

# Changes in unemployment insurance legislation in 2000

*Some States increased their maximum weekly benefit amounts and others modified the voluntary quit provision for situations involving domestic abuse; in the Federal arena, there were two legislative enactments and one rule issued*

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During 2000, there were two Federal legislative enactments that affected the Federal-State unemployment insurance program. The “Consolidated Appropriations Act, 2001” (P.L. 106–554) amends Federal law to treat Indian tribes similar to State and local governments. Briefly, services performed in the employ of tribes generally will no longer be subject to the Federal Unemployment Tax Act tax and, with some specified exceptions, will be required to be covered under State unemployment insurance laws. Further, tribes must be offered the reimbursement option and if a tribe fails to make required payments to the State’s unemployment insurance fund or payments of interest or penalty, then the tribe will become liable for the Federal unemployment tax and the State may remove tribal services from State coverage. States also will lose the Federal share of extended benefits with respect to services performed for tribes. States with Indian tribes will be required to amend their laws to implement these requirements which were effective December 21, 2000.

The “Victims of Trafficking and Violence Protection Act of 2000” (P.L. 106–386) requires the Secretary of Labor, in consultation with the Attorney General, to conduct a national study to identify State unemployment insurance laws that address the separation from employment due to circumstances resulting from domestic violence and the receipt (or nonreceipt) of unemployment compensation, and to report to the Congress the results of the study along with recommendations in October 2001.

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The U.S. Department of Labor issued the Birth and Adoption-Unemployment Compensation (BAA-UC) final rule, which was effective August 14, 2000. This ruling allows States (that choose to do so or on an experimental basis) to provide unemployment insurance as a partial wage replacement to employees who desire to take approved leave or otherwise leave their employment following the birth or placement for adoption of a child. States will have the latitude to define eligibility requirements for work history and benefit levels. While 15 State legislatures addressed the Birth and Adoption-Unemployment Compensation ruling in some manner during 2000, none had enacted the experimental effort by the year’s end. However, several States have indicated that they may take up this issue in 2001.

Some States made significant changes to their unemployment insurance laws during 2000. For instance, Maryland, Utah, and Virginia increased their maximum weekly benefit amounts through legislation; in some other States, the weekly benefit amounts increase automatically. Delaware, Nebraska, New Jersey, and Rhode Island have made an exception to the voluntary quit provision for a separation from work in situations caused by domestic abuse. Michigan moved up its wage record system conversion date to October 2000 from December 2001. Tennessee, Vermont, and Virginia amended their waiting week provisions. Colorado, Kentucky, and South Carolina amended their pension deduction provisions. Reference to the Standard Industrial Classification system has been replaced by the North American Industry Classification System in three States—Alaska, Washington, and South Dakota.

Following is a summary of some significant changes in State unemployment insurance laws during 2000.

## Alabama

*Administration.* Excess revenue generated by disclosing information to a consumer reporting agency will be deposited into the Employment Security Administration Fund, rather than the unemployment trust fund, with continuous appropriation for the administration of the State law.

Nonprofit organizations may place escrow funds into interest bearing accounts, which are used by the Department of Industrial Relations, for payment of unemployment insurance.

*Financing.* The termination date of a special assessment of 0.06 percent of all wages has extended from March 31, 2002, to March 31, 2004. The 0.06-percent reduction in regular contribution rates has extended to March 31, 2004.

## Alaska

*Administration.* References to the Standard Industrial Classification system are replaced by the North American Industry Classification System.

The provision that defines what constitutes that an individual is in State-approved training in order to not be denied benefits is now under the Workforce Investment Act.

*Benefits.* Disqualification for misconduct connected with work is now limited to the insured worker's last work.

## Arizona

*Taxation.* Beginning January 1, 2001, through December 31, 2007 (or, if earlier, when the Federal unemployment tax is reduced to 6 percent), the required income rates will decrease by 0.1 percent; the required income rate is used to adjust employer tax rates.

Beginning January 1, 2001, through December 31, 2007, a job training employer tax will be imposed on employers. This tax replaces State general fund monies as the funding source for the existing Arizona job training program. The monies will be collected by the Department of Economic Security and deposited in the job training fund.

Unexpended or unencumbered monies in the job training fund, upon repeal of the job training program in 2008, will revert to the unemployment compensation fund if the monies were attributable to the job training employer tax.

The provision related to the non-charging of employers' accounts for benefits attributable to former welfare recipients is deleted.

## California

*Coverage.* Services performed by an individual in a national service program, funded by the Federal Government (such as AmeriCorps), will be excluded.

## Colorado

*Benefits.* The amount of benefit deduction due to receipt of a Social Security pension has changed from 100 percent to 50 percent of the Social Security payment and otherwise clarifies the pension provisions.

*Financing.* Credits to the unemployment revenue fund shall incorporate the following: penalties collected from employers for late report filings; claimant penalties collected and all investigative costs awarded in connection with overpayments established, due to an individual's false representation or willful failure to disclose a material fact (repaid benefits will be deposited into the unemployment trust fund); and money remaining in the Federal advance interest repayment fund after interest charges and administrative costs have been paid.

A 20-percent tax credit is established for employers for calendar years 2001 and 2002, provided the unemployment compensation fund balance is at least 1.1 percent of the total amount of insured wages for the preceding year. Employers who have not filed required reports or paid taxes due, and those who have a negative balance or who reimburse the fund rather than pay contributions would not be eligible for the tax credit.

## Delaware

*Administration.* The Department of Labor will now have the same right to appeal from determinations by the Unemployment Insurance Appeal Board concerning employer assessments as it has with respect to determinations regarding eligibility for benefits.

Parties have 10 days from the mailing of the Unemployment Insurance Appeal Board's decision to file an appeal to the Superior Court.

*Benefits.* Provided certain conditions are met, an individual is permitted to receive benefits if the individual left employment because of domestic abuse. In such cases, the individual is required to provide a written statement issued by an independent party addressing his or her status in attempting to seek assistance for domestic abuse.

## Hawaii

*Financing.* The Employment Training Fund assessment will be extended from December 31, 2000, to December 31, 2003, for all contributing employers except those paying a zero-minimum rate or a 5.4-percent maximum rate. The assessment decreases each year as follows: 0.05 percent for 2000, 0.03 percent for 2001, 0.01 percent for 2002, and no assessment for 2003 and all subsequent years.

## Idaho

*Benefits.* The disqualification that is related to making a false statement or failing to report a material fact is applicable only to claimants who willfully do so.

## Illinois

*Coverage.* The conditions under which an individual (under a contract between an employee leasing company and a client employer) is considered an employee of either the employee leasing company or the client employer are now specified.

## Indiana

*Benefits.* The maximum level of quarterly wage credits increases over a 3-year period to compute benefits as follows: after July 1, 2000 and prior to July 1, 2001: \$6,700; after July 1, 2001 and prior to July 1, 2002: \$7,300; and after July 1, 2002 and prior to July 1, 2003: \$7,900.

*Financing.* A new rate schedule decreases the contribution rates for certain employers. Rates for employers with a positive balance range from 0.15 percent to 2.4 percent, and for employers with a negative balance, the rates range from 3.6 to 5.4 percent for calendar year 2001. Employer rates will be set according to the next higher schedule for calendar year 2002.

## Kentucky

*Benefits.* Effective January 1, 2001, the weekly benefit amount increases from 1.235 percent to 1.3078 percent of base-period wages, subject to specified maximums.

*Benefits.* The requirement to reduce the benefit amount for receipt of a pension (including Social Security) is eliminated if the claimant contributed to the pension.

*Financing.* Effective 2001, the tax rates for employers with a positive balance are re-

duced when the trust fund balance reaches a specified level.

## Maine

*Administration.* The Bureau of Employment Security shall review and evaluate all proposed legislation containing an unemployment compensation “benefit change” prior to the public hearing on the proposal. Benefit change is defined as any change in law that will cause a change in the number of people eligible, as well as any increase or decrease in the dollar amount, maximum amount, or duration of benefits payable. The bureau’s review and evaluation must address the potential impact on the unemployment compensation trust fund, on groups of individuals, employer taxes, and anything else the bureau considers appropriate. Once the review and evaluation are completed, the joint standing committee of the legislature, with jurisdiction over the proposal, will review the bureau’s findings.

*Benefits.* Unless inconsistent with Federal law, acceptance of training opportunities available through the Federal Workforce Investment Act of 1998 is deemed to be acceptance of training with the approval of the State within the meaning of any other provision of Federal or State law relating to unemployment benefits.

*Financing.* The procedure for determining the rate schedule and planned yield-in-effect for a given year is now provided. Notwithstanding the procedure, a planned yield of 1.1 percent is in effect for calendar year 2000.

## Maryland

*Benefits.* The maximum weekly benefit amount increases from \$250 to \$280.

The law now reflects permanent Federal authorization of the Self-Employment Assistance (SEA) program, and the requirement by the U.S. Department of Labor that States submit a plan for approval by the Secretary prior to implementing the SEA program is eliminated.

## Michigan

*Benefits.* The conversion date is changed to a wage record system from December 31, 2001, to October 1, 2000.

## Minnesota

*Administration.* The program name is changed from “reemployment compensation” to the “unemployment compensation program” and, where applicable, the term “benefit” is changed to “unemployment benefit.”

*Benefits.* Individuals are exempt from the between-terms denial provision if they earned wage credits during the school year from 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. This exemption expires December 31, 2001.

Effective May 16, 2000, until January 1, 2001, individuals may receive additional benefits of up to 26 weeks if they were laid off from Hennepin Paper Company due to lack of work and if certain eligibility requirements are met. Benefit amount is the same as for the regular State program.

Effective May 16, 2000, individuals may receive additional benefits of up to 13 weeks if they were laid off from Evtac Mining Company between June and August 1999, due to lack of work and if certain eligibility requirements are met. The benefit amount is the same as that for the regular State program. Individuals who, prior to September 1, 2000, receive or have an agreement to receive a retirement pension financed in whole or in part by the Evtac Mining Company are not eligible.

Effective retroactively to August 1, 1999, 50 percent of primary Social Security disability benefits the applicant has received, has filed for, or intends to file for with respect to a week will be deducted from the weekly benefit amount. Regardless of this deduction provision, ineligibility for benefits for any week the applicant is receiving, has received, or has filed for, primary Social Security disability benefits shall not apply if the Social Security Administration approved the collecting of primary Social Security disability benefits each month the applicant was employed during the base period.

*Financing.* The period for which a nonprofit organization is bound when it elects to change from taxable to reimbursable status has changed from 3 years to 2 years.

The conditions under which nonprofit organizations can switch their taxable status to reimbursable status have changed. These organizations can now switch if they paid an amount of taxes that exceeded the benefits to its employees by 25 percent over

the past 5 years. Previously, an employer either had to have no benefit charges or had to pay down its experience rating to zero.

The commissioner of economic security may apply the compromise authority (that is, to change, in whole or in part, any action, determination, or decision), which is applicable to all other employers, to nonprofit organizations.

## Mississippi

*Administration.* The filing of lien provisions is modified to require that the commission deliver a copy of the warrant issued to the sheriff on employers failing to pay contributions and assessments to the clerk of the circuit court.

The lien provisions are modified further. Among other changes, the provisions specify that a judgment not be a lien upon the property of the employer for more than 7 years from the filing date of the tax lien notice. However, action can be brought before the expiration of the 7 years or the commission refiles the tax lien notice before the expiration of such time. The judgment is a lien upon the property of the employer for 7 years from the date of refiling the tax lien notice, unless action is brought before the expiration time or unless the commission refiles (without limit to the number of times), the notice before the expiration time.

The commission is permitted to issue the warrant directly to the circuit clerk of any county of the State for enrollment, upon the judgment rolls of the county.

## Nebraska

*Benefits.* An individual is deemed to have left employment for good cause if abuse is the reason. Also, the individual is not disqualified from benefits for voluntarily leaving work, provided all reasonable efforts to preserve the employment were made.

No benefits will be charged to an employer’s experience account for benefits paid based on the claimant voluntarily leaving work with good cause to escape abuse.

## New Hampshire

*Administration.* The composition and appointment operating procedures of the appellate board of the department of employment security include the following changes:

- Increase number of appellate board members from five to eight;
- Increase number of business representatives, organized labor representatives, and

representatives of the public from one to two each;

- Increase length of terms from 3 to 4 years, but limit consecutive years of service to 8;
- Decrease duration of appointments of additional members (allowable during periods of increased workload) to 1 year;
- Require that, when the board is in session, none of the three members be from the same category of representation.

An employer or employing unit may request that the commissioner reconsider his or her decision, or request a new hearing, if done within 20 days of mailing of the commissioner's decision.

Appeals are permitted to the appellate board of decisions of the commissioner.

*Coverage.* The exemption for services performed by an individual who, on a temporary, part-time, contractual basis, does not apply to such service performed for the State or any of its political subdivisions or nonprofit organizations.

Effective January 1, 2000, the following services are exempt from the definition of "employment" when these services are done on a temporary, part-time, or contractual basis (either in the field or over the telephone) on premises not used or controlled by the person for whom such contract services are being provided: demonstrating company products; offering samples of products or promotional materials to customers; conducting store audits; mystery shopping as part of an advertising or sales promotion for the products.

*Financing.* Employers are now exempt from obligation to pay contributions of less than \$1.

### New Jersey

*Benefits.* No otherwise eligible individual shall be denied benefits because the individual left work or was discharged due to circumstances resulting from being a victim of domestic violence.

No charge shall apply to the employer's account for benefits paid to an individual who quit to escape domestic violence.

### New Mexico

*Administration.* The requirements for the risk management advisory board to annually determine and transfer balances of the State government unemployment compen-

sation reserve fund are deleted.

Money from the State government unemployment compensation reserve fund may be used to establish and maintain a reserve fund for reimbursing State agencies for benefits paid to their former employees.

*Benefits.* Eligibility conditions require that an unemployed individual have wages in at least 2 quarters of his base period rather than wages equal to 1-1/4 of his or her high quarter wages.

Eligibility conditions for subsequent benefit years are modified to require that an individual must have performed services in employment and earned remuneration for such services equal to at least 5 times his or her weekly benefit amount in his or her prior benefit year rather than remuneration equal to the lesser of 3/13 of the individual's high quarter wages and 6 times his weekly benefit amount.

The provision in which no charge shall apply to the employer's account for benefits based on work performed in a work release program (designed to give an inmate of a correctional institution an opportunity to work while serving a term of incarceration) if the inmate's separation was caused by his release from prison is eliminated.

The requirement that wages be in *insured* work to qualify for subsequent benefit years is deleted.

*Coverage.* Exclusion from employment for services performed in the employ of a hospital, if the service is performed by a patient of the hospital, or services performed by an inmate of a custodial or penal institution, is expanded from only governmental and nonprofit entities to any employer.

*Financing.* The factors used for determining rate schedules applicable in a given year, are changed, effectively reducing employer contribution rates.

### New York

*Administration.* The termination date for requiring the appeal board to establish qualifications and procedures for the registration of agents authorized to represent certain claimants and other requirements is now extended for 2 years through December 31, 2002.

The termination date for requiring the appeal board to maintain lists of authorized agents and attorneys, available to represent claimants, and requiring the availability of the lists to claimants on request is extended for 2 years through December 31, 2002. The

law requires that monies credited with respect to Federal fiscal years 2000, 2001, and 2002 be transferred to the unemployment administration fund and be used only for expenses incurred by the State for the administration of the unemployment insurance law and not be used for the payment of unemployment compensation or for the administration of State public employment offices, effective March 2, 2000.

An unemployment insurance control fund is established that will consist of all penalties imposed and collected for failure to file a combined withholding, wage reporting and unemployment insurance return, and other funds. The law requires monies in the unemployment insurance control fund to be kept separate from, and not commingled, with any other monies and to be used for the location and prevention of fraud and abuse, collection and enforcement activities, benefit payment control activities, and other quality control activities related to the unemployment insurance program, effective January 1, 2001.

The amount of time an employer has to file a return or to file a corrected or insufficient return is changed from 20 days to 30 days, effective December 31, 2000.

The law now specifies the penalties (with waivers for good cause or subsequent compliance) for employer failure to provide complete and correct wage reporting information on the return. It also requires the penalties imposed and collected to be credited to the special fund, effective January 1, 2001. The definition of the term "qualified employer" is modified to include any employer who has had an amount of contributions due or an amount of wages paid, or both, determined by the commissioner, effective December 31, 2000.

The penalty for failure to file required returns is modified to impose a penalty of 5 percent of the amount of contributions required (including assessment or modification) if failure to file return is less than 1 month, with an additional 5 percent for each additional month or fraction thereof, during which such failure continues, not exceeding 25 percent in the aggregate, with not less than \$100 for each occurrence.

The employer tax rate schedule is revised, changing the range of rates from 0.0 percent to 8.5 percent to 0.0 percent to 8.9 percent, effective January 1, 2001. The law now specifies that for any calendar year when contributions paid into the re-employment service fund equals \$35 million, excess contributions will be credited to the general account, effective February 15, 2000.

*Benefits.* Effective March 2, 2000: the term “week of employment” is clarified to mean a Monday–Sunday period; the earnings in the high calendar quarter of the base period in determining a valid original claim is limited to 22 times the maximum benefit rate; and a reconsideration of the weekly benefit amount may be requested to the commissioner by the claimant if certain conditions are met.

Effective February 15, 2000, the law modifies the conditions related to the prevailing wage under which a claimant must accept employment.

Effective February 15, 2000, the pension offset provision dealing with benefit reductions, is modified to make it consistent with the Federal Unemployment Tax Act.

*Financing.* Effective March 2, 2000, the law requires that monies from the re-employment service fund be deposited in the unemployment insurance fund.

## Ohio

*Administration.* The law now requires appropriate charging and crediting to a suspense account when claimant eligibility determinations are pending (not final), rather than to a contributing employer’s account.

The director is authorized to reduce, in whole or in part, the amount of interest, forfeiture, or fines required to be paid if the director determines that the reduction is in the best interest of the unemployment compensation fund.

The conditions that a contributing employer must meet to qualify for an experience rate are modified, specifying that the employer qualifies only if there have been 4 consecutive quarters, ending on June 30, immediately prior to the computation date, throughout which, the employer’s account was chargeable with benefits.

The law eliminates all provisions regarding the joint certification and expedited decision procedure related to 500 similarly situated claimants whose claims are pending a redetermination or appeal.

An individual who is provided temporary work assignments under agreed terms and conditions (which require the individual to contact the employer upon the completion of assignments) is not eligible for benefits if the individual fails to contact the employer about future assignments.

The director is authorized to disclose wage information to a consumer-reporting agency to verify an individual’s income under a written agreement when certain requirements are met.

*Benefits.* The unemployment insurance agency is required to notify the State or local child support enforcement agency (enforcing a child support obligation) of the claimant who owes the obligation only if the claimant is determined eligible for benefits. The unemployment insurance agency is required to deduct and withhold from benefits payable to a claimant owing child support obligations the appropriate amount as specified in the State’s unemployment insurance law.

To determine whether an individual has had sufficient employment since the beginning of the individual’s previous benefit year to file for a subsequent benefit year, the law specifies that employment means the performance of services for which remuneration is payable.

Implementation of the requirement that a claimant be free from certain separation disqualifications to qualify for benefits is delayed until March 3, 2002.

The provision exempting employers of individuals engaged in the commercial canning or freezing of fruits and vegetables to furnish separation notices prior to separation is now eliminated.

A written notice of an individual filing for benefit rights does not need to be sent to the individual’s most recent separating employer if:

- The administrator is prohibited by law from revising a previous determination concerning a disqualification from benefits;
- The individual’s employer indicates the notice is not needed;
- The individual’s separation is 1 among 50 or more individuals separated by the same employer due to a lack of work, the administrator received information regarding the separations, and the reason for the separation is not disputed.

*Coverage.* The following services are excluded from the definition of employment:

- Service performed by an individual working as an election official or election worker if the amount of remuneration received by the individual during the calendar year for services as an election official or election worker is less than \$1,000;
- Service performed for an elementary or secondary school that is operated primarily for religious purposes, and exempt from Federal income taxation as provided by Federal law;

- Service performed by a person committed to a penal institution.

Determinations of employment of an authorized provider of a type B family day-care home for unemployment insurance purposes are to be determined under the rules and regulations under the State’s unemployment insurance law.

## Rhode Island

*Benefits.* An individual is eligible for waiting-period-credit or benefits if the individual voluntarily leaves work due to domestic abuse and the individual meets the following criteria: fears domestic abuse at or on route to or from place of employment; wishes to relocate to another geographical location to avoid future domestic abuse against the individual or the individual’s family; or believes that leaving work is necessary for future safety of individual or the individual’s family.

In such domestic abuse cases, the individual also must provide documentation of domestic abuse, such as police or court records, or other documentation from a shelter worker, attorney, clergy member, or medical or other professional from which assistance was sought.

Also, confidentiality of evidence documentation is required unless the individual gives consent for disclosure.

*Financing.* A 0.03-percent employment security reemployment assessment is now imposed on all contributory employers for tax years 2001, 2002, and 2003.

A pilot research and demonstration rapid reemployment program is established.

An employment security reemployment fund is established to deposit the assessment and other monies. This funding is to be used, among other things, to pay administrative expenses incurred to implement and operate a 3-year pilot research and demonstration rapid reemployment program.

Each contributory employer’s unemployment insurance tax rate is reduced by 0.03 percent.

The required job development assessment paid by employers increases from 0.19 percent to 0.21 percent, beginning January 1, 2001. The 0.02-percent will be used to support necessary core services in the unemployment insurance and employment services programs by the Department of Labor and Training.

The unemployment insurance tax reduction, applicable to contributory employers, increases from 0.19 percent to 0.21 percent.

## South Carolina

*Benefits.* The requirement that Social Security benefits be deducted from an individual's weekly benefit amount is deleted.

## South Dakota

*Financing.* After December 31, 2000, new employer rates will be assigned based on the North American Industry Classification System, rather than the Standard Industrial Classification system.

## Tennessee

*Benefits.* For benefit years established on or after July 2, 2000, the law allows payment of benefits for the waiting period, and in each of the 3 consecutive weeks immediately following such waiting period, provided the claimant made a claim for benefits and is determined eligible and certified for benefits in the waiting period.

## Utah

*Administration.* The requirement for a recorded hearing in cases of unemployment insurance fraud is now eliminated. Therefore, determinations regarding fraud are appealable in the same manner as appeals from other benefit determinations.

*Benefits.* The maximum weekly benefit payable increases from 60 percent to 65 percent of the "insured average fiscal year weekly wage" during the preceding fiscal year for individuals whose benefit year begins on or after January 1, 2001.

*Coverage.* The definition of "wages" changes to conform with the Federal Unemployment Tax Act, with some modifications.

*Financing.* Beginning January 1, 2000, the social contribution is at a fixed amount of 0.1 percent rather than a calculated amount, provided the reserve factor is 1.000 or less. The current procedures are retained when the reserve factor is greater than 1.000. Social costs for the previous 4 years are divided by total taxable wages.

The determination of the reserve factor is modified to set it at a rate that sustains an adequate reserve. An "adequate reserve" is defined as "between 17 and 19 months of benefits at the average of the five highest benefit cost rates in the last 25 years."

## Vermont

*Benefits.* The disqualification related to holiday pay is now deleted.

Effective July 1, 2000, the requirement that an individual serve a 1-week waiting period to be eligible for benefits is repealed.

## Virginia

*Benefits.* Effective November 28, 1999: the benefit increase, scheduled to occur July 1, 2000 is retroactive to November 28, 1999; the maximum weekly benefit amount increased from \$230 to \$232; the waiting week for claims filed effective November 28, 1999, and after, is waived for any individual whose unemployment was caused by his or her employer terminating the company's operations, closing its business, or declaring bankruptcy without paying the final wages earned by the individual; the final wages, if paid late by an employer who terminates operations, closes his or her business, or declares bankruptcy, will not be offset against an individual's unemployment benefits or cause an individual to be declared overpaid in benefits.

Effective April 7, 2000: a shift worker shall not be deemed unavailable for work if the worker is currently enrolled in one or more classes of education related to employment or is continuing in a certificate or degree program at an institution of higher education, if the enrollment would only limit the individual's availability for one shift and the individual is otherwise available to work any of the other shifts.

*Coverage.* The services provided in the home by an individual pursuant to an agreement among a service recipient, a public human services agency and such individual constitute "employment" when coverage of such services is required by the Federal Unemployment Tax Act.

## Washington

*Administration.* A legislative task force is established to review and make recommendations regarding the changes needed to ensure the unemployment insurance system meets the needs of employers and workers in the twenty-first century.

A workforce training and education coordinating board shall review and analyze the program that provides additional unemployment benefits.

*Benefits.* Effective for rate years begin-

ning on or after January 1, 2000 the computation of "average annual wage for contribution purposes" changes from a single year to a 3-year average.

Effective for weeks of unemployment beginning February 13, 2000, the disqualification period increases when an individual leaves work voluntarily without good cause or because of marital or domestic responsibilities, being discharged for misconduct, or refusing suitable work; from 5 weeks and until re-employed and having earned 5 times the weekly benefit amount, to 7 weeks and until re-employed and having earned 7 times the weekly benefit amount.

The exception to the voluntary quit disqualification for individuals who leave work to relocate for a spouse's employment now only applies when, among other conditions, it is due to an employer-initiated, mandatory transfer.

Subject to availability to funds, the State provides additional unemployment compensation for certain individuals who have exhausted their regular unemployment compensation and who are in an approved training program. The maximum number of weeks is 26, except for workers in aerospace, forestry, and fishing, for those, the maximum is 48 weeks until June 30, 2002.

The provision authorizing the Employment Security Department to deduct a processing fee when intercepting or deducting child support from unemployment insurance benefits is deleted.

*Financing.* The amount available for additional unemployment compensation for trainees is limited to \$60 million for the 2-year period from June 30, 2000 to June 30, 2002, and thereafter \$20 million annually, plus any carryover funds.

Training benefits paid may not be charged to contributing employers.

References to the Standard Industrial Classification system are replaced by the North American Industry Classification System.

Effective for rate years beginning on or after January 1, 2000: the taxable wage base is lowered from \$26,500 to \$24,300 for rate year 2000; the fund balance ratio triggers are lowered for various tax schedules and the tax rates for employers are lowered before the maximum rate

Sixty percent of tax collected to fund administration of additional benefits for trainees who have exhausted regular unemployment insurance benefits must be deposited in the unemployment trust fund. □