

House Bill 347 (AS PASSED HOUSE AND SENATE)

By: Representatives Hembree of the 67<sup>th</sup>, Meadows of the 5<sup>th</sup>, Lindsey of the 54<sup>th</sup>, Maxwell of the 17<sup>th</sup>, Murphy of the 120<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

To amend Chapter 8 of Title 34 of the Official Code of Georgia Annotated, relating to employment security, so as to change certain provisions relating to unemployment compensation; to change the amount of taxable wages; to change certain provisions relating to the State-wide Reserve Ratio; to change certain provisions relating to determination of the weekly benefit amount; to provide for related matters; to provide for severability; to provide effective dates; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

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

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

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

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

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

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

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

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

## SECTION 2.

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

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

If the State-wide Reserve Ratio:

Equals or <u>Exceeds</u>	But Is <u>Less Than</u>	Overall <u>Increase</u>
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

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

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

### SECTION 3.

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

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

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

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

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

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

#### SECTION 4.

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

#### SECTION 5.

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