

Joint Committee on Ways and Means

Carrier – House: Rep. D. Edwards  
Carrier – Senate: Sen. Monroe

Revenue: No revenue impact

Fiscal: Fiscal statement issued

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Action: Do Pass the A-Engrossed Measure

Vote: 21 – 0 – 1

House

Yeas: Buckley, D. Edwards, Garrard, Gilman, Jenson, Komp, Kotek, Nathanson, Richardson, Shields, G. Smith

Nays:

Exc: Galizio

Senate

Yeas: Bates, Carter, Girod, Johnson, Monroe, Nelson, Verger, Walker, Whitsett, Winters

Nays:

Exc:

Prepared By: Michelle Deister, Legislative Fiscal Office

Meeting Date: March 27, 2009

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**WHAT THE MEASURE DOES:** Creates an alternative base year for purposes of determining eligibility for unemployment insurance benefits. Declares and emergency, effective July 1, 2009.

**ISSUES DISCUSSED:**

- Impact of additional federal funding to the unemployment insurance trust fund
- Employer unemployment insurance taxes would eventually be the source of funding for the additional claims after stimulus funds are exhausted
- Potential changes to employer tax schedules due to the current economy

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** Eligibility for unemployment insurance benefits depends in part on the amount of a person's earnings during a "base year" as defined by statute. Under current law, the base year is defined as the first four of the last five completed calendar quarters preceding the benefit year. The most recently completed calendar quarter is not included in the base year, and wages earned in that quarter are disregarded in determining eligibility for unemployment benefits. Under SB 462 A, a person whose earnings under the current base year definition are insufficient to qualify the person for benefits, may have the earnings recalculated under the alternative base year definition to include more recent earnings. This option is estimated to result in approximately 6,079 additional claimants per year being eligible for benefits in the 2009-11 biennium.