

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Commerce and Economic Development to which was
3 referred House Bill No. 646 entitled “An act relating to unemployment
4 insurance” respectfully reports that it has considered the same and
5 recommends that the bill be amended by striking out all after the enacting
6 clause and inserting in lieu thereof the following:

7 Sec. 1. 21 V.S.A. § 342a is amended to read:

8 § 342a. INVESTIGATION OF COMPLAINTS OF UNPAID WAGES

9 (a) An employee or the Department on its own motion may file a complaint
10 that wages have not been paid to an employee, not later than two years from
11 the date the wages were due. The Commissioner shall provide notice and a
12 copy of the complaint to the employer by service, or by certified mail sent to
13 the employer’s last known address, together with an order to file a response
14 with the Department within 10 calendar days of receipt.

15 * * *

16 Sec. 2. 21 V.S.A. § 1314a is amended to read:

17 § 1314a. QUARTERLY WAGE REPORTING; MISCLASSIFICATION;

18 PENALTIES

19 * * *

20 (g) Notwithstanding any other provisions of this section, the Commissioner
21 may where practicable require of any employing ~~units with 25 or more~~

1 ~~employees~~ unit that the reports required to be filed pursuant to subsections (a)
2 through (d) of this section be filed in an electronic media form.

3 Sec. 3. 21 V.S.A. § 1338 is amended to read:

4 § 1338. WEEKLY BENEFITS

5 * * *

6 (d)~~(1)~~ For benefit years beginning on January 3, 1988 and subsequent
7 thereto, to qualify for benefits an individual must:

8 ~~(1)(A)~~ have been paid in one quarter of his or her base period wages in
9 employment with an employer or employers subject to this chapter which
10 equal at least ~~\$1000.00~~ \$1,000.00; and

11 ~~(2)(B)~~ have been paid in his or her base period additional wages in
12 employment with an employer or employers subject to this chapter which
13 equal or exceed 40 percent of the total wages paid in the highest quarter of his
14 or her base period; and

15 ~~(3)(C)~~ have earned subsequent to the beginning of his or her most recent
16 benefit year wages in employment with an employer or employers subject to
17 this chapter which equal or exceed four times his or her weekly benefit amount
18 as determined under subsection (e) of this section for that prior benefit year.

19 (2) The base period wages shall not include any wages paid by an
20 employing unit based on a separation for gross misconduct under subdivision
21 1344(a)(2)(B) of this title.

1 (e) For benefit years beginning on January 3, 1988 and subsequent thereto,
2 an individual's weekly benefit amount shall be determined by dividing the
3 individual's two high quarter total subject wages required under subdivision
4 (d)(1) of this section by 45; provided that the weekly benefit amount so
5 determined shall not exceed the maximum weekly benefit amount computed as
6 provided in this section. ~~The base period wages shall not include any wages~~
7 ~~paid by an employing unit based on a separation for gross misconduct under~~
8 ~~subdivision 1344(a)(2)(B) of this title.~~

9 * * *

10 Sec. 4. 21 V.S.A. § 1340a is added to read:

11 § 1340a. SELF-EMPLOYMENT ASSISTANCE PROGRAM

12 (a) As used in this section:

13 (1) "Full-time basis" means that the individual is devoting the necessary
14 time as determined by the Commissioner to establish a business that will serve
15 as a full-time occupation for that individual.

16 (2) "Regular benefits" shall have the same meaning as in subdivision
17 1421(5) of this title.

18 (3) "Self-employment assistance activities" means activities approved
19 by the Commissioner in which an individual participates for the purpose of
20 establishing a business and becoming self-employed, including entrepreneurial
21 training, business counseling, and technical assistance.

1 (4) “Self-employment assistance allowance” means an allowance
2 payable in lieu of regular benefits from the Unemployment Compensation
3 Fund to an individual who meets the requirements of this section.

4 (5) “Self-Employment Assistance Program” means a program under
5 which an individual who meets the requirements of subsection (d) of this
6 section is eligible to receive an allowance in lieu of regular benefits for the
7 purpose of assisting that individual in establishing a business and becoming
8 self-employed.

9 (b) The weekly amount of the self-employment assistance allowance
10 payable to an individual shall be equal to the weekly benefit amount for regular
11 benefits otherwise payable under this title.

12 (c) The maximum amount of the self-employment assistance allowance
13 paid under this section shall not exceed the maximum amount of benefits
14 established under section 1340 of this title with respect to any benefit year.

15 (d)(1) An individual may receive a self-employment assistance allowance if
16 that individual:

17 (A) is eligible to receive regular benefits or would be eligible to
18 receive regular benefits except for the requirements described in subdivisions

19 (2)(A) and (B) of this subsection;

20 (B) is identified by a worker profiling system as an individual likely
21 to exhaust regular benefits;

1 (C) has received the approval of the Commissioner to participate in a
2 program providing self-employment assistance activities;

3 (D) is actively engaged on a full-time basis in activities, which
4 may include training related to establishing a business and becoming
5 self-employed; and

6 (E) has filed a weekly claim for the self-employment assistance
7 allowance and provided the information the Commissioner prescribes.

8 (2) A self-employment allowance shall be payable to an individual at the
9 same interval, on the same terms, and subject to the same conditions as regular
10 benefits under this chapter, except:

11 (A) the requirements of section 1343 of this title, relating to
12 availability for work, efforts to secure work, and refusal to accept work, are not
13 applicable to the individual; and

14 (B)(i) the individual is not considered to be self-employed pursuant
15 to subdivision 1301(24) of this title;

16 (ii) an individual who meets the requirements of this section shall
17 be considered to be unemployed under section 1338 of this title; and

18 (iii) an individual who fails to participate in self-employment
19 assistance activities or who fails to actively engage on a full-time basis in
20 activities, including training, relating to the establishment of a business and

1 becoming self-employed shall be disqualified from receiving an allowance for
2 the week the failure occurs.

3 (e) The self-employment assistance allowance may be paid to up to 35
4 qualified individuals at any time.

5 (f)(1) The self-employment assistance allowance shall be charged to the
6 Unemployment Trust Fund.

7 (2) In the event that the self-employment assistance allowance cannot be
8 charged to the Unemployment Trust Fund pursuant to subdivision (1) of this
9 subsection, the allowance shall be charged in accordance with section 1325 of
10 this title.

11 (g) The Commissioner shall approve any program that will provide
12 self-employment assistance activities to qualified individuals.

13 (h) The Commissioner shall adopt rules to implement this section.

14 (i) The Commissioner may suspend the Self-Employment Assistance
15 Program with approval of the Secretary of Administration and notice to the
16 House Committee on Commerce and Economic Development and the Senate
17 Committee on Economic Development, Housing and General Affairs in the
18 event that it presents unintended adverse consequences to the Unemployment
19 Trust Fund.

1 Sec. 5. 21 V.S.A. § 1343 is amended to read:

2 § 1343. CONDITIONS

3 (a) An unemployed individual shall be eligible to receive benefits with
4 respect to any week only if the ~~commissioner~~ Commissioner finds that all of
5 the following requirements are met and the individual:

6 * * *

7 (8) Has given written notice of resignation to his or her employer and
8 the employer subsequently made the termination of employment effective prior
9 to the date of termination as given in the notice. Provided that the claimant
10 could not establish good cause for leaving work pursuant to subdivision
11 1344(a)(2)(A) of this title and was not discharged for misconduct as provided
12 in subdivision 1344(a)(1)(A) or for gross misconduct as provided in
13 subdivision 1344(a)(2)(B), in no case shall unemployment benefits awarded
14 under this subdivision exceed four weeks.

15 * * *

16 Sec. 6. 21 V.S.A. § 1459 is amended to read:

17 § 1459. CHARGING BENEFITS

18 STC benefits paid to an employee shall be charged to ~~his or her STC~~
19 ~~employer's experience rating records~~ the employer in the base period.

20 Reimbursable employers participating in the STC ~~program~~ Program shall be
21 assessed for the STC benefits paid their employees.

1 Sec. 7. REPEAL

2 21 V.S.A. § 1340a (Self-Employment Assistance Program) is repealed.

3 Sec. 8. 21 V.S.A. § 1338a is amended to read:

4 § 1338a. DISREGARDED EARNINGS

5 (a) An individual shall be deemed “partially unemployed” in any week of
6 less than full-time work if the wages earned by the individual with respect to
7 such week are less than the weekly benefit amount the individual would be
8 entitled to receive if totally unemployed and eligible. As used in this section,
9 “wages” in any one week includes only that amount of remuneration to the
10 nearest dollar ~~which~~ that is in excess of ~~30~~ 50 percent of the individual’s
11 weekly wage, ~~or \$40.00, whichever amount is greater.~~

12 * * *

13 Sec. 9. EFFECTIVE DATES

14 (a) This section, Secs. 1–3, 4(h) (rulemaking for self-employment
15 assistance program), 5–7, and 9 shall take effect on passage.

16 (b) Notwithstanding 1 V.S.A. § 214, Sec. 4(a)–(g) and (i) shall apply
17 retroactively on January 1, 2014.

18 (c) Sec. 8 shall take effect on July 1, 2014.

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1 (Committee vote: _____)

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Representative Young

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FOR THE COMMITTEE