

Senate File 358 - Introduced

SENATE FILE 358

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A BILL FOR

- 1 An Act relating to the maximum amount of unemployment benefits
- 2 payable during a benefit year to an individual laid off due to
- 3 an employer going out of business.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 96.3, subsection 5, paragraph a, Code
2 2025, 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 year
5 shall not exceed the total of the wage credits accrued to the
6 individual's account during the individual's base period, or
7 sixteen times the individual's weekly benefit amount, whichever
8 is the lesser. The director shall maintain a separate account
9 for each individual who earns wages in insured work. The
10 director shall compute wage credits for each individual by
11 crediting the individual's account with one-third of the wages
12 for insured work paid to the individual during the individual's
13 base period. However, the director shall recompute wage credits
14 for an individual who is laid off due to the individual's
15 employer going out of business at the factory, establishment,
16 or other premises at which the individual was last employed,
17 by crediting the individual's account with one-half, instead of
18 one-third, of the wages for insured work paid to the individual
19 during the individual's base period. Benefits paid to an
20 eligible individual shall be charged against the base period
21 wage credits in the individual's account which have not been
22 previously charged, in the inverse chronological order as the
23 wages on which the wage credits are based were paid. However if
24 the state "off" indicator is in effect and if the individual is
25 laid off due to the individual's employer going out of business
26 at the factory, establishment, or other premises at which the
27 individual was last employed, the maximum benefits payable shall
28 be extended to ~~twenty-six~~ thirty-nine times the individual's
29 weekly benefit amount, but not to exceed the total of the wage
30 credits accrued to the individual's account.

31 EXPLANATION

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

34 This bill provides that the maximum total amount of
35 unemployment benefits payable during a benefit year to an

1 eligible individual laid off due to the individual's employer
2 going out of business at the factory, establishment, or other
3 premises at which the individual was last employed shall not
4 exceed 39 times the individual's weekly benefit amount, rather
5 than 26 times the weekly benefit amount as provided under current
6 law.

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