

COMMITTEE OF CONFERENCE SUBSTITUTE TO HB 347

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 change certain provisions relating to unemployment
3 compensation; to change the amount of taxable wages; to change certain provisions relating
4 to the State-wide Reserve Ratio; to change certain provisions relating to determination of the
5 weekly benefit amount; to provide for related matters; to provide for severability; to provide
6 effective dates; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Chapter 8 of Title 34 of the Official Code of Georgia Annotated, relating to employment
10 security, is amended by revising paragraph (1) of subsection (b) of Code Section 34-8-49,
11 relating to wages, as follows:

12 "(1) For the purposes of Code Section 34-8-20 and Articles 5 and 6 of this chapter,
13 except Code Sections 34-8-156 and 34-8-157, any remuneration paid in excess of taxable
14 wages. For purposes of this chapter, 'taxable wages' means that portion of remuneration
15 paid by an employer to each employee, subject to unemployment insurance contributions
16 for each calendar year which does not exceed the following amounts:

17 (A) For the period January 1, 1976, through December 31, 1982 — \$6,000.00;

18 (B) For the period January 1, 1983, through December 31, 1985 — \$7,000.00;

19 (C) For the period January 1, 1986, through December 31, 1989 — \$7,500.00; ~~and~~

20 (D) For the period January 1, 1990, and thereafter through December 31, 2012 —
21 \$8,500.00; and

22 (E) January 1, 2013, and thereafter — \$9,500.00;

23 provided, however, that in cases of successorship of an employer, the amount of wages
24 paid by the predecessor shall be considered for purposes of this provision as having been
25 paid by the successor employer;"

26 **SECTION 2.**

27 Said chapter is further amended by revising subparagraph (d)(4)(B) of Code
 28 Section 34-8-156, relating to the State-wide Reserve Ratio, as follows:

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

34 If the State-wide Reserve Ratio:

35	Equals or	But Is	Overall
36	<u>Exceeds</u>	<u>Less Than</u>	<u>Increase</u>
37	1.5 percent	1.7 percent	25 percent
38	1.25 percent	1.5 percent	50 percent
39	0.75 percent	1.25 percent	75 percent
40	Under 0.75 percent		100 percent

41 provided, however, that for the periods of January 1 through December 31, 2004;
 42 January 1 through December 31, 2005; and January 1 through December 31, 2006, the
 43 overall increase in the rate required under this subparagraph shall be suspended and the
 44 provisions of this subparagraph shall be null and void, except in the event the
 45 State-wide Reserve Ratio, as calculated above, is less than 1.00 percent on the
 46 computation date with respect to rates applicable to calendar year 2004, 2005, or 2006,
 47 then for each such year the Commissioner of Labor shall have the option of imposing
 48 an increase in the overall rate of up to 35 percent, as of the computation date, for each
 49 employer whose rate is computed under a rate table in Code Section 34-8-155; and
 50 provided, further, that for the periods of January 1 through December 31, 2007, January
 51 1 through December 31, 2008, January 1 through December 31, 2009, January 1
 52 through December 31, 2010, January 1 through December 31, 2011, and January 1
 53 through December 31, 2012, the overall increase in the rate required under this
 54 subparagraph shall be suspended and the provisions of this subparagraph shall be null
 55 and void, except in the event the State-wide Reserve Ratio, as calculated above, is less
 56 than 1.25 percent on the computation date with respect to rates applicable to calendar
 57 year 2007, 2008, 2009, 2010, 2011, or 2012, then for each such year the Commissioner
 58 of Labor shall have the option of imposing an increase in the overall rate of up to 50
 59 percent, as of the computation date, for each employer whose rate is computed under
 60 a rate table in Code Section 34-8-155; and provided, further, that for the period of
 61 January 1 through December 31, 2013, and for each calendar year period thereafter, the

62 overall increase in the rate required under this subparagraph shall be suspended and the
 63 provisions of this subparagraph shall be null and void, except in the event the
 64 State-wide Reserve Ratio, as calculated above, is less than 1.25 percent on the
 65 computation date with respect to rates applicable to calendar year 2013 or any calendar
 66 year thereafter, then for each such year the Commissioner of Labor shall have the
 67 option of imposing an increase in the overall rate of up to 50 percent, as of the
 68 computation date, for each employer whose rate is computed under a rate table in Code
 69 Section 34-8-155; provided, however, that if any funds borrowed by the Commissioner
 70 from the United States Treasury pursuant to Code Section 34-8-87 are unpaid or if the
 71 Unemployment Compensation Fund balance is less than \$1 billion, then the
 72 Commissioner of Labor shall impose an increase in the overall rate of 50 percent, as of
 73 the computation date, for each employer whose rate is computed under a rate table in
 74 Code Section 34-8-155."

75 **SECTION 3.**

76 Said chapter is further amended by revising subsection (d) of Code Section 34-8-193, relating
 77 to determination of weekly benefit amount, as follows:

78 "(d)(1) Except as otherwise provided in this subsection, the maximum benefits payable
 79 to an individual in a benefit year shall be the lesser of: ~~26 times the weekly amount or~~
 80 (A) Fourteen times the weekly benefit amount, if this state's average unemployment
 81 rate is at or below 6.5 percent, with an additional weekly amount added for each 0.5
 82 percent increment in this state's average unemployment rate above 6.5 percent up to a
 83 maximum of 20 times the weekly benefit amount if this state's average unemployment
 84 rate equals or exceeds 9 percent; or
 85 (B) ~~one-fourth~~ One-fourth of the base period wages.

86 If the amount computed is not a multiple of the weekly benefit amount, the total will be
 87 adjusted to the nearest multiple of the weekly benefit amount. The duration of benefits
 88 shall be extended in accordance with Code Section 34-8-197.

89 (2) In addition to and subsequent to payment of all benefits otherwise allowed under
 90 paragraph (1) of this subsection and without restriction with respect to an individual's
 91 benefit year, for claims filed on or after January 1, 2010, weekly unemployment
 92 compensation shall be payable under this subsection to any individual who is
 93 unemployed, has exhausted all rights to regular unemployment compensation under the
 94 provisions of Article 7 of this chapter, and is enrolled and making satisfactory progress,
 95 as determined by the Commissioner, in a training program approved by the department,
 96 or in a job training program authorized under the Workforce Investment Act of 1998,
 97 Public Law 105-220, and not receiving similar stipends or other training allowances for

98 nontraining costs. Each such training program approved by the department or job
 99 training program authorized under the Workforce Investment Act of 1998 shall prepare
 100 individuals who have been separated from a declining occupation, as designated by the
 101 department from time to time, or who have been involuntarily and indefinitely separated
 102 from employment as a result of a permanent reduction of operations at the individual's
 103 place of employment, for entry into a high-demand occupation, as designated by the
 104 department from time to time. The amount of unemployment compensation payable
 105 under this subsection to an individual for a week of unemployment shall be equal to the
 106 individual's weekly benefit amount for the individual's most recent benefit year less
 107 deductible earnings, if any. The total amount of unemployment compensation payable
 108 under this subsection to any individual shall be equal to ~~at least 26~~ 14 times the
 109 individual's weekly benefit amount for the individual's most recent benefit year, if this
 110 state's average unemployment rate is at or below 6.5 percent, with an additional weekly
 111 amount added for each 0.5 percent increment in this state's average unemployment rate
 112 above 6.5 percent up to a maximum of 20 times the weekly benefit amount if this state's
 113 average unemployment rate equals or exceeds 9 percent. The provisions of subsection
 114 (d) of Code Section 34-8-195 shall apply to eligibility for benefits under this subsection.
 115 Except when the result would be inconsistent with other provisions of this subsection, all
 116 other provisions of Article 7 of this chapter shall apply to the administration of the
 117 provisions of this subsection.

118 (3) As used in this subsection, the term 'state's average unemployment rate' means the
 119 average of the adjusted state-wide unemployment rates as published by the department
 120 for the time periods of April 1 through April 30 and October 1 through October 31. The
 121 average of the adjusted state-wide unemployment rates for the time period of April 1
 122 through April 30 shall be effective on and after July 1 of each year and shall be effective
 123 through December 31. The average of the adjusted state-wide unemployment rates for the
 124 time period of October 1 through October 31 shall be effective on and after January 1 of
 125 each year and shall be effective through June 30."

126 SECTION 4.

- 127 (a) Except as provided in subsection (b) of this section, this Act shall become effective upon
 128 its approval by the Governor or upon its becoming law without such approval.
- 129 (b) Section 3 of this Act shall become effective on July 1, 2012.

130 SECTION 5.

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