

The House Committee on Industrial Relations offers the following substitute to SB 529:

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 repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

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

11 "34-8-21.

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

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

1 Unemployment Trust Fund by the secretary of the treasury of the United States pursuant
 2 to Section 903 of the federal Social Security Act, as amended by the Job Creation and
 3 Worker Assistance Act of 2002 (P.L. 107-147)."

4 **SECTION 2.**

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

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

13 If the State-wide Reserve Ratio:

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

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

29 **SECTION 3.**

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