration will be disqualified for the duration of the unemployment or until the individual has earned four times the weekly benefit amount.

Administration. The period for appealing a claim redetermination was cut from 20 to 15 days, although the period may be extended up to 15 calendar days if good cause is shown.

Maryland

Disqualification. The pension offset provision was amended to require that an amount equal to any Social Security or Railroad Retirement benefits received be deducted from unemployment benefits if the base-period employer is subject to the provisions of the Social Security Act or the Railroad Retirement Act of 1974.

Massachusetts

Financing. The fund level requirements for the most favorable schedule decreased to 2.3 percent of payrolls, with rates ranging from 1.2 percent to 5.4 percent. The fund requirement for the least favorable schedule was lowered to less than 0.8 percent of payrolls, with rates ranging from 3.0 to 7.2 percent. The contribution rate for new employers was raised to 3 percent. Extended benefits, previously charged to the solvency account, are now charged to the employer to the extent that they are not Federally reimbursable.

Penalties. Any employer who attempts to evade any contribution, or payment in lieu of contribution, or who knowingly makes a false statement or misrepresentation to avoid or reduce any contributions or benefit payments shall be guilty of a felony, and upon conviction shall be fined from \$1,000 to \$5,000 or imprisoned for no more than 5 years, or both. The penalty for fraudulent misrepresentation to prevent the payment of, or to reduce, benefits is increased to a fine of \$100 to \$1,000 or imprisonment of 6 months, or both.

Mississippi

Penalties. The monetary penalty for fraudulent misrepresentation by claimants in order to obtain or increase benefits is raised to \$100 to \$500. The penalty for employers who fraudulently attempt to prevent or reduce benefit payments increases to \$100 to \$1,000.

Montana

Coverage. The term "employer" was redefined for UI purposes to include any em-

ploying unit with annual payroll in excess of \$1,000 (formerly \$500). "Regularly employed" persons are defined for purposes of the exclusion of casual labor as those performing wage-earning services during at least 24 days of a given quarter.

Financing. The taxable wage base will be computed as 80 percent (previously 75 percent) of the State average annual wage, rounded to the nearest \$100. A new enactment deleted the requirement that the taxable wage base not be raised by more than \$200 from year to year. The period of benefits and contributions considered when computing contribution rates for experience-rated employers was changed to include all years since October 1, 1981. The maximum rate for the most and least favorable schedules was raised to 6.4 percent, with the minimum rates decreasing to 0.0 and 1.7 percent, respectively. A temporary (until June 30, 1987) surtax was imposed on all employers to fund the repayment of Federal advances to the State UI program. The provision requiring that a specified proportion of taxes (and reimbursements) paid by both taxpaying employers and those not covered by experience rating be used for administrative purposes was amended to require that these administrative costs be funded through a special assessment on the employers rather than a diversion of contributions.

Benefits. The maximum weekly benefit amount will be frozen at \$171 until January 1, 1987. An individual's weekly benefit amount will be computed as 49 percent (formerly 50 percent) of the State average weekly wage in the base period. The provision specifying that the waiting week requirement shall not interrupt the payment of benefits for consecutive weeks of unemployment in a new benefit year was deleted. In disability cases, the base period may be designated as the four quarters preceding the disability if a claim is filed within 26 months of occurrence of the individual's disability (formerly 18 months from the date of last employment).

Disqualification. A disqualification for voluntary leaving will occur when an individual leaves work without good cause attributable to his or her employment. The wage criterion for defining suitable work after 13 weeks of unemployment was modified to include work that offers 75 percent of the individual's earnings in previous insured work in the customary occupation (previously 75 percent of the prevailing wage for the occupation). However, no individual will be required to accept a job paying less than the Federal minimum wage. For purposes of applying a labor dis-

pute disqualification, the definition of a labor dispute was changed from a stoppage of work to a strike.

Penalties. A new enactment requires claimants to repay fraudulently obtained benefits with interest charged at the rate of 18 percent a year. However, future benefits may not be used to offset the interest due.

Nebraska

Financing. The law now permits, rather than requires, a successor employer to assume the experience rating of the predecessor employer.

Benefits. The maximum weekly benefit amount is increased from \$120 to \$126.

Penalties. The statute of limitations on prosecutions for fraudulent misrepresentation is increased to 3 years.

Nevada

Benefits. Any person who is awarded backpay is liable for the amount of UI benefits paid to him or her during the period for which the backpay was awarded. The employer's reserve account will be credited with the amount of such benefits. Also, before the employer pays the employee backpay, the employer must ascertain the amount of UI benefits received by the worker during the period for which backpay was awarded, withhold that amount from the backpay, and forward it to the State employment security department.

New Hampshire

Financing. The fund requirement for the most favorable schedule increases from \$100 million to \$110 million. When the least favorable schedule is in effect, an adverse-rating charge will be added to all employers' rates in an amount equal to the interest rate on 90-day Treasury bills multiplied by the excess of benefits over contributions for the preceding 3 years. The legislature added a standard contribution rate of 5.4 percent for certain unrated employers. Any benefits paid to a claimant following a disqualification for voluntary leaving, discharge for misconduct, or refusal of suitable work will be charged to the account of the employer who furnished the employment. In cases where a disqualification is not involved, benefits are charged to the most recent employer.

Benefits. The minimum and maximum weekly benefit amounts were increased to \$36 and \$150, respectively, from \$26 and

\$141. The qualifying wage requirements were raised from \$1,700 for the total base period and \$800 in each of two quarters to \$2,600 for the entire base period and \$1,000 in each of two quarters.

Disqualification. The number of weeks of work required to purge a disqualification for voluntary leaving, discharge for misconduct, and failure without good cause to either apply for or accept suitable work increased to 5 consecutive weeks (previously any 3 weeks) of covered work with earnings equal to 120 percent of the weekly benefit amount in each week. The requirement that benefits not be reduced due to receipt of holiday pay unless the number of paid holiday in a calendar year exceeded the total number of legal holidays was deleted. Also deleted was the requirement that the weekly benefit amount be reduced for any week in which an individual received holiday pay.

Administration. The period for appealing an initial determination before an appeal tribunal increased from 7 to 14 calendar days after mailing of the determination by the agency.

New York

Financing. The maximum contribution rate increased from 2.7 to 5.4 percent.

Benefits. A temporary shared-work program was established, to be in effect until Jan. 1, 1989. An individual may receive up to 20 weeks of shared-work benefits.

North Carolina

Financing. The class of benefits non-charged to an employer's account was enlarged to include those based on wages paid prior to the date of separation due to discharge for loss of license, bond, or surety needed for performance of the individual's job; sale of the individual's ownership share of the business; or involuntary leaving for disability or health reasons. Also, the probationary period for new workers was extended from 60 to 100 days. (The probationary period is that span of time during which an employer can discharge an individual for being unable to perform the work for which hired without the individual's UI benefits being charged to the employer's account.)

Disqualification. Disqualifications were added for individuals who lose a license or permit necessary to perform work and for individuals unemployed because the employing unit was sold and the individual

had been an owner of the business. An individual will be ineligible for benefits during a disciplinary suspension. A new enactment permits an individual to be temporarily excused from an active search for work. If an employer notifies the employee of a future separation for lack of work, the impending separation will not constitute good cause for leaving.

North Dakota

Coverage. Service for remuneration will constitute employment for UI purposes unless (1) the worker is free from control or direction in the performance of the work; (2) the service is performed outside of all places of business of the enterprise for which it is performed; and (3) the individual is customarily engaged in an independent trade, occupation, profession, or business.

Financing. The standard rate of contributions will be the greater of 5.4 percent of taxable wages or the rate for employers who have a negative-balance reserve ratio. The contribution rate for unrated employers will be the average tax rate for all employers, but not less than 1 percent. However, newly covered employers classified in an industry which has a negative reserve shall pay the standard rate. An employer may qualify for a reduced rate if his or her account has been chargeable with benefits for 24 (formerly 12) consecutive months.

Disqualification. The pension offset requirement will be disregarded if the base-period employment does not affect eligibility for, or increase the amount of, the pension. However, Social Security and Railroad Retirement benefits are excluded from this exception.

Ohio

Financing. The \$8,000 taxable wage base was extended until December 31, 1986.

Benefits. The freeze on the maximum weekly benefit amount (a range of \$147 to \$233) will be extended until January 1987. For calendar years 1988 through 1993, the maximum weekly benefit amount will be computed with an addition to the regularly computed increase equal to one-sixth of the increase that would have taken place in years 1983 through 1986 if the maximum had not been frozen. Ohio extended until December 31, 1986, the requirement that an individual must work 20 weeks at 37 times the State minimum hourly wage to qualify for benefits. During 1986, an individual will not be paid benefits for the waiting week.

Disqualification. For calendar 1986 (as in 1985), a duration disqualification will be purged by 6 weeks of work and earnings of six times the amount required to establish a credit week.

Oregon

Benefits. The temporary State additional benefits program, which was due to expire on June 29, 1985, has been extended until June 27, 1987.

Disqualification. The labor dispute disqualification will not apply if the individual was laid off prior to the dispute and did not work more than 7 of the 21 calendar days immediately preceding the dispute or if the individual unilaterally abandons the dispute and seeks reemployment with the employer, but finds that his or her former position has been filled by a permanent replacement.

Pennsylvania

Financing. Contributing employers will pay a tax of 0.3 percent of taxable wages in 1986 to cover the interest on outstanding advances made by the Federal Government to the State program. However, the provision which specifies that the interest tax will be a variable rate not to exceed 1.0 percent, assessed by the State's Department of Labor and Industry as needed for the payment of interest on outstanding advances, has not changed.

Benefits. A seasonal provision was added to limit the circumstances under which benefits may be paid to workers performing services in connection with commercial canning or commercial freezing of fruits and vegetables.

Rhode Island

Financing. The number of years needed to qualify a new employer for experience rating was raised to 3. The method by which benefits are charged to base-period employers of the same individual was changed from inverse order of employment to the proportion of wages earned by the individual with each base-period employer. Beginning January 1, 1986, the range of rates for the most favorable schedule will be 0.8 to 5.4 percent, and for the least favorable schedule, 2.3 to 8.4 percent. Contributing employers will be assessed a surtax of 0.3 percent whenever the fund balance is less than zero at the end of any second month in a calendar quarter. A new enactment permits, rather than requires, successor employers to continue to pay contributions at their previous rates in the case of total transfers of the business of the

predecessor employer. Such employers may also elect to pay at the predecessor employer's rate.

Benefits. The weekly allowance for dependents is changed from \$5 to \$20 per dependent to the greater of \$5 or 5 percent of the claimant's benefit rate for each dependent, up to five.

Disqualification. The disqualification for unemployment caused by a labor dispute is changed from a fixed period of 6 weeks plus a 1-week waiting period to the duration of the labor dispute.

South Carolina

Financing. Beginning January 1, 1986, voluntary contributions to the fund by employers will be prohibited.

Disqualification. Discharge for misconduct is redefined as discharge for cause connected with the employment.

South Dakota

Coverage. The test for determining whether an employer-employee relationship exists is modified to allow services performed for the employer outside the usual course or place of the employer's business. Thus, services for remuneration will constitute employment unless two tests are met: (1) the individual is free from direction and control, and (2) is customarily engaged in an independent trade or business.

Tennessee

Benefits. The maximum benefit will be computed as 1/4 of base-period wages. Tennessee deleted the qualifying requirement that an individual must have earnings in a third quarter of the base period (in addition to the two highest quarters) when the fund falls below \$300 million. An individual will not be eligible for benefits if 65 percent or more of base-period wages were earned in the highest quarter of the period.

Disqualification. An individual will not be denied benefits for separation from employment pursuant to a layoff or to a recall that permits the employee, because of lack of work, to accept a separation from employment.

Administration. The period for appealing an initial claim determination and a referee decision was increased to 15 days from date of mailing or delivery of the determination by the agency. A new enactment permits the commissioner to deduct from benefits

payable to a claimant the amount of benefits overpaid earlier by another State which requests recovery of the benefits.

Penalties. Added is a 6-year statutory limitation on the period within which the State may attempt to collect overpayments obtained by fraud. The statutory limitation for collection of other benefit overpayments is decreased to 3 years.

Texas

Coverage. A new enactment excludes from coverage services performed by an individual as a direct seller if certain conditions are met. The coverage of farmworkers was amended to include seasonal and migrant workers and, beginning January 1, 1986, to reduce the minimum size of the farmer's payroll and operation requiring coverage from 10 employees in 20 weeks or \$20,000 in quarterly wages to four employees in 20 weeks or \$7,500 in quarterly wages. Beginning January 1, 1987, these figures will be further reduced.

Financing. The contribution rate for a new employer will be the greater of the average rate for employers in its industrial classification or 2.7 percent. A successor employer must assume the experience rating of the predecessor employer in the event of total transfers of the predecessor's business. Employers may be required to pay an additional tax of 0.1 percent if interest is due on a Federal advance to the State fund and monies to pay the interest are not available from regular sources. Employers who participate in the State shared-work program may be required to make fund contributions of up to 9 percent of taxable wages.

Benefits. The alternative qualifying wage requirement of 2/3 of the maximum amount of wages as defined in the Federal Insurance Contribution Act was deleted. A shared-work program was adopted under which an individual could receive up to 26 weeks of benefits.

Disqualification. The variable disqualification for voluntary leaving to move with a spouse decreased to 6 to 25 weeks.

Utah

Benefits. To qualify for benefits in a second benefit year, an individual must have earned 6 times the weekly benefit amount in insured work subsequent to the beginning of the preceding benefit year and must meet the base-period earnings requirement.

Vermont

Benefits. Beginning July 1, 1986, Vermont changes from a wage-request to a quarterly-wage-record system for determination of benefit rights. Beginning January 3, 1988, the base period will be the first four of the last five completed calendar quarters immediately preceding an individual's benefit year. The State also added an alternative base period, the last four completed quarters preceding the benefit year, to apply if an individual fails to meet the qualifying wage requirement.

Virginia

Financing. The standard rate for employer contributions to the fund increased to 5.4 percent of taxable wages.

Benefits. The minimum and maximum weekly benefit amounts were increased to \$58 and \$159 (formerly \$54 and \$150), respectively.

Washington

Financing. For calendar years 1986 and 1987, the employer contribution rates under the most favorable schedule will range from 0.48 to 5.4 percent, and for the least favorable schedule, from 2.48 to 5.4 percent. If a claimant requalifies for benefits after a disqualification for voluntary leaving or for misconduct connected with the work, benefits based on wage credits earned prior to the disqualification shall not be charged to the experience-rating account of the separating employer.

West Virginia

Benefits. The maximum weekly benefit amount will be frozen at \$225 until July 1,

1988. Thereafter, the maximum weekly benefit will be determined as 66 2/3 percent (currently 70 percent) of the State average weekly wage. The base-period qualifying wages are increased to \$2,200; therefore, the minimum weekly benefit amount rises from \$18 to \$24. The weekly benefit amount will be computed as 1.0 percent (previously a weighted schedule of 1.5 to 1.0 percent) of the claimant's annual wages. Uniform weeks of potential duration were cut from 28 to 26.

Wisconsin

Financing. Beginning January 1, 1986, the taxable wage base increased to \$10,500 and the maximum rate for the least favorable schedule rose to 6.7 percent of taxable wages. New employers (other than construction firms) with annual payrolls of over \$10 million may elect to pay a tax of 1.0 percent for the first 3 calendar years. Employers with an annual payroll of less than \$100,000 will pay a "solvency rate," ranging from 0.1 to 3.3 percent; rates for other employers will range from 0.8 to 3.3 percent.

Benefits. An individual will be considered "partially unemployed" in any week he or she does not work full time but earns some wages and is eligible for some benefits. Also, no individual may be paid partial benefits of less than \$5. Deleted are the specifications concerning the payment of partial benefits that the full weekly benefit will be paid if the claimant has wage income of less than one-half the weekly benefit amount, and that one-half the weekly benefit amount will be paid if wage income is one-half or more of the weekly benefit. Also deleted is the provision which permitted an individual's base period to be extended due to receipt of backpay or of temporary total disability payments under a State or Federal workers' compensation program.

Disqualification. Under certain conditions, a between-terms and within-terms denial of benefits will apply for schoolbus drivers not employed by governmental entities or nonprofit organizations. □

—FOOTNOTES—

¹Arizona, Arkansas, California, Colorado, Florida, Nevada, North Carolina, Oregon, South Carolina, South Dakota, Tennessee, and Wyoming.

²Arizona, Arkansas, Colorado, Florida, Georgia, Illinois, Maine, Maryland, New Mexico, North Carolina, North Dakota, South Dakota, Tennessee, and Vermont.

³In last year's article on changes in UI legislation during 1984, erroneous information was presented for two of the States: Contrary to the report, the provisions related to financing and disqualification under Rhode Island's UI

plan had not been enacted. In the New Jersey section of the article, the voluntary leaving disqualification should have read "4 weeks of unemployment and 6 times the weekly benefit amount," and the discussion of benefit changes should have included a new provision that all benefit weeks will adhere to a calendar week schedule, with each week ending at midnight Saturday.

For the full text of the 1984 study, see Diana Runner, "Changes in unemployment insurance legislation during 1984," *Monthly Labor Review*, January 1985, pp. 43-48.