

House Study Bill 602 - Introduced

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

A BILL FOR

1 An Act relating to the maximum duration of unemployment
2 benefits for certain individuals and including applicability
3 provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 96.3, subsection 5, paragraph a, Code
2 2020, is amended to read as follows:

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

32 Sec. 2. APPLICABILITY. This Act applies to any week of
33 unemployment benefits beginning on or after the first Sunday
34 after the effective date of this Act.

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EXPLANATION

1 The inclusion of this explanation does not constitute agreement with
2 the explanation's substance by the members of the general assembly.

3 This bill strikes language requiring the director of the
4 department of workforce development to recompute wage credits
5 for purposes of calculating an individual's maximum total
6 amount of unemployment benefits payable during a benefit year.
7 The stricken language applied to an individual who is laid
8 off due to the individual's employer going out of business at
9 the factory, establishment, or other premises at which the
10 individual was last employed by crediting the individual's
11 account with one-half, instead of one-third, of the wages for
12 insured work paid to the individual during the individual's
13 base period. The bill also strikes language providing an
14 additional 13 weeks of benefits to such individuals if the
15 state "off" indicator, which relates to the rate of insured
16 unemployment in the state, is in effect. The bill applies to
17 any week of unemployment benefits beginning on or after the
18 first Sunday after the effective date of the bill.