

3/4/97 No Pass
(p. 496)
S-3/18/97 Business & Labor

JAN 30 1997
LABOR & INDUSTRIAL RELATIONS

HOUSE FILE 111
BY LARSON and WELTER

Passed House, ^(p. 637) Date 3-18-97 Passed Senate, Date _____
Vote: Ayes 100 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to eligibility for unemployment compensation
2 benefits concerning suitable work offered by the individual's
3 employer.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HE 111

1 Section 1. Section 96.5, subsection 3, paragraph a, Code
2 1997, is amended by adding the following new unnumbered
3 paragraph:

4 NEW UNNUMBERED PARAGRAPH. In addition, work is suitable
5 if, before the individual leaves work following the
6 elimination of the individual's position of employment by the
7 individual's employer, the employer offers the individual work
8 of a substantially equal or higher skill and responsibility
9 level and for an increase in pay and benefits in relationship
10 to the eliminated position.

11 EXPLANATION

12 This bill provides that an individual is disqualified for
13 unemployment benefits if the individual is offered by the
14 individual's employer, before the individual leaves work due
15 to the elimination of the individual's job by the employer,
16 work of an equal or higher skill and responsibility level as
17 well as an increase in pay and benefits in relationship to the
18 individual's eliminated job.

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HOUSE FILE 111
FISCAL NOTE

A fiscal note for House File 111 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 111 provides that an individual whose job is eliminated by an employer is disqualified from receiving unemployment benefits if the employee refuses an offer by that employer of a different job of equal or higher skill, responsibility, and pay.

BACKGROUND

Under current law, an individual would be ineligible for unemployment compensation if an offer was made and refused during the time in which the individual was receiving unemployment benefits. The proposed change would extend the period for which benefits could be denied to include the time prior to the individual receiving unemployment benefits.

FISCAL IMPACT

The Department of Workforce Development estimates up to 160 persons annually could be denied unemployment benefits under the proposed change. The estimated impact on the Unemployment Compensation Fund would be \$200,000 to \$700,000 annually.

SOURCE

Department of Workforce Development

(LSB 1417hh, JWR)

FILED MARCH 17, 1997

BY DENNIS PROUTY, FISCAL DIRECTOR