Changes in unemployment insurance legislation during 1983

In response to continued high levels of unemployment, the Federal Supplemental Compensation Program was extended through March 1985; many States raised their taxable wage bases and amended laws dealing with selected worker groups to comply with new Federal standards.

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The Federal Supplemental Compensation (FSC) program, established by the Tax Equity and Fiscal Responsibility Act of 1982, was amended by the Surface Transportation Act of 1982 to increase the minimum and maximum weeks of unemployment benefits available and to change the triggers for which each level of benefits was payable. To ensure that the long-term unemployed will continue to receive assistance while looking for work, the FSC program was further amended by the Social Security Amendments and the Federal Supplemental Compensation Amendments of 1983 to extend the program through March 1985, but the maximum weeks of benefits available were reduced from 16 to 14.

Also as a result of the Tax Equity and Fiscal Responsibility Act, 35 States amended their laws to deny unemployment benefits to nonteaching, nonresearch, and nonadministrative employees of colleges and universities during periods between academic years or terms, if there is reasonable assurance that such individuals will be employed by the institution at the beginning of the forthcoming academic year or term. If a school employee is denied interim benefits and is not offered an opportunity for reemployment during the succeeding school year or term, such individual shall be entitled to retroactive payment for each week for which a timely claim for benefits was filed and for which compensation was denied based solely on the between-terms criterion. Thirty-two States amended their laws to round unemployment benefits down to the next lower dollar. Fifteen States extended the period of time during which a State may use Reed Act funds for costs of administration. Nineteen States removed the age-22 limitation for exclusion from coverage of services performed by students in a work-study program. The exclusion from coverage of aliens performing agricultural labor was extended to January 1, 1984, by six States.

The Tax Equity and Fiscal Responsibility Act also boosted the Federal taxable wage base from $6,000 to $7,000. effective January 1, 1983. In response, 18 States increased their taxable wage bases to $7,000. Twenty-six States already have taxable wage bases that exceed $7,000, and the remaining eight States have an automatic provision to increase the wage base when the Federal base is increased. Also effective January 1, 1983, the residual tax rate was increased from 0.7 to 0.8 percent. On January 1, 1985, the Federal tax will increase from 3.5 to 6.2 percent. However, the residual tax will remain at 0.8 percent.

The following is a summary of some significant changes in State unemployment insurance laws during 1983.

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Alabama

Benefits. The maximum and minimum weekly benefit amounts were increased to $120 and $22, respectively. The base-period wages needed to qualify for benefits were raised to $774.01. The amount of earnings disregarded in computing the weekly benefit for partial benefits was changed from $6 to $15.

Coverage. Excluded from coverage are services performed by qualified real-estate agents and direct sellers.

Disqualification. The disqualification for misconduct was changed to date from the week of discharge, and to last for not less than 3 nor more than 7 following weeks. An addition to the duration disqualification for gross misconduct specifies that an individual must earn wages equal to at least 10 times the weekly benefit amount and must have been separated from such employment for a nondisqualifying reason in order to purge the earlier disqualification.

Financing. The taxable wage base was increased from $6,600 to $8,000. The maximum basic tax rate for employers was increased from 3.6 to 5.0 percent, and to 5.4 percent as of 1985. The employee tax rate was increased from 0.5 to 1.0 percent. However, the employee tax will be abolished if at the end of any fiscal year beginning January 1, 1983, the trust fund balance reaches at least 75 percent of the minimum normal amount. The amount of a surety bond or cash deposit filed with the Director of the Department of Industrial Relations by a reimbursing nonprofit organization shall be a percentage of the organization’s covered payroll (previously 2.7 percent) but not higher than the maximum percentage charged to contributing employers.

Penalties. No action to enforce recovery or recoupment of any overpayment may begin after 6 years from the date of final determination; the director is authorized to waive overpayments under regulatory authority.

Arizona

Benefits. The shared-work benefit program was extended indefinitely.

Disqualification. A National Guard member who is unemployed may not be considered employed or unavailable for work even though participating in drill, training, or other National Guard reserve activity that occurs on not more than one weekend per month or in lieu of a weekend drill or the equivalent.

Arkansas

Benefits. To qualify for benefits for the period July 1, 1983, through December 31, 1985, an individual must have earned wages equal to at least 35 times the weekly benefit amount and must have earned wages in at least two quarters of the base period. Beginning January 1, 1986, the qualifying requirement will be 30 times the weekly benefit amount and wages in at least two quarters. For benefit years beginning July 1, 1983, and ending December 31, 1985, an individual may qualify in a second benefit year if he or she has been paid wages of 35 (beginning January 1, 1986, 30) times the weekly benefit amount and has paid wages in at least two quarters of the base period, with paid wages equal to 10 (beginning January 1, 1986, 6) times the weekly benefit amount subsequent to filing the claim in the previous benefit year. An individual’s weekly benefit amount will be determined as ½ of the wages paid during the two highest quarters of the base period. The maximum weekly benefit amount for benefit years beginning July 1, 1984, will be determined as 60 percent of the 1982 State average weekly wage; beginning July 1, 1985, and ending December 31, 1985, 60 percent of the 1984 State average weekly wage; beginning January 1, 1986, and ending June 30, 1986, 6½ percent of the 1984 State average weekly wage; and beginning July 1, 1986, and thereafter, 66⅔ percent of the State average weekly wage for the previous calendar year. A seasonal employment provision was added to the law.

Coverage. The employment exemption for domestic service was changed from employers having fewer than three employees and paying less than $500 in any quarter to employers paying less than $1,000 in a quarter.

Disqualification. The temporary provision which requires an individual’s maximum potential benefits to be reduced by an amount equal to 8 times the individual’s weekly benefit amount if disqualified for misconduct or refusal of suitable work has been extended through December 31, 1985. The exemption from disqualification for voluntarily leaving work to accompany, follow, or join a spouse in a new place of residence if individuals demonstrated their availability for work no longer applies. An individual who refuses to report to work within 1 week after receiving notice of recall to the same job or to a job similar to the one from which he or she was laid off will be disqualified until, subsequent to filing claim, the individual has had at least 30 days of employment. However, no disqualification will apply if he or she refuses to report for recall because of being employed full time or because of circumstances of such nature and compelling urgency that it would be contrary to good conscience to apply it.

Financing. The taxable wage base was increased from $6,900 to $7,500. Employers who are not eligible for experience rating will pay a basic rate of 2.9 percent. A new tax rate (5.0 percent) was added for employers who have less than 2 years of negative account balances; however, an employer with more than 2 years of negative account balances shall continue to pay 6.0 percent. An advance interest tax of 0.3 percent for 1983 and 1984 and 0.14 percent for 1985 will be assessed on experience-rated employers, to be used to pay any interest incurred on advances from the Federal Government. Benefits paid to an individual shall not be charged to the experience rating account of a base-period employer if the individual remained employed by that employer without a reduction in the number of hours worked or wages paid. Regulations providing for the non-charging of benefits paid in combined wage claims were repealed.

Administration. The period for appealing an appeal tribunal, board of review and judicial review decisions, and determinations in labor dispute cases was extended from 15 to 20 days.

California

Benefits. The shared-work benefits program was extended until December 31, 1986.

Connecticut

Benefits. The base period of an individual who is properly absent from work under the terms of the employer’s sick leave or disability leave policy may be extended up to four quarters prior to the individual’s benefit year. Holiday pay is included in the remuneration for determining partial benefits.

Disqualification. An individual will not be considered unavailable for work solely because of attending school as a regularly enrolled student during separation from work and will not be considered to be lacking in efforts to obtain work if, as a student, the individual restricts job search efforts to employment that does not conflict with regular class hours. However, this provision will not apply to any claimant who attends school as a regularly enrolled full-time student at any time during the 2 years prior to the date of separation from work, unless the individual was employed on a full-time basis during those 2 years.
Financing. The taxable wage base was increased from $7,000 to $7,100. A tax will be assessed on contributing employers at a rate established by the Administrator of the Employment Security Division for the payment of interest due on advances from the Federal Government.

Delaware

Benefits. The maximum weekly benefit amount was increased from $150 to $165. The computation of the weekly benefit amount was changed from \( \frac{1}{3} \) of base-period wages to \( \frac{1}{2} \) of wages during the highest three quarters of the base period. A provision to compute the maximum weekly benefit amount as 66\(\frac{2}{3}\) percent of the state-wide average weekly wage was delayed until 1985.

Coverage. Excluded from coverage were services performed by corporate officers when on-half or more of the ownership interest is owned or controlled directly or indirectly by the individual's spouse, child, or parent (if the individual is under 18); when one-fourth or more of the ownership interest is owned or controlled directly or indirectly by the individual; or when no more than four officers of a corporation request exemption from coverage.

Financing. The taxable wage base was increased from $7,200 to $8,000.

Administration. The number of individuals on the Unemployment Compensation Advisory Council was increased from 7 to 10.

District of Columbia

Benefits. The maximum weekly benefit amount has been frozen at $206 until January 1, 1986. Deleted was the requirement that the maximum weekly benefit amount be computed at 66\(\frac{2}{3}\) percent of the State average weekly wage. The duration of benefit payments was decreased from 34 to 26 weeks. The amount of qualifying wages was changed from $300 in the high quarter and $450 in the base period to $600 in the high quarter and $900 in the base period.

Disqualification. The duration disqualification for voluntary leaving was increased to the duration of the claimant's unemployment and until he or she has been employed 10 weeks and has earned remuneration equal to 10 times the weekly benefit amount. The disqualification for misconduct and refusal of suitable work was decreased to 1.5 times the weekly benefit amount. The disqualification for refusal of suitable work to a duration disqualification and until the claimant has been employed 10 weeks and has earned remuneration equal to 10 times the weekly benefit amount.

Financing. The taxable wage base was increased from $7,500 to $8,000. The rate of contributions for new employers will be the higher of 2.7 percent (previously, 1.0 percent) or the average rate on taxable wages of all employers for the preceding year. The maximum contribution rate of 5.4 percent was deleted and the rates will range from 0.8 to 4.5 percent. Contributing employers shall be charged for extended benefits.

Administration. An Unemployment Compensation Study Commission was established to review all matters relating to the solvency of the unemployment fund and to make recommendations to the District of Columbia Council no later than December 31, 1983, to eliminate the deficit of the fund.

Florida

Benefits. The maximum weekly benefit amount was increased from $125 to $150. A temporary short-time compensation program was established, to expire December 31, 1989.

Financing. New legislation excludes from wages the value of meals or lodgings furnished to an employee or the employee's spouse or dependents by the employer on the business premises for the convenience of the employer and when lodging is included as a condition of employment. The probationary period during which an employer may discharge an employee for unsatisfactory work performance without subsequently incurring benefit charges was extended from 60 to 90 days. Also, good cause for refusal of suitable work will not, for noncharging purposes, include distance to work due to the individual's change of residence.

Georgia

Benefits. The maximum weekly benefit amount was increased from $115 to $125. However, if the Unemployment Trust Fund falls below $175 million, the maximum will revert to $115. The provision that $1 be added to the dollar amount of the quotient was deleted from the computation of the weekly benefit amount.

Financing. The fund requirements for the most favorable schedule will be 5.00 percent of payrolls, with rates ranging from 0.1 to 4.0 percent. The least favorable schedule will be less than 1.50 percent of payrolls with rates ranging from 2.9 to 6.8 percent. All contributing employers will be assessed a Federal advance interest repayment tax which shall be a percentage of the contribution payable for the quarter but not less than $1.

Illinois

Benefits. For weeks beginning April 24, 1983, and before July 7, 1986, an individual's weekly benefit amount will be computed as 48 percent of the claimant's average weekly wage up to 48 percent of the State average weekly wage. For the same period, the formula for dependents' allowances shall be either 7 percent of the claimant's prior average weekly wage (but not to exceed 55 percent of the State average weekly wage) if the claimant has a nonworking spouse or 14.4 percent (but not to exceed 62.4 percent of the State average) if he or she has any dependent children. For benefit years beginning April 24, 1983, and ending January 31, 1984, the statewide average weekly wage shall be $321 and beginning February 1, 1984, and ending June 30, 1986, $335. Therefore, the maximum weekly benefit payable to claimants without dependents will be limited to $154 and $161, respectively.
Financing. The taxable wage base was raised from $6,000 to $7,000 for the first quarter of 1983; $8,000 beginning April 1, 1983, and for 1984; $8,500 for 1985 and the first half of 1986; and $7,000 thereafter. The rate for new employers is the greater of 2.7 percent or 2.7 percent times the current adjusted State experience factor. For 1984 and 1985 and the first half of 1986, the benefit-wage ratio shall be determined on the liability in each of the 2 years (normally 3 years) preceding the year for which the contribution rate is determined.

Indiana
Benefits. The base period for individuals who have received workers’ compensation for 52 weeks or less and who, as a result, did not earn sufficient wages to qualify for unemployment benefits will be extended up to four quarters preceding the last day the individual was able to work. A seasonal employment provision was added to the law.

Disqualification. An individual will be considered unavailable for work if he or she attends a regular established public or private school during the customary hours of the occupation or is in any vacation period between regular school terms during which the individual is a student. However, this does not apply to an individual who is attending school and has been regularly employed and upon becoming unemployed makes an effort to secure full-time work and remains available for full-time work with the last employer or for any other suitable employment.

Financing. If an individual voluntarily leaves a base-period employer without good cause connected to the work and later becomes employed by another base-period employer and is subsequently laid off, benefits paid to the individual based on wage credits of the employer from whom the individual quit shall be charged to the experience or reimbursable account of the base-period employer who laid the individual off. Also, if an individual who earns wages during the base period through employment with two or more employers is laid off by one of the employers but continues to work for one or more of the other employers after the end of the base period and continues to work during the benefit year on the same basis as during the base period, benefits shall be charged to the account of the employer who laid the individual off.

Iowa
Benefits. The maximum weekly benefit amounts were reduced to range from $143 with no dependents, determined as 53 percent of the statewide average weekly wage, to $176 with four or more dependents, determined as 65 percent of the statewide average weekly wage. To qualify for benefits, an individual must be paid high-quarter wages totaling at least 3.5 percent of the State average weekly wage in the high quarter and 1.75 percent of the State’s average weekly wage outside the high quarter. The additional qualifying requirements in a second benefit year were changed from 10 times the weekly benefit amount to $250 in wages earned subsequent to the beginning of the individual’s preceding benefit year. An individual’s benefit year may be extended three or more quarters if he or she received workers’ compensation or weekly indemnity insurance benefits for three or more quarters.

Coverage. Services performed by an individual as a licensed real-estate agent are excluded from coverage if substantially all of the remuneration for the services is directly related to sales or other output rather than the number of hours worked, and the services are performed pursuant to a written contract that provides that the individual will not be treated as an employee for Federal tax purposes.

Disqualification. The voluntary leaving disqualification and the “able to work,” “available for work,” and “actively seeking work” requirements will not be applied if an individual has left work in lieu of exercising a right to bump or oust a fellow employee with less seniority or priority from that employee’s job.

Financing. The taxable wage base, which is determined annually as 66⅔ percent of the State average annual wage, will be further increased by $600 for 1984, $1,100 for 1985, and $1,600 for 1986. However, if on January 1, 1986, a contribution rate table other than the highest is in effect, the added increase in the taxable wage base will be repealed. The contribution rates for the least favorable schedule will range from 0.5 to 7.0 percent. Construction employers who have not qualified for experience rating will pay the maximum contribution rate assigned to any employer for the year, plus the additional surcharge required from certain negative-balance employers.

Kansas
Benefits. The maximum weekly benefit amount will be frozen at $163 until July 1, 1984.

Financing. Negative-account-balance employers will pay contributions at the rate of 5.4 percent. New employers shall pay contributions at an assigned rate equal to the sum of 1 percent plus the greater of the average rate assigned in the preceding year to all employers or the average rate assigned to the individual employer in the previous year, but in no instance shall the assigned rate be less than 2 percent.

Louisiana
Benefits. The maximum and minimum weekly benefit amounts shall be frozen indefinitely at $205 and $10, respectively. Wages in excess of 50 percent of an individual’s weekly benefit amount or $50, whichever is lower, shall be disregarded when computing partial benefits. The maximum duration of benefits was reduced from 28 to 26 weeks. The qualifying wages were changed from 30 times the weekly benefit amount to 1½ times the high-quarter wages. Repealed was the waiting week provision that allowed benefits to be paid for such week if the individual had been unemployed for 6 consecutive weeks or longer, and provided that there would be no interruption of benefits for consecutive weeks of unemployment continuing into a new benefit year.

Disqualification. A disqualification for voluntary leaving will not apply if an individual left part-time or interim employment to protect full-time or regular employment. No individual may be disqualified for refusing suitable work if the offered work pays less than 60 percent of the individual’s highest rate of pay in the base period.

Financing. Any benefits paid to an individual who left part-time or interim work to protect full-time or regular employment shall not be charged to the experience-rating account of a part-time or interim employer. The contribution rates for positive-balance employers shall range from 0.3 to 3.9 percent. Negative-balance employers will pay a maximum rate that will escalate from 4.5 percent in 1983 to 5.0 percent in 1984, 5.4 percent in 1985, and 6.0 percent for 1986 and thereafter. Beginning in 1983, the minimum rate will be 4.0 percent.

Maine
Disqualification. No individual will be ineligible for benefits nor disqualified for refusing suitable work if he or she is unable to accept employment on a shift, the greater part of which falls between the hours of midnight to 5 a.m., because of marital obligation, the need to care for an immediate family member, or the unavailability of a personal care attendant required to assist the unemployed handicapped individual. Also, an individual may not be denied benefits for refusal of suitable work if the position offered is the same one previously vacated by the claimant for good cause.
attributable to that employment or is the position which the employee left for reasons attributable to that employment but which were found insufficient to relieve disqualification for voluntary leaving, provided that, in either instance, the specific good cause or specific reasons for leaving have not been removed or changed. The wages needed to purge a disqualification for discharge for conviction of a felony or misdemeanor in connection with an individual’s work were increased from $400 to $600.

**Penalties.** The penalty for fraudulent misrepresentation will be a Class D crime.

**Administration.** The period for appealing a claim redetermination was increased from 15 to 20 days. An Unemployment Fund Study Commission was created to study the financial condition of the fund.

### Maryland

**Benefits.** The maximum weekly benefit amount for new claims filed after July 3, 1983, was raised from $153 to $160 and will increase to $165 for claims filed after December 25, 1983. The earnings disregarded for computing partial benefits were raised from $10 to $25. The State additional benefits program was extended until June 9, 1984.

**Financing.** The computation date for new rates was changed from March 31 to May 31 of each year.

**Administration.** The Department of Employment and Training was established to administer the unemployment insurance program under the direction and supervision of the Secretary of Employment and Training. Currently the program is administered by the Department of Human Resources.

### Massachusetts

**Benefits.** An individual’s weekly benefit amount will not be reduced if an individual received holiday pay in any week of total or partial unemployment.

### Michigan

**Benefits.** The maximum weekly benefit amount will be frozen at $157 until January 1, 1987. The weekly benefit amount will be computed as 65 percent (increases to 70 percent for 1987 and thereafter) of the claimant’s after-tax earnings up to a maximum of 58 percent (53 percent for 1987, 55 percent for 1988, and 58 percent for 1989 and thereafter) of the State average weekly wage. For the period beginning January 2, 1983, through December 31, 1986, the qualifying requirements will be 20 weeks of employment at 30 times the State minimum hourly wage, and for 1987 and thereafter, 20 weeks of employment at 20 times the State minimum hourly wage. Added was an alternate qualifying requirement for 15 weeks of regular benefits and 7½ weeks of extended benefits for individuals having at least 14 weeks of employment at 20 times the State average weekly wage. A 10-week limit was placed on benefits payable based on services performed in a family corporation of which the individual or his/her son, daughter, spouse, or parent owns more than 50 percent of the proprietary interest.

**Disqualification.** An individual will not be disqualified for voluntary leaving if he or she left unsuitable work within 30 (previously, 60) days after beginning work. An individual shall be disqualified for 13 weeks and until he or she returns to work and earns 30 times the State minimum hourly wage in each week, if the individual committed a theft which occurred subsequent to a notice of layoff or discharge resulting in loss or damage to the employer of more than $25. The disqualification for voluntary leaving and discharge for misconduct was changed from the week of occurrence plus 13 weeks to the duration of the claimant’s unemployment and until the claimant earns the lesser of 7 times the weekly benefit amount, or 40 times the State minimum hourly wage times 7. Also, the disqualification for an individual discharged for theft connected with work resulting in loss or damage of $25 or less or for willful destruction of property in an amount of $25 or less was changed from the week of occurrence plus 12 weeks to a duration disqualification and until claimant earns the lesser of 7 times the weekly benefit amount or 40 times the State minimum hourly wage times 7.

**Financing.** The taxable wage base was increased to $8,000 in 1983, $8,500 in 1984, $9,000 in 1985, and $9,500 thereafter. All newly liable construction employers will pay a tax rate equal to the average rate for all construction employers for 2 years, be partially experienced for the next 2 years, and be rated as fully experienced-rated thereafter. Any benefits paid to an individual disqualified for voluntary leaving, discharge for misconduct, and gross misconduct shall be noncharged to the account of the employer who was involved in the disqualification.

**Administration.** The period for appealing a monetary determination and referee and board of review decisions has been extended from 20 to 30 days.

**Penalties.** The fine for fraudulent misrepresentation was increased from $100 to $1,000 and claimants must pay restitution of benefits plus a penalty of 100 percent of restitution, not to exceed $1,000 in a benefit year established within 2 years after cancellation before receiving additional benefits.

### Minnesota

**Benefits.** When computing an individual’s partial weekly benefit amount, up to $200 in earnings from service in the National Guard or military reserves and pay received for jury duty will be excluded from the benefit computation. The base period may be lengthened up to 52 weeks if the claimant received compensation due to illness under a worker’s compensation law or under any other State law for more than 7 weeks within the base period.

**Disqualification.** An individual serving as a juror will be considered available for work and actively seeking work for each day the individual is on jury duty. An individual will not be disqualified for voluntary leaving if the separation occurred under a collective bargaining agreement or if the individual left part-time work with a base-period employer while continuing full-time work and subsequently attempted to return to part-time work that was not available after being separated from the full-time work. Abuse of a patient or resident of a health care facility was included in the definition of gross misconduct. An individual shall be disqualified for refusal of suitable work if he or she fails to accept reemployment with a base-period employer offering the same or better hourly wages and if the same conditions of work apply.

**Financing.** The standard rate of contributions will increase from 2.7 to 5.4 percent on January 1, 1985. Also, beginning January 1, 1985, new employers, except employers in construction, will pay a contribution rate determined as the higher of 1.0 percent or the State’s 5-year benefit cost rate but not more than 5.4 percent. All contributing employers will be assessed a surcharge equal to 10 percent of contributions due, which will be used to pay interest on loans advanced from the Federal Government.

**Administration.** The first-stage appeals body and judicial review were changed to a referee and the Court of Appeals, respectively.

### Mississippi

**Benefits.** Cotton ginning was established as a seasonal industry.
Montana

Benefits. If an individual fails to meet the qualifying wage requirements because of a temporary total disability, the base period will be extended up to four quarters preceding the disability if the claim was filed within 18 months of the individual’s last employment.

Disqualification. An extended-benefit claimant who is disqualified under the regular program for gross misconduct will be denied extended benefits until the individual earns 8 times the weekly benefit amount. If an individual voluntarily leaves work to attend school under the regular program and qualify for regular benefits, such individual may not receive extended benefits unless he or she earns at least 6 times the weekly benefit amount.

New Mexico

Disqualification. No individual may be denied benefits for voluntary leaving solely on the basis of pregnancy or termination of pregnancy.

Benefits. The maximum and minimum weekly benefit amounts were increased from $125 and $25 to $170 and $35, respectively, and will increase to $180 and $40 on July 9, 1984. The minimum average weekly wage necessary to qualify for benefits was increased from $42 to $67 and will increase to $90 on July 19, 1984. The qualifying requirements were changed to 20 weeks of employment at the minimum average weekly wage, or 40 weeks of employment in the period of 104 consecutive weeks preceding the filing of a claim and earnings of at least the minimum weekly wage. The provision suspending the waiting period requirement during a period of natural disaster was repealed.

Disqualification. The amount of work and wages needed to purge a disqualification for voluntary leaving, misconduct, or refusal of suitable work was changed to at least 3 days’ work in each of 5 weeks and earnings of at least 5 times the weekly benefit amount. A new provision specifies that the period of suspension of accumulated benefit rights during a strike will also be triggered by concerted activity not authorized or sanctioned by the collective bargaining unit.

Financing. The present experience rating system was extended indefinitely.

North Carolina

Benefits. The fraction used to compute the weeks of duration was changed from the individual’s base period wages divided by high-quarter wages multiplied by 83% to that quotient multiplied by 8. An individual’s weekly benefit amount will be computed as 1/2 of the wages paid during the highest two quarters (previously, 1/6 of high-quarter wages) of the base period. The maximum weekly benefit amount will be computed as 60 percent of the average weekly insured wage rather than 66 2/3 percent if, on August 1, 1983, or on any August 1 thereafter, the fund ratio is less than 5.5 percent. However, in no event may the maximum weekly benefit amount be less than the maximum in effect during the preceding 12 months. The earnings disregarded in computing the weekly benefit for partial unemployment will be 10 percent of the average weekly wage in the highest two quarters (previously the high quarter).

Disqualification. The beginning date of a disqualification for voluntary leaving or discharge for misconduct will be the week of leaving or discharge. An individual may not be disqualified for voluntary leaving if the individual left employment or remains away from employment but furnishes sick leave notification from a physician; however, no benefits may be paid unless the employee notifies the employer of the physician’s finding and offers to return to work when capable within 60 days of the last day of work.

Financing. The contribution rates for positive-balance employers will range from 0.5 to 4.3 percent, and from 0.5 to 5.0 percent for negative-balance employers.
Ohio

Benefits. The maximum weekly benefit amount will be frozen within a range of $147 to $233 until January 1986. For 1985 and 1986, the maximum weekly benefit amount will be computed with an additional increase equal to one-half of the percentage increase in the average weekly earnings of all covered workers in Ohio over the year ending June 30, 1983. For the period beginning December 26, 1982, and ending December 31, 1985, an individual must work 20 weeks at 37 times the minimum hourly wage to qualify for benefits. For 1984 and 1985, an individual will not be paid benefits for the waiting week.

Disqualification. For 1984 and 1985, a duration disqualification will be 6 weeks of work and earnings of 6 times the amount required to establish a credit week. An individual will meet the able, available, and actively seeking work requirements if he or she is participating and advancing in a training program for which an enterprise is paying all or part of the cost with the intention of employing the individual for at least 90 days after completion of the training.

Financing. The taxable wage base for 1984 and 1985 will be $8,000.

Administration. The Advisory Council was changed to the Unemployment Compensation Advisory Commission and the number of members was increased from 7 to 12.

Oklahoma

Benefits. The maximum weekly benefit amount decreased from $197 to $185. Beginning July 1, 1984, the maximum weekly benefit amount will be the greater of $197 or 60 percent, 57.5 percent, 55 percent, 52.5 percent, or 50 percent of the State average weekly wage of the second preceding calendar year, depending on the condition of the unemployment fund. The weekly benefit amount will be computed as ½₅ of the taxable wages (previously ½₅ of total wages up to 66⅔ percent of the State average weekly wage) paid during the high quarter of the individual's base period. The formula for determining weeks of duration changed from the lesser of 26 times the weekly benefit amount or ½₅ of base-period wages to the lesser of 26 times the weekly benefit amount or 50 percent of the taxable wage. Beginning January 1, 1986, it will be the lesser of 26 times the weekly benefit amount or 40 percent of the taxable wage. Also beginning January 1, 1984, the weeks of duration shall be no greater than the number of weeks worked in the base period.

The base-period wages needed to qualify for benefits increased from $1,000 to $3,000. Beginning January 1, 1986, an individual will need 40 percent of the taxable wages and ½₅ times high-quarter wages to qualify for benefits. For the period January 1, 1986, through December 31, 1987, notwithstanding any other provision, an individual will be eligible for benefits if he or she worked at least 20 hours in each of 20 weeks.

Financing. The maximum contribution rate increased from 3.0 to 5.4 percent. Beginning January 1, 1986, the taxable wage base will be computed as 50 percent of the average annual wage for the preceding calendar year, rounded to the nearest $100. If an employer recalls a laid-off or separated employee and the employee continues to be employed, or voluntarily terminates employment or is discharged for misconduct within the benefit year, benefit charges may be reduced by the ratio of remaining weeks of eligibility to the total weeks of entitlement.

Oregon

Benefits. A temporary State additional benefits program, which will expire on June 29, 1985, was established.

Disqualification. An individual will not be disqualified for voluntary leaving, failure to accept work, or because of a labor dispute if he or she ceases to work or fails to accept work when a collective bargaining agreement between the bargaining unit and employer is in effect and the employer unilaterally modifies the amount of wages payable under the agreement. In breach of the agreement, deleted from the definition of disqualifying income are dismissal or separation allowances and guaranteed wage payments. Holiday and vacation pay may or may not be deductible depending on the circumstances under which the claimant received them.

Financing. The maximum rate of contributions for the most favorable schedule increased from 2.7 to 5.4 percent and for the least favorable schedule, from 4.0 to 5.4 percent. A base-period employer's account will not be charged for benefits if the employer furnished part-time work to the individual during the base period and if the individual was collecting benefits due to loss of employment with one or more employers, so long as the employer continues to employ the individual in part-time work to the same extent as in the base period and the employer requests relief of charges.

Administration. The period for appealing an appeals board decision to the courts was increased from 20 days after the decision is final to 30 days after the decision is served.

Pennsylvania

Benefits. The maximum duration of benefits was reduced from 30 to 26 weeks (if claimant had 18 or more weeks of work), and an individual with 16 or 17 weeks of work can now collect 16 weeks of benefits. Deleted were provisions suspending the waiting week if the Governor declares a state of emergency because of a major disaster, and those specifying that the waiting week would become compensable after receipt of benefits equaling 4 times the weekly benefit amount.

Coverage. Officers of a corporation deemed to be self-employed because they exercise a substantial degree of control over the corporation who become unemployed because of bankruptcy will be entitled to receive unemployment benefits, provided that the wages paid to the officers were mandatorily subject to the law.

Financing. The taxable wage base will be increased to $8,000 on January 1, 1984. A tax on all employees of 0.1 percent of all wages paid for employment was imposed. Successor employers may pay the maximum tax rate if the transferring employer elected to transfer the business. Also added was an interest tax on contributing employers at the rate of 1.25 percent in 1984, 0.5 percent in 1985, and 1 percent in 1986 for the payment of interest on outstanding advances from the Federal Government. The maximum contribution rate (excluding interest or solvency taxes) increased to 8.5 percent for 1984, 8.8 percent for 1985, and 9.2 percent for 1986 and thereafter, based on a combination of the reserve-ratio factor, benefit-ratio factor, and the State adjustment factor (currently based on funding experience, and State adjustment factor).

Administration. The advisory council, which formerly had no specific number of members, now is required to have 13 members.

South Carolina

Benefits. The minimum weekly benefit amount increased from $10 to $20.

South Dakota

Benefits. The maximum weekly benefit will be frozen at $129 until July 1, 1984. Any individual who receives primary social security retirement benefits or payments made under a plan contributed to by a base-period employer will have his or her unemployment benefits reduced by the prorated weekly amount of such pension.
Benefits. The maximum weekly benefit amount is increased to $110 to $115 on January 1, 1984, and to $120 on January 7, 1985. The maximum weekly benefit amount was increased from $20 to $30. An individual must earn $75.40 to qualify for benefits. Also, for benefit years beginning July 4, 1983, through June 30, 1985, claimants must have base-period wages outside the two high quarters which equal or exceed $120. The requirement that an individual must have earned in one quarter other than the high quarter wages equal to or more than six times the weekly benefit amount to qualify for the maximum weekly benefit amount was deleted. For benefit years beginning July 4, 1982, and through July 6, 1985, the proportion of base-period wages for computing weeks of duration will be one-fourth. An individual will not be eligible for benefits if 65 percent of the wages were earned in the highest quarter of the base period.

Financing. The rates for the most favorable schedule will range from 0.15 percent to 10.0 percent, and from 0.50 percent to 10.0 percent for the least favorable schedule.

Tennessee

Benefits. The maximum weekly benefit amount will increase from $110 to $115 on January 1, 1984, and $120 on January 7, 1985. The maximum weekly benefit amount was increased from $20 to $30. An individual must earn $75.40 to qualify for benefits. Also, for benefit years beginning July 4, 1983, through June 6, 1985, claimants must have base-period wages outside the two high quarters which equal or exceed $135. The requirement that an individual must have earned in one quarter other than the high quarter wages equal to or more than six times the weekly benefit amount to qualify for the maximum weekly benefit amount was deleted. For benefit years beginning July 4, 1982, and through July 6, 1985, the proportion of base-period wages for computing weeks of duration will be one-fourth. An individual will not be eligible for benefits if 65 percent of the wages were earned in the highest quarter of the base period.

Financing. The rates for the most favorable schedule will range from 0.15 percent to 10.0 percent, and from 0.50 percent to 10.0 percent for the least favorable schedule.

Texas

Coverage. An individual will not be eligible for benefits from the date of the sale of a business until reemployed and eligible for benefits based on the wages received through new employment. An individual was an officer or a majority or controlling shareholder in the corporation and was involved in the sale of the corporation; if the business was a corporation and the individual was an officer or a majority or controlling shareholder in the corporation and was involved in the sale of the corporation; or the business was a sole proprietorship and the individual was a limited or general partner or the business was a sole proprietorship and the individual was the proprietor who sold the business.

Financing. The fund requirements for the least favorable schedule were increased from $225 million to $400 million or 1 percent of the taxable wages for the four quarters ending the preceding June 30. The fund requirements for the most favorable schedule changed from $225 million to $500 million or 2 percent of the total taxable wages for the four calendar quarters ending the preceding June 30. Nonprofit organizations, the State, and political subdivisions which elect to be reimbursable employers shall pay a fee for each valid claim for payment of administrative costs.

Utah

Benefits. The maximum weekly benefit amount will increase from $110 to $115 on January 1, 1984, at which time the maximum will be computed as 60 percent (currently 65 percent) of the State average weekly wage. The computation for potential weeks of duration changed from a ratio of base-period wages to high-quarter wages, to 27 percent of base period wages. Beginning July 1, 1984, an individual must have earned 1½ times the high-quarter wages and total base period wages of 8 percent of the State average annual wage to qualify for benefits. Beginning January 5, 1986, the base period will be the first four of the last five completed calendar quarters; until that time, it will remain the four completed calendar quarters preceding the benefit year. Beginning October 1, 1984, the State will change from wage request to wage reporting.

Disqualification. The pension offset provision will apply to pensions maintained or contributed to by a base-period employer.

Financing. The taxable wage base will increase from $12,000 to $13,300 on January 1, 1984. The rate of contributions for new employers will be 4.5 percent for 1983 and 1984 and an amount equal to the average benefit cost rate experienced by employers of the major industry to which new employers belong for 1985 and thereafter. A contributing employer’s account will not be charged for benefits paid to an individual who was discharged for misconduct or who voluntarily quit after December 31, 1984, and who would have been denied benefits but subsequently requalified for and actually received benefits. Also, base-period employers shall not be charged with the State’s share of extended benefits, uncollectible benefit overpayments, and reimbursements on combined wage claims when the claimant could not have qualified solely on the basis of Utah wages. The following changes will become effective on January 1, 1985: the taxable wage base will be computed as 75 percent (currently, 100 percent) of the State insured average annual wage, rounded to the higher multiple of $100; an employer’s tax rate shall be based on three factors—the reserve factor, social tax, and experience; benefits shall be charged against all base-period employers in proportion to the wages earned by the claimant with each employer; and the contribution rate for employers who do not qualify for a rate based on experience will be decreased from 10 to 8 percent.

Vermont

Benefits. The maximum weekly benefit amount will be frozen at $146 until June 30, 1986. On the first Sunday in July of subsequent years, the maximum shall be adjusted by a percentage equal to the percentage change in the State average weekly wage during the preceding calendar year.

Financing. The taxable wage base was increased from $6,000 to $8,000.

Virginia

Disqualification. An individual will not be deemed to have voluntarily quit work when the separation is in accordance with a seniority-based policy. The Director of the Virginia Employment Commission may modify the active search-for-work requirement if such modification is warranted due to economic conditions.

Washington

Benefits. The State additional benefit program was extended to March 31, 1984. A shared-work compensation plan was established.

Coverage. A corporation may elect not to cover all of its corporate officers, and if it does not elect coverage, the employer must notify the corporate officers that they are ineligible for benefits; if the employer fails to notify any corporate officer, that person shall not be considered a corporate officer.

West Virginia

Disqualification. An individual who is unemployed and a member of the State National Guard or other reserve component of the Armed Forces may not be considered to be employed or unavailable for work because he or she is engaged in inactive duty for training; any remuneration the individual receives for participation in such training may not be deducted from the unemployment benefits to which he or she may otherwise be entitled.

Wisconsin

Benefits. The minimum and maximum weekly benefit amounts will be frozen indefinitely at $196 and $37, respectively. The following changes will become effective January 1, 1984: The number of weeks of employment needed to qualify for benefits will increase from 15 to 18 in 1984 and 1985, and to 19 in 1986 and thereafter, an
individual will have to earn weekly wages equal to 30 percent of the State average weekly wage in each of the qualifying weeks; and the maximum potential duration will be reduced from 34 to 26 weeks. Effective with weeks of unemployment beginning after June 1, 1984, the partial benefit formula will change so that if an individual earns weekly wages totaling less than his or her weekly benefit amount, the first $20 per week will be disregarded and the weekly benefit amount will be reduced by 67 percent of the wages over $20. If the individual’s wages are at least one-half of his or her weekly benefit amount, the individual may not be paid less than one-half of that amount, and if the wages are less than one-half of the weekly benefit amount, the individual must be paid the full weekly benefit amount. A supplemental benefits program will begin on January 1, 1984, and end with the week beginning May 27, 1984.

Disqualification. A number of changes will become effective January 1, 1984. The requalifying requirement for purging a duration disqualification for voluntary leaving will change from 4 weeks of work and wages of $200 to 8 weeks of work and wages equaling at least 16 times the weekly benefit amount. Potential weeks of benefits are reduced from 4 weeks with wages of at least $200 to 8 weeks and wages equaling at least 16 times the weekly benefit amount, and the potential weeks of benefits will be reduced to 1.

Financing. The taxable wage base was increased from $6,000 to $8,000; it will increase to $9,500 for 1984 and 1985, and to $9,700 for 1986 and thereafter.

Penalties. The penalties for fraudulent misrepresentation were changed from a fine of not less than $25 or more than $100 or imprisonment for not longer than 30 days, or both, to a fine of not less than $100 or more than $500 or imprisonment for not more than 90 days, or both.

Wyoming

Benefits. Effective September 5, 1983, whenever trust fund revenues are insufficient to pay benefits or repay loans, the weekly benefit amount received by any individual normally entitled to more than $90 will be reduced to 3.4 percent of the individual’s high-quarter wages. Also, until the trust fund solvency is restored, the maximum weekly benefit amount will be reduced from $5 to 46.75 percent of the State average weekly wage. The earnings disregarded when computing partial benefits will be the greater of $15 or 50 percent (formerly 25 percent) of the weekly benefit amount.

Disqualification. An individual who leaves the most recent job voluntarily without good cause or fails to apply for or accept available suitable work will be disqualified for a period equal to 90 percent of the number of weeks of entitlement and will forfeit 90 percent of all benefits. The provision which required an individual, after 4 weeks of unemployment, to seek and accept employment other than his or her customary occupation if it paid 75 percent of the wage received in the previous employment was repealed. Also, when considering the suitability of work, the Employment Security Commission may not consider the individual’s customary occupation, previous earnings, experience, or training.

Financing. The taxable wage base was increased from $7,000 to $9,525. The maximum basic contribution rate was increased from 2.7 to 5.4 percent.

Footnotes


4. By the terms of the 1954 Reed Act, funds in excess of the legal maximum in the Federal Unemployment Account are distributed to the States to be used for administrative costs.


8. The residual tax is what remains of an employer’s obligation to the program after receiving a tax offset credit for payment of the State tax.