*State Unemployment Insurance Legislation, 1955**

UNEMPLOYMENT insurance laws enacted by the State legislatures during their 1955 sessions continued the trend of recent years toward higher maximum benefit amounts and relaxed contribution requirements. The 1955 sessions also featured the greatest extension of coverage since the beginning of the program.

The legislatures of 48 States, including the two Territories with unemployment insurance laws, were in session during 1955. Forty-seven of them, and Congress for the District of Columbia, had under consideration amendments to their unemployment insurance laws. More than 800 bills dealing with unemployment insurance were introduced, and about 175 were enacted. Changes in the law were made in all but six States. The Kentucky and Virginia legislatures were not in session, in Louisiana no unemployment insurance legislation was introduced, and in New Mexico, West Virginia, and the District of Columbia[1] bills were introduced but not enacted. Most of the provisions enacted became effective in 1955, but others are not effective until sometime in 1956.

Coverage

Federal legislation adopted in 1954 was the impetus for considerable action in the field of coverage during the 1955 legislative sessions of the various States. The amendment to the Federal Unemployment Tax Act, effective January 1, 1956, extended coverage to employers of four or more in 20 weeks (instead of eight or more), and the addition of title XV to the Social Security Act provided unemployment compensation for Federal workers unemployed after December 31, 1955.

Size of firm.—Illinois and Wisconsin, which had covered employers of six or more, and all but four (Missouri, Oklahoma, Virginia, and West Virginia) of the 22 States covering employers of eight or more amended their laws to conform with the Federal law. Since the four States listed have provisions for including as an employer "any employing unit subject to the Federal Unemployment Tax Act," coverage in these States is automatically extended, effective January 1, 1956, to employers of four or more in 20 weeks. Connecticut, Rhode Island, New York, and Oregon, which had already covered employers of four or more, amended their laws to cover smaller firms; Rhode Island covered employers of one at any time; Oregon, two in 6 weeks; Connecticut, three in 13 weeks; and New York, three at any time during 1956 and two at any time beginning in 1957. It is estimated that coverage is extended to aproximately 1.7 million workers not previously covered.

The minimum size-of-firm provisions in the 51 States may be summarized as follows:

Specified minimum period of time	Number of States				
	Total	Specified minimum number of workers			
		1	2	3	4
Total	51	18	1	4	28
None specified	6	6	----	----	----
Any time	9	7	----	2	----
10 days	1	1	----	----	----
6 weeks	1	----	1	----	----
13 weeks	2	1	----	1	----
15 weeks	1	----	----	----	1
20 weeks	30	3	----	1	26
3 quarters	1	----	----	----	1

Services for State and/or local governments.—Rhode Island provided mandatory coverage of services performed for the State and its instrumentalities and authorized elective coverage for services performed for its political subdivisions and instrumentalities. Benefit payments to such government employees are to be financed on a reimbursable rather than a contributory basis.

California extended coverage, on an elective basis, to services performed for credit unions organized under the provisions of the Federal Credit Union Act. Coverage was extended in New York to additional State and municipal services and in Oregon to services performed for specified "utility" districts. Fourteen States now have provisions for coverage, on either a mandatory or elective basis, of at least some employees of the State and/or its political subdivisions.

Other provisions.—New Hampshire broadened its coverage to include service performed in the home on a piecework basis. New York, which is still the only State that covers domestic service in a private home, changed its law to cover employers of four or more domestic workers at any time; the law had applied to employers of four or more in 15 days.

Six States amended their laws to restrict coverage. Wisconsin, for example, no longer covers family workers; its law is now similar to the Federal act in this respect. California excluded from coverage all haybaling services, service as a licensed cemetery broker on a commission basis, and service performed for a baseball club if the player performs for expenses or a share of the profits rather than a fixed salary. Connecticut, Michigan, and South Carolina excluded services performed in specified occupations by individuals paid on a commission basis. New Hampshire excluded service performed on behalf of or for a corporation by an officer or director, for which service no wages are paid or payable.

Twelve States[2] amended, in part, their definitions of "employment" and "wages" to accord with the definitions of these terms in the Federal act.

Several measures were enacted providing that studies be made concerning the extension of coverage to groups now excluded. In Hawaii, Oregon, and Utah the problems in-

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[1] Congress amended the law of the District of Columbia in 1954.

[2] Alaska, Arkansas, California, Idaho, New York, North Carolina, New Hampshire, Rhode Island, South Carolina, Tennessee, Texas, and Wisconsin.

volved in covering public employees are to be studied. The Territorial agency in Hawaii was also directed to study coverage, under existing law, of services performed by intermittent and seasonal workers, as well as the changes in the law that would be required to extend coverage to services performed in agricultural industries.

Benefits

The 1955 legislative sessions afforded most States their first opportunity to review their benefit provisions in the light of the recommendations made by President Eisenhower. In his Economic Reports of January 28, 1954, and January 20, 1955, the President recommended that the States change their laws to (1) provide benefits that will, for the great majority of covered workers, be equal to at least half their regular earnings, and (2) lengthen the duration of benefits to 26 weeks for every person who qualifies for any benefits and who remains unemployed that long.

The President's 1955 Report stated: "It is recognized that an increase in the term and the level of benefits may call for a reexamination by the States, and in some instances a tightening, of the test of attachment to the labor force and of other legal or administrative safeguards against abuse."

The actions of the States during the 1955 sessions with respect to the benefit amount, the duration of benefits, eligibility requirements, and disqualification provisions are therefore of special interest.

Maximum weekly benefit amount. —Thirty-two States amended their laws to raise the maximum basic weekly benefit amount by $1–$10.

Alaska, where the average weekly wage is very high, raised its maximum basic benefit from $35 to $45, retaining its position as the jurisdiction with the highest maximum. The $45 maximum, however, applies only to claimants who file claims and receive benefits in Alaska. The maximum amount for claimants who leave Alaska and file for benefits under the interstate benefit payment plan was reduced to $25.

Before 1955, only Alaska had a maximum as high as $35, but in the 1955 sessions nine States raised their maximum to $35 or $36. These States are Wisconsin, which increased the maximum from $33 to $36; New York, from $30 to $36; Connecticut, New Jersey, Pennsylvania, and Washington, from $30 to $35; and Delaware, Hawaii, and Oregon, from $25 to $35. Thirty-two percent of all covered workers live in these nine States and Alaska.

Six States[3] adopted basic maximums of either $32 or $33. Under the Utah provision, the maximum of $33 is effective until July 1, 1956; thereafter the maximum is to be half the average total weekly wage of covered workers in the State during the preceding calendar year, rounded to the nearest dollar. Seven States[4] raised their maximums to $30. As a result of the 1955 amendments, there are now 32 States, with 70 percent of the covered workers, that have maximums of $30 a week or more; in 1954, 20 States had maximums of $30 and only two paid more than $30. In nine other States that raised their maximums during 1955, maximum benefits of $25–$28 were adopted.

There is now no State with a maximum benefit of less than $24, and only one State, Virginia, has a maximum of $24. Alabama, Louisiana, Massachusetts, Missouri, and South Dakota have maximum basic benefits of $25, and Arkansas, Florida, Georgia, Montana, North Dakota and South Carolina have basic maximums of $26. Massachusetts and North Dakota augment the basic maximum for some claimants who have dependents.

Although the increases in the maximum benefits enacted in the 1955 legislative sessions were substantial in number and amount, they should be considered in relation both to the President's recommendations and to changes in the wage levels.

If the great majority of covered workers are to be eligible for payments that equal at least half their regular earnings, as the President recommended, then the maximum must be higher than 50 percent of the State average weekly wage in covered employment. A higher maximum will be needed even if other parts of the benefit formula assure that all claims paid at less than the maximum amount are at a rate of half or more of regular earnings. Even with the increases enacted in 1955, however, there are only five States (with 4 percent of the Nation's covered workers) whose basic maximum is higher than 50 percent of the average weekly wage of their covered workers in 1954; there are 12 (with 17 percent of the covered workers) where maximum benefits, when augmented by maximum dependents' allowances, are more than 50 percent of the average weekly wage.

The recent increases have not reestablished the relationship between wages and benefits that existed at the beginning of the program. In contrast to the situation in 1955, the maximum weekly benefit in 1939 was more than 50 percent of the average weekly wage of covered workers in 48 States. After the 1953 sessions, three States had maximum basic benefits that were more than half the State's 1952 average weekly wage (10 States if maximum augmented benefits are considered).

Dependents' allowances. — During 1955, Illinois enacted provisions for the payment of augmented benefits to some claimants with dependents. As a part of the plan for dependents' allowances, a weighted schedule, 1/20–1/24 of high-quarter wages, was substituted for the 1/20 fraction. The maximum benefit amount, which had been the same for all individuals, was varied in accordance with the number of dependents. It now ranges from $28 for individuals who are unmarried or who have no nonworking spouse or children to $40 for individuals with four children. Only those who have high-quarter wages of more than $925.50 will qualify for the maximum augmentation of $12.00 available to individuals with four children. Since, however, in 1954 more than 82 percent of the weeks compensated in Illinois were at the maximum benefit amount (which required $530 in high-quarter earnings) a large proportion of claimants who have dependents should be aided by the new provisions.

Arizona, which raised its maximum

[3] California, Kansas, Minnesota, New Hampshire, Ohio, and Utah.

[4] Arizona, Idaho, Indiana, Iowa, Maine, Rhode Island, and Tennessee.

basic benefit from $20 to $30, repealed its provision for the payment of dependents' allowances.

Ohio increased the amount of its allowance for dependents from $2.50 to $3.00 for each dependent and raised the weekly maximum allowance payable under one claim from $5.00 to $6.00. With the higher basic benefit, the maximum available to claimants with dependents was increased from $35 to $39. Nevada raised its allowance for the first dependent from $3 to $5, thereby providing the same allowance for all dependents. North Dakota revised its schedule of augmented benefits for dependents to provide higher benefits at most benefit levels for claimants with dependents.

Alaska's revision of its benefit schedule retained the same maximum augmented benefit of $70 but provided a higher maximum basic benefit and lower dependents' allowance for most claimants. An allowance of $5 for each dependent up to five (up to $25) is provided, but in no case may the total allowance exceed the amount of the weekly benefit. Dependents' allowances are not paid with respect to interstate claims.

Michigan, which provides a variable maximum based on average weekly wages and number of dependents, extended its schedule of benefits to provide for higher benefits to claimants with dependents and with wages higher than the maximum in the former schedule. The new $54 maximum is obtainable only by individuals whose average weekly wage is $106.01 and who have four dependents, if one is a child, or five dependents, if none are children.

Connecticut made no change in its dependents' allowance provision, but the increase in its maximum basic benefit resulted in a higher maximum augmented benefit.

Minimum weekly benefit amount.—Nine States modified their minimum benefit provisions; eight raised and one reduced the minimum amount. Montana liberalized its formula, raising the minimum from $7 to $10. New Hampshire increased the minimum qualifying wages, thereby raising the minimum benefit from $7 to $9. Indiana raised its minimum from $5 to $10 without changing any other parts of its benefit formula.

Five States both liberalized their formulas or made adjustments in their schedules for determining the minimum benefit amount and raised their minimum qualifying wages. These States are Alaska, which raised its minimum from $8 to $10; Florida, from $5 to $8; Minnesota, from $11 to $12; South Carolina, from $5 to $8; and Washington, from $10 to $17. Maine moved contrary to this trend by establishing a new lower minimum benefit amount of $6 (formerly $9) for a lower minimum amount of base-period earnings.

These changes in minimum benefits can be expected to affect relatively few claimants. In 1954, fewer than 1 percent of all weeks compensated were at the minimum benefit rate, while 61 percent were compensated at the maximum.

Benefits for partial unemployment.—Eight States revised their laws to increase benefit payments to claimants who are partially unemployed. Montana, which does not pay partial benefits but instead pays full benefits to claimants with less than specified earnings, increased from $7 to $15 the amount of earnings to be disregarded in determining the right to benefits. Seven other States increased payments for weeks of partial unemployment under formulas that provide that the benefit paid for a week of partial unemployment is the weekly benefit amount less any wages in excess of a specified amount earned in the week. In Alabama, this earnings allowance was raised from $2 to $6; in Arkansas and Nevada, from $3 to $5; in Maine, from $1 or $2 to $5; in Oregon, from $2 to one-third the weekly benefit amount; in South Carolina, from $1 to one-fourth the weekly benefit amount; and in Wyoming, from $5 to half the weekly benefit amount.

Formula for determining the benefit amount.—Pennsylvania, in accordance with the President's recommendation, provided that the weekly benefit amount should be 50 percent of the individual's full-time weekly wage if that amount is higher than the 1/25 of high-quarter wages provided in the old formula. Only one other State changed its type of formula. Oregon, which had based its computation on annual wages, now bases benefits on 1/26 of earnings in the high quarter.

In making adjustments in their formulas for higher maximum benefit amounts, most States required higher wages for receipt of the new maximum than were required for the former maximum. This change was frequently made in a way that did not substantially alter benefits at levels below the maximum. Several States, however, raised the benefits available to individuals at lower wage levels, and several reduced them.

Of the States that compute the weekly benefit as a fraction of high-quarter wages, five made an adjustment in the fraction used.

Montana was the only State to liberalize benefits generally; it modified its schedule, under which benefits had been equal to 1/25 of high-quarter wages for individuals with low wages and 1/28 for individuals with high wage credits, to provide benefits equal to 1/18–1/25 for individuals at low and high wage levels.

Florida changed its schedule of benefit rates from approximately 1/18–1/26 to about 1/13–1/26. Higher benefits were thus made available to individuals with low wages, without changing benefits for those with higher wages. California changed from approximately 1/19–1/26 to about 1/17–1/26. South Carolina dropped its schedule paying benefits of 1/20 of high-quarter wages at all wage levels in favor of one yielding benefits of 1/20–1/26. This change, of course, reduced benefits to individuals at the higher wage levels. Utah reduced benefits in relation to wages at all levels by changing the fraction from 1/20 to 1/26.

Two States that compute the benefit amount as a fraction of an individual's average weekly wage made adjustments in their formula. For benefits up to $30, New Jersey made no change in the formula. For benefits of more than $30, two-fifths of the amount by which the individual's average weekly wage exceeds $45 is added to the $30, up to the maximum of $35. The new formula yields benefits that are a somewhat smaller proportion of wages than those yielded by the fraction (2/3) applicable for benefits of $30 and less. New York

Table 1.—*Significant benefit provisions of State unemployment insurance laws, October 2, 1955*

State	Qualifying wages or employment in base period	Weekly benefit amount [1]			Earnings disregarded in computing weekly benefits for partial unemployment [4]	Total benefits payable in benefit year				
		Computation (fraction of high-quarter wages, unless otherwise indicated) [2]	For total unemployment			Proportion of wages in base period [5]	Minimum		Maximum	
			Minimum [3]	Maximum [3]			Amount	Weeks of total unemployment [6]	Amount [3]	Weeks of total unemployment
Alabama	35 × wba[1] and $112.01 in 1 quarter.	1/26	$6.00	$25.00	$6	1/3	$70.00	11+	$500	20
Alaska	1 1/4 × high-quarter wages but not less than $450.	1.7–1.1% of annual wages, plus $5 for each dependent up to lesser of wba or $25.	10.00–15.00	[3] 45.00–70.00	$10	[5] 33–29%	150.00	15	1,170–1,820	26
Arizona	30 × wba and wages in 2 quarters.	1/25	5.00	30.00	$5	1/3	50.00	10	780	26
Arkansas	30 × wba	1/21–1/27	7.00	26.00	$5	1/3	70.00	10	468	18
California	30 × wba or 1 1/3 × high-quarter wages, whichever is less, but not less than $600 or more than $750.	1/17–1/26	10.00	33.00	$3	1/2	[6] 260.00	[6] 26	858	26
Colorado	30 × wba	1/25	7.00	[3] 28.00–35.00	$3	1/3	70.00	[3] 10–26	[3] 560–910	[3] 20–26
Connecticut	$300 and wages in 2 quarters.	1/26, plus $3 for each dependent up to 1/2 wba.	8.00–11.00	35.00–52.00	$3	1/3	120.00	[6] 15	910–1,352	26
Delaware	30 × wba	1/25	7.00	35.00	$2	26%	77.00	[6] 11	910	26
District of Columbia	1 1/2 × high-quarter wages; $130 in 1 quarter and wages in 2 quarters.	1/23, plus $1 for each dependent up to $3. [3]	8.00–9.00	[3] 30.00	2/5 wba	1/3	92.00	11+	[3] 780	26
Florida	30 × wba (18+, 23+, and 27 if wba is $8, $9, and $10) and wages in 2 quarters.	1/13–1/26	8.00	26.00	$5	1/4	38.00	4+	416	16
Georgia	35–45+ × wba and $100 in 1 quarter.	1/25	5.00	26.00	$5	Uniform	100.00	20	520	20
Hawaii	30 × wba	1/25	5.00	35.00	$2	Uniform	100.00	20	700	20
Idaho	25–38+ × wba and $150 in 1 quarter and wages in 2 quarters.	1/19–1/26	10.00	30.00	1/2 wba	[5] 40–26%	100.00	10	780	26
Illinois [7]	$550, and $150 in other than high quarter.	1/20, plus allowance of $0.50–$12.00 for claimants with 1–4 dependents and high-quarter wages of $573.01 or more.	10.00	28.00–40.00	$2	[5] 39–32%	215.00	[6] 21+	728–1,040	26
Indiana	$250, and $150 in last 2 quarters.	1/25	10.00	30.00	$3 from other than regular employer.	1/4	62.00	6+	600	20
Iowa	20 × wba	1/20	5.00	30.00	$3	1/3	33.33	6+	720	24
Kansas	$200 in 2 quarters or $400 in 1 quarter.	1/25 up to 50% of State average weekly wage but not more than $32.	5.00	32.00	$2	1/3	67.00	[6] 13+	640	20
Kentucky	$300	2.6–1.2% of annual wages.	8.00	28.00	1/5 wages	Uniform	208.00	26	728	26
Louisiana	30 × wba	1/20	5.00	25.00	$3	1/3	50.00	10	500	20
Maine	$300	2.0–1.0% of annual wages.	6.00	30.00	$5	Uniform	138.00	23	690	23
Maryland	30 × wba and $156 in 1 quarter.	1/26, plus $2 for each dependent, up to $8.	6.00–8.00	30.00–38.00	$5	1/4	45.00	7+	780–988	26
Massachusetts	$500	1/20, plus $3 for each dependent but total may not exceed average weekly wage.	7.00–10.00	25.00–(3)	$10	3/10	150.00	[6] 21+	650–(3)	26
Michigan	14 weeks of employment at more than $15.	63–41% of average weekly wage. [3]	10.00–12.00	30.00–54.00	Up to 1/2 wba [4]	2/3 weeks of employment.	95.00	9+	780–1,404	26
Minnesota	$520	2.2–1.1% of annual wages.	12.00	33.00	$6	[5] 42–49%	216.00	18	858	26
Mississippi	30 × wba	1/26	3.00	30.00	$2	Uniform	48.00	16	480	16
Missouri	Wages in 2 quarters [8]	1/25	[8] .50	25.00	$4	1/3	(8)	(8)	600	24
Montana	1 1/2 × high-quarter wages and $170 in 1 quarter.	1/18–1/25	10.00	26.00	(9)	Uniform	200.00	20	520	20
Nebraska	$300 in 2 quarters with at least $100 in each of such quarters.	1/21–1/23	10.00	28.00	Up to 1/2 wba [4]	1/3	100.00	10	560	20

See footnotes at end of table.

changed its proportion from a range of 67–51 percent to 67–52 percent. The result is somewhat higher benefits for many claimants entitled to $15 or more.

Four States that determine a worker's weekly benefit amount from a schedule of annual earnings modified their formulas to liberalize benefits at all wage levels. Washington increased benefits $1–$5. Minnesota and Maine increased benefits generally at the higher levels and made their new maximum benefit available to all individuals who would have qualified for the old lower maximum. Alaska increased benefits by $1 for all individuals qualifying for up to $20 a week.

Base period and benefit year.—Of the nine States that had uniform base periods and benefit years, two abandoned them in favor of individual base periods and benefit years. Claimants' benefit rights in these States will thus be based on more recent employment experience.

Illinois, which had a uniform benefit year beginning April 1 and a base period consisting of the preceding calendar year, changed to an individual benefit year beginning with the week of the claim and a base period consisting of the 4 quarters ending 4–7 months before the benefit year. Alaska's uniform benefit year beginning July 1, with base period consisting of the preceding calendar year, was changed to an individual year beginning with the week in which the individual files a request for determination of insured status, and a base period consisting of the first 4 of the last 5 completed quarters preceding the benefit year.

Duration of benefits.—Pennsylvania became the first State to provide benefits for more than 26 weeks and the State with the most liberal duration provision when it changed from a duration of 13–26 weeks to a

Table 1.—*Significant benefit provisions of State unemployment insurance laws, October 2, 1955*—Continued

State	Qualifying wages or employment in base period	Weekly benefit amount [1]			Earnings disregarded in computing weekly benefits for partial unemployment [4]	Total benefits payable in benefit year				
		Computation (fraction of high-quarter wages, unless otherwise indicated) [2]	For total unemployment			Proportion of wages in base period [5]	Minimum		Maximum	
			Minimum [3]	Maximum [3]			Amount	Weeks of total unemployment [6]	Amount [7]	Weeks of total unemployment
Nevada	30 × wba	1/25, plus $5 for each dependent up to $20, but total may not exceed 6% of high-quarter wages.	$8.00–12.00	$30.00–50.00	$5	1/3	$80.00	10	$780–1,300	26
New Hampshire	$400	2.0–1.2% of annual wages.	9.00	32.00	$3	Uniform	234.00	26	832	26
New Jersey	17 weeks of employment at $15 or more.	2/3 of average weekly wage up to $45 and 2/5 of average weekly wage above $45.	10.00	35.00	Up to 1/2 wba [8]	3/4 weeks of employment.	130.00	13	910	26
New Mexico	30 × wba and $156 in 1 quarter.	1/26	10.00	30.00	$3	2/5	120.00	12	720	24
New York	20 weeks of employment at average of $15 or more.	67–51% of average weekly wage.	10.00	36.00	[10]	Uniform	260.00	26	936	26
North Carolina	$250	2.4–1.0% of annual wages.	7.00	30.00	$2	Uniform	182.00	26	780	26
North Dakota	36 × wba and wages in 2 quarters.	1/24, plus $1–$3 per dependent, by schedule $3–$9.	7.00–10.00	26.00–35.00	$3	Uniform	140.00	20	520–700	20
Ohio	20 weeks of employment and $240.	1/17–1/25, plus $3 for each dependent up to $6.	10.00–3.00	33.00–39.00	$2	1/2	120.00	[9] 12	858–1,014	26
Oklahoma	20 × wba and wages in 2 quarters.	1/20	10.00	28.00	$7	1/3	67.00	6+	616	22
Oregon [11]	37 × wba or 1 1/2 × high-quarter wages, whichever is less, but not less than $700.	1/26	15.00	35.00	1/3 wba	1/3	233.00	[9] 15+	910	26
Pennsylvania	32–42 × wba and $120 in 1 quarter.	1/25 or 50% of full-time weekly wages, whichever is greater.	10.00	35.00	$6	Uniform	300.00	30	1,050	30
Rhode Island [11]	30 × wba	1/20	10.00	30.00	$5	35–27%	104.00	10+	780	26
South Carolina	1 1/2 × high-quarter wages but not less than $240, and $120 in 1 quarter.	1/20–1/26	8.00	26.00	1/4 wba	1/3	80.00	10	572	22
South Dakota	1 1/2 × high-quarter wages and $150 in 1 quarter or wages in 2 quarters if base-period wages are $600 or more.	1/20–1/23	8.00	25.00	$3	36–22%	80.00	10	500	20
Tennessee	40, 50, and 60 × wba and $75 in 1 quarter.	1/21–1/26	5.00	30.00	$5	Uniform	110.00	22	660	22

See footnotes at end of table.

uniform system of 30 weeks for all qualified individuals. Maine extended its uniform-duration provisions from 20 to 23 weeks, and Vermont from 20 to 26 weeks. South Carolina changed from a system of uniform duration of 18 weeks to one of variable duration based on a third of base-period wages, with a minimum of 10 weeks and a maximum of 22.

Among the States with variable duration, Arkansas extended maximum duration from 16 weeks to 18, Arizona from 20 to 26, and Iowa from 20 to 24. Iowa also raised from $450 to $600 a quarter the limitation on the amount of the wage that can be used in computing duration. To qualify for the maximum duration and the maximum weekly benefit amount a claimant must have earned at least $540 in each of the 4 quarters in his base period.

Texas and Utah retained their statutory maximum duration but changed the formula used in its computation. Texas liberalized its duration provision by allowing total benefits up to the equivalent of one-fourth instead of one-fifth of base-period wages. Utah changed its method of determining duration when it adopted a weighted schedule of ratios, obtained by dividing high-quarter wages into total wages in the base period. If the ratio is less than 1.60 the duration is limited to the minimum of 15 weeks; if it is 3.30 or more, maximum duration of 26 weeks is allowed. Illinois retained its statutory maximum but placed dependents' allowances within the duration formula so that the potential duration will be reduced for some claimants who qualify for such allowances.

Qualifying wages.—Eighteen States made changes in the amount of wage credits required to qualify for benefits. Most of them increased the required amount, although several others reduced requirements—at least for some claimants.

In an unemployment insurance program, qualifying requirements are needed as evidence that the individual claiming benefits is regularly attached to the labor force. They are among

Table 1.—*Significant benefit provisions of State unemployment insurance laws, October 2, 1955*—Continued

State	Qualifying wages or employment in base period	Weekly benefit amount [1]			Earnings disregarded in computing weekly benefits for partial unemployment [4]	Total benefits payable in benefit year				
		Computation (fraction of high-quarter wages, unless otherwise indicated) [2]	For total unemployment			Proportion of wages in base period [5]	Minimum		Maximum	
			Minimum [3]	Maximum [3]			Amount	Weeks of total unemployment [6]	Amount [3]	Weeks of total unemployment
Texas	$375 with $250 in 1 quarter and $125 in another, or $450 with $50 in each of 3 quarters, or $1,000 in 1 quarter.	1/26	7.00	28.00	$3	1/4	[6] 113.00	[6] 16+	672	24
Utah	19 weeks of employment and $400.	1/26	10.00	33.00	$6 from other than regular employer.	Weighted schedule of base-period wages in relation to high-quarter wages.	150.00	[6] 15	858	26
Vermont	30 × wba and $200 in 1 quarter and 1/3 of wages in last 2 quarters.	1/22–1/26	10.00	28.00	$3	Uniform	260.00	26	728	26
Virginia	25 × wba (16+ if wba is $6).	1/25	6.00	24.00	$2	1/4	36.00	6	384	16
Washington	$800	2.0–1.1% of annual wages.	17.00	35.00	$8	[5] 26–29%	204.00	12	910	26
West Virginia	$500	1.8–1.0% of annual wages.	10.00	30.00	$6	Uniform	240.00	24	720	24
Wisconsin	14 weeks of employment at average of $13 or more.	69–51% of average weekly wage.	10.00	36.00	Up to 1/2 wba [4]	7/10 weeks of employment.	100.00	10	954	26 1/2
Wyoming	26 × wba and $200 in 1 quarter.	1/21–1/25, plus $3 for each dependent up to $6.	10.00–13.00	30.00–36.00	1/2 wba	[5] 31–26%	80.00	8	780–936	26

[1] Weekly benefit amount abbreviated in columns as wba.

[2] When State uses a weighted high-quarter formula, annual-wage formula, or average-weekly-wage formula, approximate fractions or percentages are figured at midpoint of lowest and highest normal wage brackets. When dependents' allowances are provided, the fraction applies to the basic benefit amount.

[3] When two amounts are given, higher includes dependents' allowances except in Colorado, where higher amount includes 25 percent additional for claimants employed in Colorado by covered employers for 5 consecutive calendar years with wages in excess of $1,000 a year and no benefits received; duration for such claimants is increased to 26 weeks. Higher figure for minimum weekly benefit amount includes maximum allowance for 1 dependent; in Michigan, for 1 dependent child or 2 dependents other than a child. In the District of Columbia, same maximum with or without dependents. Maximum augmented payment in Massachusetts not shown since any figure presented would be based on an assumed number of dependents. In Alaska, for interstate claimants the maximum is $25 and no dependents' allowances are paid.

[4] In 3tates noted, full weekly benefit is paid if earnings are less than 1/2 weekly benefit; 1/2 weekly benefit amount is paid if wages are 1/2 weekly benefit but less than weekly benefit.

[5] In States with weighted schedules the percentage of benefits is figured at the bottom of the lowest and of the highest wage brackets; in States noted the percentages at other brackets are higher and/or lower than the percentages shown.

[6] Figure shown applies to claimants with minimum weekly benefit and minimum qualifying wages. In Delaware and Utah statutory minimum. In California minimum duration at other levels is 15 weeks and minimum potential benefits $300. In Illinois, statutory minimum of 10 weeks not applicable at minimum weekly benefit amount. In Texas, alternative qualifying wages of $250 in high quarter and $125 in another quarter may yield benefits of $10 a week for 9+ weeks or $94. In other States noted, if qualifying wages are concentrated largely or wholly in high quarter, weekly benefit or claimants with minimum qualifying wages may be above minimum weekly benefit amount and weeks of benefits may thus be less than the minimum duration shown.

[7] Effective Apr. 1, 1956.

[8] If benefit is less than $5, benefits are paid at the rate of $5 a week; no qualifying wages and no minimum weekly or annual benefits are specified.

[9] No partial benefits paid, but earnings not exceeding the greater of $15 or 1 day's work of 8 hours are disregarded for total unemployment.

[10] Partial benefits are 1/4 of weekly benefit amount for each of 1–3 effective days. An "effective day" is the fourth and each subsequent day of total unemployment in a week for which not more than $36 is paid.

[11] Effective Jan. 1, 1956.

the provisions intended to exclude from benefits persons who are only casually, temporarily, or occasionally employed or seeking employment.

All the West Coast States increased qualifying requirements substantially. California raised its minimum requirement from $300 earned during the base period to $600. Oregon changed its requirement of $400 to total base-period wages of 37 times the amount of the weekly benefit but, in any case, not less than $700. Washington increased its requirement from $600 to $800.

Alaska raised its minimum requirement from $300 to $450 and added the provision that total base-period earnings must be at least one and one-quarter times the earnings in the high quarter. Illinois raised its requirement from $400 to $550 in the base period, with at least $150 earned in a quarter other than the high quarter. Thus both jurisidictions now require earnings in 2 quarters for claimants at all benefit levels. Kansas, which formerly required $100 in 2 quarters or $200 in 1 quarter, now requires $200 in 2 quarters or $400 in 1 quarter. Minnesota changed from $300 in the high quarter and $100 in another, or $500 altogether, to $520; New Hampshire, from $300 to $400.

North Dakota increased its requirement from base-period earnings equaling 30 times the weekly benefit rate to 36 times. Pennsylvania, where the law had called for 30 times the benefit rate for all claimants, now has a variable schedule; the total earnings required range from 32 times the benefit for claimants at low wage levels to 42 times for claimants at high wage levels. Only 30 times the benefit amount may be required, however, if benefits are computed under a step-down provision.[5] South Carolina changed from 30 times the benefit rate with at least $100 in the high quarter to at least one and one-half times high-quarter earnings but not less than $120 in the high quarter and $240 altogether, and it repealed its step-down provision. Vermont added such a provision. Texas changed its requirement from $200 and wages in 2 quarters to (1) $250 in 1 quarter and $125 in another, (2) $1,000 in 1 quarter, or (3) $450 with at least $50 in each of 3 or more quarters.

Tennessee's qualifying requirement is in terms of a varying multiple of the weekly benefit amount (40 times the benefit amount for claimants at the low benefit levels and 50 times the amount at the higher levels). The requirement was extended to 60 times for benefit amounts between the old maximum amount and the new one. Individuals whose base-period earnings are insufficient to qualify them for higher benefits may, however, qualify for a lesser amount under an unlimited step-down provision.

Four States relaxed their qualifying requirements. Alabama deleted a provision that a claimant could not receive benefits for any week if he had worked 160 hours and had earned $180 in the 3 preceding weeks. Florida modified its requirement of base-period earnings of 30 times the benefit amount, which was applicable to individuals in all wage classes, to require only 18, 23, and 27 times the benefit amount for individuals at the lowest wage levels. Maine reduced from $400 to $300 the wages necessary to qualify. Nebraska changed its requirement from $150 in each of 2 quarters to $300 in 2 quarters with at least $100 in each.

Utah deleted a provision in its law that made the eligibility requirement a proportion (16 percent) of the State's average wage in covered employment, and it substituted a requirement of earnings of $400 in the base period. This change did not immediately affect claimants since the amount under the new requirement is currently the same as the amount that would have been required under the old proportional formula.

Other benefit provisions.—Colorado and Montana, the last two States to require the once standard 2-week waiting period, reduced their requirement in 1955 from 2 weeks to 1. Texas, which was the only State still requiring a waiting period for each subsequent period of unemployment in a benefit year, eliminated its waiting period. Four States now require no waiting period in a benefit year and in two States the 1-week waiting period may become compensable under certain circumstances. Oregon and Alaska repealed provisions that restricted the benefit rights of certain workers on seasonal grounds. As a civil defense measure, Indiana authorized its agency to institute emergency procedures or policies to carry on the program in the event that the central office, records, and equipment are destroyed.

Michigan indicated its concern with the problem of keeping the level of unemployment insurance benefits up with changes in prices and the cost of living. The legislature directed the Employment Security Commission to make an annual comparison of the maximum weekly benefit amount and the national consumer price index and, if the index changes in an amount equivalent to $1 in benefits, to report to the legislature, the Governor, and the Advisory Council.

Disqualifications

During 1955 many States amended their disqualification provisions; most of them made the disqualifications more severe. Several States, however, including some with large numbers of covered workers, liberalized their provisions.

With respect to the three major causes for disqualification—voluntary leaving, discharge for misconduct, and refusal of suitable work—23 States made one or more changes. In nine States changes made disqualifications more severe, while nine others liberalized them. Five States made disqualifications more severe in some respects but less so in others.

Voluntary leaving.—Arkansas reduced its disqualification for voluntary leaving from 10 weeks to 8 weeks but provided that only weeks subsequent to the filing of a claim should count toward the satisfaction of the disqualification period.

Illinois formerly disqualified all claimants for 6 weeks from the date of leaving, with an additional week imposed for each week that a claimant failed to report during the disqualification period. Under the amended law a claimant with wages in 3 or more quarters of the base period is disqualified until he is re-

[5] A provision that permits an individual who is found ineligible under the normal qualifying wage requirement to be found eligible for a lower benefit amount if his base-period earnings equal or exceed those required for the lower benefit.

employed or for a maximum of 6 weeks; a claimant with wages in less than 3 quarters is disqualified for the duration of the unemployment and until he has earned six times his benefit amount. An additional week of disqualification is imposed for each week in which he is unable to or unavailable for work or is not actively seeking work, as well as for the week in which he failed to report.

Seven States made their voluntary-leaving provisions less restrictive. In Pennsylvania, "good cause" was modified to apply to persons who leave voluntarily without cause of a necessitous and compelling nature; a provision that any cause based on a marital, filial, or domestic obligation should not be considered to be good cause was deleted. Michigan provided that if a worker leaves an employer to accept another job, and is later laid off from this job, his wage credits canceled by the leaving should be reinstated in full. Previously only 1 week of benefit rights was reinstated for each week he was employed. Georgia authorized its commissioner to waive the disqualification for voluntary leaving when an individual gives notice and leaves to accept a better job and remains in it a reasonable length of time.

Delaware no longer disqualifies individuals who leave involuntarily because of illness, and New Hampshire exempted individuals who within 4 weeks leave work that is not suitable. Montana, which formerly disqualified for any leaving, provided that the disqualification should not apply if there is good cause attributable to the employer. Hawaii deleted the "attributable to the employer" limitation on good cause.

Nine States modified their voluntary-leaving provisions to make them more restrictive. Maine restricted good cause to cause attributable to the employer and extended the period of the disqualification from 1–5 weeks to 7–14 weeks. South Carolina and Vermont provided that the disqualification period should begin at the time of the claim instead of the time of the leaving. Vermont also provided that total potential benefit rights should be reduced by an amount corresponding to the number of weeks of the disqualification.

Oregon extended the period of disqualification from 4 weeks to 8. In Alaska the disqualification period of 1–5 weeks was changed to 5. Tennessee extended the period of 1–5 weeks to 1–9 weeks and added a corresponding reduction in total benefit rights. South Dakota provided for mandatory reduction of total benefit rights equal to the weeks of disqualification and provided that only weeks of otherwise compensable unemployment should be counted toward satisfying the disqualification period. Nevada amended its law to impose a disqualification for leaving noncovered as well as covered employment. Ohio specified that an individual who quits to enter the Armed Forces should not be relieved of the disqualification unless he makes application to enter military service or is inducted within 30 days after separation from employment.

Discharge for misconduct.—Arkansas, Illinois, and Vermont made changes that both increased and reduced the severity of disqualifications for misconduct.

Alaska, Illinois, and South Dakota made the same changes in their provisions for disqualification for misconduct that they made in the disqualifications for voluntary leaving.

Maine extended the disqualification period from 1–9 weeks to 7–14. Vermont changed the disqualification from 1 week or more to 1–12 weeks and provided that a corresponding reduction should be made in total benefit rights. Oregon extended the disqualification period from 4–8 weeks to 8, with a reduction in benefit rights corresponding to 4–8 weeks of benefits.

Tennessee provided for the reduction of benefit rights corresponding to the number of weeks of the disqualification imposed when the disqualifying act immediately precedes the filing of the claim. Indiana and Alaska added provisions disqualifying for 5 weeks for suspension for misconduct connected with the work. Arkansas changed the period of the disqualification from 6–10 weeks to a fixed period of 8 weeks and provided that only weeks subsequent to the filing of the claim could be counted toward satisfaction of the disqualification period. South Carolina continued its maximum disqualification period as a period equal to the maximum duration provided.

Refusal of suitable work.—Ten States modified their disqualification provisions for refusal of suitable work to make them more severe, five States made them less severe, and Arkansas reduced the period of disqualification but provided that only weeks subsequent to filing of claims could satisfy the disqualification.

Alabama reduced significantly the severity of its disqualification provision. The former provision disqualified an individual for the duration of his unemployment and until he had earned wages equal to 20 times his weekly benefit amount, with a corresponding reduction in benefit rights. The new provision fixes the disqualification period at 6–10 weeks without reduction of benefit rights; the disqualification does not apply unless the individual is in a benefit year or is seeking to establish a benefit year at the time of the refusal.

South Carolina limited the application of its disqualification for refusal to accept an offer of work to refusal to accept an offer of suitable work. It also changed the optional reduction of potential benefits from an amount equivalent to the benefits for the weeks of the disqualification to one not to exceed the equivalent of such benefits. Texas limited its disqualification for refusal to accept suitable work to refusal occurring within the current benefit year and specified that the period of the disqualification should begin with the week following the refusal instead of the week following the claim. Nevada deleted a provision disqualifying an individual if he cannot be referred to employment because of intoxication or because his dress allows little possibility of his being hired. New Hampshire added a provision that more weight should be given to earnings than to length of unemployment in determining if offered work is suitable.

Alaska, Arkansas, and South Dakota made the same change in their provisions for disqualification for refusal of suitable work that they made with respect to the disqualification for voluntary leaving.

Illinois changed its law to provide

that the disqualification period should start with the week of the claim instead of the week of the refusal; no week is to be counted as satisfying the disqualification in which the claimant is unavailable for or unable to work, is not actively seeking work, and has not filed a claim.

Maine extended the disqualification period from 1-5 weeks to duration of the unemployment due to the refusal. Vermont added a provision reducing the duration of benefits by 6 weeks. Oregon extended the period of disqualification from 4–8 weeks to 8 weeks and provided that total benefit rights should be reduced by a variable amount corresponding to 4–8 weeks of benefits.

California lengthened the period of the disqualification from 1–5 weeks to 1–9. Ohio extended its disqualification for refusal to accept a referral to failure to investigate a referral. Utah restated its disqualification provision to include failing without good cause to accept a referral to suitable work. Tennessee provided that no future benefit should be based on wages earned from an employer to whose employment an individual refuses to return following a layoff if he has notice at the time of the layoff of the specific date when work would again be available to him.

Penalties for improper payment.—Many State legislatures indicated concern with various problems of improper payments by amending the pertinent provisions of their laws. Alaska, New Hampshire, and Pennsylvania increased criminal penalties for fraudulent misrepresentation or nondisclosure to obtain benefits. Eight States[6] tightened their administrative penalties for fraud, fraudulent misrepresentation, or willful false statement to increase benefits. Arkansas, Michigan, and Pennsylvania provided for imposition of more severe administrative or criminal penalties on employers who fail to supply required information or who willfully submit false or fraudulent information.

Michigan, New Hampshire, North Dakota, Tennessee, and Wisconsin enacted or extended provisions for recoupment of fraudulently or improperly paid benefits, while six other States made various modifications of similar provisions. Hawaii and Nevada strengthened their agencies in dealing with improper payments when they modified provisions respecting the reconsideration of determinations. New Hampshire, South Carolina, and Texas extended their penalties for fraudulent misrepresentation or nondisclosure to acts committed under the laws of any other State.

Other disqualifications.—Five States modified or added special provisions relative to disqualification in connection with marital or family obligations or pregnancy. Delaware added a disqualification for any week of unemployment due to pregnancy, but the disqualification may not apply for less than 8 weeks before or 6 weeks after childbirth. Connecticut, which had denied benefits to a woman following childbirth until she had been reemployed and earned $100, provided instead that benefits should be denied for not less than 2 months after childbirth and until she has applied for reemployment with her last employer, or, if she refuses reemployment, until she has earned wages of at least $100 in other employment. Nebraska repealed a provision that disqualified for the duration of the unemployment and canceled the wage credits of persons separated from employment because of marriage. Nevada extended to apply to the leaving of noncovered as well as covered work its provision disqualifying for leaving to marry or because of pregnancy.

Alaska repealed its provision deeming a woman unable to work 2 months before and 1 month after childbirth and substituted a disqualification for any week of unemployment due to pregnancy and until wages of $120 have been earned. Alaska also added a provision disqualifying a woman, until she earns $120, for leaving her most recent work to marry or to remain with her family.

Rhode Island modified its disqualification provision relative to labor disputes by reducing from 8 weeks to 6 the period of the disqualification. Disqualification provisions for receipt of certain income were made more liberal in two States and more restrictive in two others.

Financing and Experience Rating

Thirty-five States changed their financing and experience-rating provisions. The 1954 amendment to the Federal Unemployment Tax Act, permitting the assignment of reduced contribution rates to new employers who have at least 1 year of experience with the risk of unemployment instead of 3 years as formerly required, furnished the impetus for many of these changes. In Virginia the qualifying period was reduced by regulation on the basis of an automatic provision previously enacted. Twenty-three States acted on the permissive Federal amendment; 18 States reduced the qualifying period to the minimum permitted under Federal law, consistent with their respective systems of experience rating, and the other five States specified a longer period. It was not the intent of Congress to give new employers any competitive advantage over established employers, "but merely to equalize as much as possible the opportunity for rate reduction between new and established employers."

In nine of the 23 States the operation of the experience-rating formula automatically equalizes the opportunity for a reduced rate. Seven States enacted provisions requiring complete or, as in Pennsylvania, partial equalization; Arkansas, North Dakota, Pennsylvania, and Washington provided a proportionate or partial reduction in the scheduled experience ratios required of established employers; Georgia, Hawaii, and Oregon modified the payroll exposure factor to produce equalized experience ratios automatically. In the seven remaining States no provision was made to equalize the opportunity for rate reduction, and new employers in these States will continue to make contributions at the standard rate until they can meet the same reserve requirements provided for established employers.

Alaska repealed its experience-rating provisions but enacted a provision requiring a study of experience-rating systems. It also now requires employee contributions of 0.5 percent of taxable payroll in 1955 and 1956.

[6] California, Idaho, Illinois, Maine, North Carolina, Oregon, Pennsylvania, and Texas.

Alaska, Delaware, Oregon, and Rhode Island raised the taxable wage base to $3,600 from the $3,000 limit provided in the Federal Unemployment Tax Act. Nevada had raised its base to $3,600 in 1953.

Sixteen States adjusted their contribution rates and requirements under existing experience-rating formulas. Idaho, North Carolina, Oregon, and South Carolina increased the number of their rate schedules. The Idaho and Oregon increases included both more favorable and less favorable schedules, each effective when the fund balance is at specified percentages of taxable wages. Less favorable schedules were added by North Carolina and South Carolina. Pennsylvania deleted its most favorable schedule and made the remaining schedules less favorable. Kansas substituted for its three schedules a more favorable basic schedule, which will be adjusted to provide specified yields when the fund balance is at specified percentages of taxable payroll. Utah increased the weights assigned to quarterly decrease quotients and will group employers in 10 instead of six classes for rate computation purposes.

Eight States increased the number of reduced rates under one or more of their schedules. Lower minimum rates were provided in Delaware, Idaho, and Kansas; Pennsylvania raised its minimum reduced rate. Arkansas enacted a special lower requirement for its minimum rate for employers whose experience meets certain conditions, provided the fund balance is at a specified level. Georgia deleted its war-risk contribution requirement for 1955. Illinois added five penalty rates above the standard rate, and Oregon added one penalty rate.

More stringent fund balance requirements for specified rate schedules were adopted in seven States and less stringent requirements in North Carolina. Both North Carolina and South Carolina deleted the provision that no reduced rates would be allowed if the fund balance fell below a given level. Indiana and Pennsylvania raised their requirements.

Michigan and New York made changes in their provisions for contributions to a special account within the fund. Michigan specified higher minimum and maximum balances for its solvency account; employers must make emergency contributions to the account when its balance falls below the minimum and their individual accounts are proportionately credited with any excess above the maximum balance. New York increased the number of subsidiary contribution rates, each applicable when the general account balance is a specified percentage of taxable payrolls.

Maine enacted a provision permitting employers to make voluntary contributions to their experience-rating accounts, and Arkansas altered its restriction on the amount of voluntary contributions employers may make.

Eleven States amended or enacted provisions related to the charging of benefits and omission of charges to individual employers' accounts. Vermont charges the most recent employer instead of the most recent base-period employer paying the claimant a specified amount of wages. Oregon changed from inverse-order charging of base-period employers to proportionate charging and repealed a provision to omit charges for benefits paid following a disqualification for refusal of suitable work. Hawaii no longer omits charges for benefits paid on a determination or redetermination that is finally reversed. Nevada omits charging for benefits paid to a multistate claimant on the basis of entitlement only through combining wages earned in more than one State. In Arkansas an employer who willfully submits false information on a benefit claim to evade charges is penalized by a charge to his account of twice the claimant's maximum potential benefits. Amendments in the other six States were less significant.

Provisions permitting the transfer of experience accounts when a business changes hands were amended in nine States. Colorado and Illinois now permit a partial transfer of experience when part of a business changes hands. Colorado also enacted a statutory measure for determining when a total transfer of experience is required. Florida repealed its provision requiring a successor to pay 2.7 percent on wages in excess of 500 percent of the predecessor's payroll during a specified period. Minor amendments to transfer provisions were made in six other States.

Temporary Disability Insurance

All four State temporary disability insurance laws were amended during the 1955 sessions. California increased the maximum weekly benefit from $35 to $40; permitted a claimant to receive in benefits plus sick pay from his employer an amount equal to his weekly wages rather than 70 percent; repealed the provision for assessing private plans with the administrative costs added by such plans; extended for 2 more years the suspension of the prohibition against adverse selection; and made a few less significant changes.

New Jersey increased the maximum weekly benefit from $30 to $35; the benefits are now computed as two-thirds of the first $45 and two-fifths of the remainder of average weekly wages. Rhode Island increased the maximum weekly benefit from $25 to $30; extended coverage to employers of one worker instead of four; and changed the waiting period from 7 consecutive days of sickness to a calendar week of unemployment "due to sickness . . . or due to sickness on the last working day . . . " The New York changes were minor extensions of eligibility under special conditions.

Bills to set up temporary disability insurance programs were introduced in the legislatures of 13 States,[7] but none were enacted.

[7] Arizona, Connecticut, Delaware, the District of Columbia, Hawaii, Illinois, Massachusetts, Michigan, Minnesota, Nevada, New Mexico, Ohio, and Wisconsin.