

1 SB92
2 188334-1
3 By Senators Orr, Albritton, Reed, Sanford, Allen, Livingston,
4 Stutts, Holtzclaw, Bussman, Williams, Dial and Whatley
5 RFD: Fiscal Responsibility and Economic Development
6 First Read: 09-JAN-18

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8 SYNOPSIS: Under existing law, the maximum amount of
9 benefits payable to an individual in a benefit year
10 is the lesser of 26 times his or her weekly benefit
11 amount and one-third of the wages paid to the
12 individual for insured work during a base period.

13 This bill would revise the maximum amount of
14 benefits payable to an individual in a benefit year
15 to be the lesser of 14 or 20 times his or her
16 weekly benefit amount and one-fourth of the wages
17 paid to the individual for insured work during a
18 base period dependent upon the state's average
19 unemployment rate.

20 This bill would revise the maximum weekly
21 benefit amount to an amount that is an equal
22 division of the current weeks compensated of the
23 average of the wages for insured work paid to the
24 individual during the two quarters of his or her
25 base period in which the total wages were the
26 highest.
27

1 A BILL
2 TO BE ENTITLED
3 AN ACT
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5 To amend Sections 25-4-72 and 25-4-74, Code of
6 Alabama 1975, to change the maximum amount of benefits payable
7 to the lesser of 14 or 20 times his or her weekly benefit
8 amount and one-fourth of the wages paid to the individual for
9 insured work during a base period dependent upon the state's
10 average unemployment rate; and to change the maximum weekly
11 benefit amount to an amount that is an equal division of the
12 current weeks compensated of the average of the wages for
13 insured work paid to the individual during the two quarters of
14 his or her base period in which the total wages were the
15 highest.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

17 Section 1. Sections 25-4-72 and 25-4-74, Code of
18 Alabama 1975, is amended to read as follows:

19 "§25-4-72.

20 "(a) For weeks of unemployment during benefit years
21 which begin before the effective date of subsection (b) of
22 this section, an individual's weekly benefit amount shall be
23 as prescribed by this section as amended through July 6, 1997.

24 "(b) For weeks of unemployment during benefit years
25 beginning on or after July 2, 2006, an individual's weekly
26 benefit amount shall be an amount ~~equal to one twenty-sixth of~~
27 ~~the average~~ based on an equal division of the current weeks

1 compensated of the wages for insured work paid to the
2 individual during the two quarters of his or her base period
3 in which the total wages were the highest; except, that:

4 "(1) If the amount thus derived is not a multiple of
5 one dollar (\$1), fractional parts of one dollar (\$1) in excess
6 of fifty cents (\$.50) shall be rounded to the next higher
7 multiple of one dollar (\$1) and fractional parts of one dollar
8 (\$1) which are fifty cents (\$.50) or less shall be dropped to
9 the next lower multiple of one dollar (\$1).

10 "(2) If the amount derived before the application of
11 subdivision (1) of this subsection is not in excess of
12 forty-four dollars fifty cents (\$44.50), there shall be no
13 weekly benefit amount.

14 "(3) Effective with benefit years beginning on or
15 after July 6, 2008, if the amount thus derived is more than
16 two hundred fifty-four dollars fifty cents (\$254.50), the
17 weekly maximum benefit amount shall be two hundred fifty-five
18 dollars (\$255).

19 "(4) Effective with benefit years beginning on or
20 after July 5, 2009, if the amount thus derived is more than
21 two hundred sixty-four dollars fifty cents (\$264.50), the
22 weekly maximum benefit shall be two hundred sixty-five dollars
23 (\$265).

24 "(5) Effective with benefit years beginning on or
25 after January 1, 2019, if the amount thus derived is more than
26 two hundred seventy-four dollars fifty cents (\$274.50), the

1 weekly maximum benefit shall be two hundred seventy-five
2 dollars (\$275).

3 "(c) If, as a condition for approval of this section
4 for full tax credit against the tax imposed by the federal
5 Unemployment Tax Act, federal law should require a greater
6 maximum weekly benefit amount than that provided herein, then
7 the maximum weekly benefit amount shall be the minimum
8 required by any such federal law for such approval.

9 "(d) Nothing herein shall serve to deprive any
10 individual of any benefit for which he or she had qualified in
11 any benefit year beginning prior to the effective date of the
12 provisions of subsection (b) of this section.

13 "(e) There is hereby appropriated out of funds made
14 available to this state under Section 903 of the Social
15 Security Act, as amended by Title II, Section 209, "Special
16 Reed Act Transfer in Fiscal Year 2002," of the "Temporary
17 Extended Unemployment Compensation Act of 2002," as contained
18 in the "Job Creation and Worker Assistance Act of 2002," an
19 amount not to exceed 15 percent of the funds, or so much
20 thereof to be used as may be necessary, under the direction of
21 the State of Alabama, Department of Labor, for the expenses
22 incurred for the administration of this state's unemployment
23 compensation law and public employment offices.

24 Notwithstanding the foregoing, the additional amount of up to
25 \$7,940,119 of "Reed Act" funds may be withdrawn from the
26 Unemployment Compensation Trust Fund and used for
27 administrative purposes from May 29, 2008, until September 30,

1 2009. Furthermore, whatever amount is withdrawn during this
2 time period, that amount shall not change the Employer Tax
3 Schedules pursuant to Section 25-4-54 for the calendar year
4 beginning January 1, 2010.

5 "§25-4-74.

6 "(a) Any otherwise eligible individual shall be
7 entitled during any benefit year, beginning on or after July
8 3, 1983, to a total amount of benefits equal to whichever is
9 the lesser of ~~26~~ 14 times his or her weekly benefit amount, if
10 the state's average unemployment rate is at or below 6.5
11 percent, with an additional weekly benefit amount added for
12 each 0.5 percent increase in the state's average unemployment
13 rate above 6.5 percent up to a maximum of 20 times his or her
14 weekly benefit amount if the state's average unemployment rate
15 equals or exceeds nine percent, and ~~one-third~~ one-fourth of
16 the wages paid to him or her for insured work during his or
17 her base period; provided, that such total amounts of
18 benefits, if not a multiple of \$1.00, shall be computed to the
19 nearest multiple of \$1.00.

20 "(b) For the purpose of this article, wages shall be
21 counted as "wages for insured work" with respect to any
22 benefit year only if ~~such~~ the wages were paid in the base
23 period immediately preceding ~~such~~ the benefit year; except,
24 that any lump sum payment of wages in lieu of notice,
25 dismissal, or severance allowance or "back pay" award shall be
26 prorated over the period or periods with respect to which ~~such~~

1 the payment is made and treated as though it had been paid in
2 ~~such~~ the period or periods.

3 "(c) In determining an individual's benefit rights,
4 remuneration payable but unpaid to ~~such~~ the individual shall,
5 to the extent that regulations promulgated by the secretary
6 prescribe, be deemed to be "wages paid" to ~~such~~ the
7 individual.

8 "(d) As used in this section, the term "state's
9 average unemployment rate" means the average of the three
10 months for the most recent third calendar quarter of the
11 seasonably adjusted statewide unemployment rate as published
12 by the Alabama Department of Labor.

13 "~~(b)~~ (e) For benefit years beginning prior to July
14 3, 1983, any otherwise eligible individual shall be entitled
15 to a total amount of benefits as was provided in this section
16 prior to ~~such~~ that date.

17 "(f) Any otherwise eligible individual shall be
18 entitled during the current benefit year to an additional five
19 weeks after all regular benefits have exhausted under
20 subsection (a) of this section, and is enrolled and making
21 satisfactory progress in a job training or certification
22 program approved by the Alabama Department of Labor. Each
23 approved training program shall prepare individuals for entry
24 into a high wage, high demand occupation.

25 "(1) The amount of benefits payable under this
26 section shall equal the weekly benefit amount established by
27 the most recent benefit year.

1 "(2) Such compensation is not required to be paid to
2 an individual who is receiving similar benefits or other
3 training allowances from other unrelated sources."

4 Section 2. This act shall become effective on
5 January 1, 2019, following its passage and approval by the
6 Governor, or its otherwise becoming law.