

The Senate Insurance and Labor Committee offered the following substitute to HB 1555:

**A BILL TO BE ENTITLED  
AN ACT**

1 To amend Chapter 8 of Title 34 of the Official Code of Georgia Annotated, relating to  
2 employment security, so as to provide for the lifting of the sunset provision of the alternative  
3 base period; to extend the suspension of the surcharge on the employer contribution rate  
4 based upon the State-wide Reserve Ratio; to provide an effective date; to repeal conflicting  
5 laws; and for other purposes.

6 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

7 **SECTION 1.**

8 Chapter 8 of Title 34 of the Official Code of Georgia Annotated, relating to employment  
9 security, is amended by lifting the sunset on the alternative base period by striking Code  
10 Section 34-8-21, relating to the definition of "base period," and inserting in lieu thereof the  
11 following:

12 "34-8-21.

13 (a) Except as provided in subsection (b) of this Code section, as used in this chapter, the  
14 term 'base period' means the first four of the last five completed calendar quarters  
15 immediately preceding the first day of an individual's benefit year; provided, however,  
16 that, in the case of a combined wage claim under Code Section 34-8-80, the base period  
17 shall be that applicable under the unemployment compensation law of the paying state.

18 (b) If an individual does not have sufficient wages to qualify for benefits under the  
19 definition of base period in subsection (a) of this Code section, then his or her base period  
20 shall be calculated using the last four completed quarters immediately preceding the first  
21 day of the individual's benefit year. Such base period shall be known as the 'alternative  
22 base period.' Applicants shall receive written notice of the alternative base period.  
23 Implementation of the alternative base period shall commence on January 1, 2003, and  
24 shall conclude and terminate on June 30, 2004. Implementation of the alternative base  
25 period under this subsection shall be under such terms and conditions as the Commissioner  
26 may prescribe by rules and regulations. All benefit payments made under this subsection

1 shall be paid exclusively from amounts credited to the account of this state in the  
2 Unemployment Trust Fund by the secretary of the treasury of the United States pursuant  
3 to Section 903 of the federal Social Security Act, as amended by the Job Creation and  
4 Worker Assistance Act of 2002 (P.L. 107-147)."

5 **SECTION 2.**

6 Said chapter is further amended by striking subparagraph (d)(4)(B) of Code Section  
7 34-8-156, relating to the State-wide Reserve Ratio, and inserting in lieu thereof a new  
8 subparagraph (d)(4)(B) to read as follows:

9 "(B) Except for any year or portion of a year during which the provisions of  
10 paragraph (1) of subsection (f) of Code Section 34-8-155 apply, when the State-wide  
11 Reserve Ratio, as calculated above, is less than 1.7 percent, there shall be an overall  
12 increase in the rate, as of the computation date, for each employer whose rate is  
13 computed under a rate table in Code Section 34-8-155 in accordance with the following  
14 table:

15 If the State-wide Reserve Ratio:

16 Equals or	17 <u>Exceeds</u>	18 But Is	19 <u>Less Than</u>	20 Overall
1.5 percent		1.7 percent		25 percent
1.25 percent		1.5 percent		50 percent
0.75 percent		1.25 percent		75 percent
Under 0.75 percent				100 percent

21 provided, however, that for the period of January 1 through December 31, ~~2004~~ 2005,  
22 the overall increase in the rate required under this subparagraph shall be suspended and  
23 the provisions of this subparagraph shall be null and void, except in the event the  
24 State-wide Reserve Ratio, as calculated above, is less than 1.00 percent, then the  
25 Commissioner of Labor shall have the option of imposing an increase in the overall rate  
26 of up to 35 percent, as of the computation date, for each employer whose rate is  
27 computed under a rate table in Code Section 34-8-155. ~~The issues of part-time~~  
28 ~~employment coverage and military transfer coverage will be considered in a study~~  
29 ~~committee to meet in the summer of 2003."~~

31 **SECTION 3.**

32 This Act shall become effective upon its approval by the Governor or upon its becoming law  
33 without such approval.

**SECTION 4.**

1           All laws and parts of laws in conflict with this Act are repealed.