

Senate Study Bill 1054

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
WORKFORCE DEVELOPMENT
BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing training program extension benefits to
2 unemployment insurance benefits, and including an
3 applicability date.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 1433DP 83
6 ak/rj/5

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1 1 Section 1. Section 96.3, subsection 5, Code 2009, is
1 2 amended to read as follows:
1 3 5. a. DURATION OF BENEFITS. The maximum total amount of
1 4 benefits payable to an eligible individual during a benefit
1 5 year shall not exceed the total of the wage credits accrued to
1 6 the individual's account during the individual's base period,
1 7 or twenty-six times the individual's weekly benefit amount,
1 8 whichever is the lesser. The director shall maintain a
1 9 separate account for each individual who earns wages in
1 10 insured work. The director shall compute wage credits for
1 11 each individual by crediting the individual's account with
1 12 one-third of the wages for insured work paid to the individual
1 13 during the individual's base period. However, the director
1 14 shall recompute wage credits for an individual who is laid off
1 15 due to the individual's employer going out of business at the
1 16 factory, establishment, or other premises at which the
1 17 individual was last employed, by crediting the individual's
1 18 account with one-half, instead of one-third, of the wages for
1 19 insured work paid to the individual during the individual's
1 20 base period. Benefits paid to an eligible individual shall be
1 21 charged against the base period wage credits in the
1 22 individual's account which have not been previously charged,
1 23 in the inverse chronological order as the wages on which the
1 24 wage credits are based were paid. However if the state "off
1 25 indicator" is in effect and if the individual is laid off due
1 26 to the individual's employer going out of business at the
1 27 factory, establishment, or other premises at which the
1 28 individual was last employed, the maximum benefits payable
1 29 shall be extended to thirty-nine times the individual's weekly
1 30 benefit amount, but not to exceed the total of the wage
1 31 credits accrued to the individual's account.

1 32 b. TRAINING EXTENSION BENEFITS. An individual who is in
1 33 training with the approval of the director at the time regular
1 34 benefits are exhausted may be eligible for training extension
1 35 benefits. The training extension benefit amount shall be
2 1 twenty-six times the individual's weekly benefit amount, and
2 2 the weekly benefit amount shall be equal to the individual's
2 3 weekly benefit amount for the claim in which benefits were
2 4 exhausted while in training. An individual who is receiving
2 5 training extension benefits shall not be denied benefits due
2 6 to application of section 96.4, subsection 3, or section 96.5,
2 7 subsection 3. However, an employer's account shall not be
2 8 charged with benefits so paid. Relief of charges under this
2 9 paragraph applies to both contributory and reimbursable
2 10 employers, notwithstanding section 96.8, subsection 5. In
2 11 order for the individual to be eligible for training extension
2 12 benefits, all of the following criteria must be met:
2 13 (1) Training extension benefits end upon completion of the
2 14 training even though a portion of the training extension
2 15 benefit amount may remain, but the benefits shall not extend
2 16 beyond the end of the benefit year.
2 17 (2) The individual must be enrolled, participating in the

2 18 training, and making satisfactory progress to complete the
2 19 training.

2 20 (3) The individual is considered to be in training during
2 21 regularly scheduled vacation or recess periods of three weeks
2 22 or less but not during a summer vacation period or school
2 23 break which is longer than three weeks. If the individual
2 24 immediately returns to training after the summer vacation or
2 25 break period of longer than three weeks, the individual may
2 26 reopen the training extension claim. Otherwise, the
2 27 individual must be continuously in training in order to be
2 28 eligible for training extension benefits.

2 29 Sec. 2. Section 96.20, subsection 2, Code 2009, is amended
2 30 to read as follows:

2 31 2. The department may enter into arrangements with the
2 32 appropriate agencies of other states, or a contiguous country
2 33 with which the United States has an agreement with respect to
2 34 unemployment compensation or of the federal government (a)
2 35 whereby wages or services, upon the basis of which an
3 1 individual may become entitled to benefits under the
3 2 unemployment compensation law of another state or of the
3 3 federal government, shall be deemed to be wages for employment
3 4 by employers for the purposes of section 96.3 and section
3 5 96.4, subsection 5; provided such other state agency or agency
3 6 of the federal government has agreed to reimburse the fund for
3 7 such portion of benefits paid under this chapter upon the
3 8 basis of such wages or services as the department finds will
3 9 be fair and reasonable as to all affected interests, and (b)
3 10 whereby the department will reimburse other state or federal
3 11 agencies charged with the administration of unemployment
3 12 compensation laws with such reasonable portion of benefits,
3 13 paid under the law of any such other states or of the federal
3 14 government upon the basis of employment or wages for
3 15 employment by employers, as the department finds will be fair
3 16 and reasonable as to all affected interests. Reimbursements
3 17 so payable shall be deemed to be benefits for the purposes of
3 18 section 96.3, subsection 5, paragraph "a", and section 96.9,
3 19 but no reimbursement so payable shall be charged against any
3 20 employer's account for the purposes of section 96.7, unless
3 21 wages so transferred are sufficient to establish a valid claim
3 22 in Iowa, and that such charges shall not exceed the amount
3 23 that would have been charged on the basis of a valid claim.
3 24 The department is hereby authorized to make to other state or
3 25 federal agencies and receive from such other state or federal
3 26 agencies, reimbursements from or to the fund, in accordance
3 27 with arrangements pursuant to this section. The department
3 28 shall participate in any arrangements for the payment of
3 29 compensation on the basis of combining an individual's wages
3 30 and employment covered under this Act with the individual's
3 31 wages and employment covered under the unemployment
3 32 compensation laws of other states which are approved by the
3 33 United States secretary of labor in consultation with the
3 34 state unemployment compensation agencies as reasonably
3 35 calculated to assure the prompt and full payment of
4 1 compensation in such situations and which include provisions
4 2 for: Applying the base period of a single state law to a
4 3 claim involving the combining of an individual's wages and
4 4 employment covered under two or more state unemployment
4 5 compensation laws, and avoiding the duplication use of wages
4 6 and employment by reason of such combining.

4 7 Sec. 3. Section 96.40, subsection 8, Code 2009, is amended
4 8 to read as follows:

4 9 8. An individual shall not be entitled to receive shared
4 10 work benefits and regular unemployment compensation benefits
4 11 in an aggregate amount which exceeds the maximum total amount
4 12 of benefits payable to that individual in a benefit year as
4 13 provided under section 96.3, subsection 5, paragraph "a".
4 14 Notwithstanding any other provisions of this chapter, an
4 15 individual shall not be eligible to receive shared work
4 16 benefits for more than twenty-six calendar weeks during the
4 17 individual's benefit year.

4 18 Sec. 4. **APPLICABILITY DATE.** This Act applies to any week
4 19 of unemployment benefits beginning on or after July 1, 2009.

4 20 **EXPLANATION**

4 21 This bill establishes a benefits extension for individuals
4 22 enrolled in a training program while receiving unemployment
4 23 insurance benefits. Regular benefits must be exhausted and
4 24 the benefit amount shall be no more than 26 times the
4 25 individual's weekly benefit amount. In order to qualify for
4 26 the training extension benefits, the following criteria must
4 27 be met: the benefits end when training is completed and may
4 28 not extend beyond the benefit year; the individual must be

4 29 enrolled, participating, and making satisfactory progress in
4 30 the training; and the individual shall be considered in
4 31 training during regular vacation or recess breaks of three
4 32 weeks or less but not during a summer vacation or break of
4 33 longer than three weeks.
4 34 The bill applies to any week of unemployment benefits
4 35 beginning on or after July 1, 2009.
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