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H.351

Introduced by Representatives Marcotte of Coventry and O’Sullivan of  
Burlington

Referred to Committee on

Date:

Subject: Labor; workers’ compensation and safety; unemployment insurance;  
recreation and sports; ski tramways

Statement of purpose of bill as introduced: This bill proposes to clarify the  
purposes for which the Workers’ Compensation Administration Fund may be  
used, to repeal the Short-Time Compensation Program, and to permit the  
Passenger Tramway Board to expend funds for ski lift mechanic training,  
education, and apprenticeships.

An act relating to workers’ compensation, unemployment insurance

It is hereby enacted by the General Assembly of the State of Vermont:

\* \* \* Workers’ Compensation \* \* \*

Sec. 1. 21 V.S.A. § 711 is amended to read:

§ 711. WORKERS’ COMPENSATION ADMINISTRATION FUND

(a) The Workers’ Compensation Administration Fund is created pursuant  
to 32 V.S.A. chapter 7, subchapter 5 to be expended by the Commissioner for  
the administration of the workers’ compensation and for costs of the

1 occupational ~~disease~~ safety and health programs that are not funded by federal  
2 OSHA grants and matching State General Fund appropriations. The Fund  
3 shall consist of contributions from employers made at a rate of 1.4 percent of  
4 the direct calendar year premium for workers' compensation insurance, one  
5 percent of self-insured workers' compensation losses, and one percent of  
6 workers' compensation losses of corporations approved under this chapter.  
7 Disbursements from the Fund shall be on warrants drawn by the Commissioner  
8 of Finance and Management in anticipation of receipts authorized by this  
9 section.

10 \* \* \*

11 \* \* \* Unemployment Insurance \* \* \*

12 Sec. 2. FINDINGS

13 The General Assembly finds:

14 (1) The Short-Time Compensation Program was enacted in 1986 to  
15 assist employers in avoiding layoffs by temporarily reducing the hours worked  
16 by some of their employees.

17 (2) The Program provides partial unemployment insurance benefits to  
18 the employees who are working reduced hours.

19 (3) In 2014, the General Assembly amended 21 V.S.A. § 1338a to  
20 change the formula by which partially unemployed individuals who are not  
21 covered by a short-time compensation plan are paid partial unemployment

1 benefits. By changing a claimant's so-called "disregarded earnings" from  
2 30 percent to 50 percent of the claimant's weekly wage, the amount of  
3 unemployment benefits available to a partially employed individual increased  
4 significantly.

5 (4) Because of the change in disregarded earnings, employers and  
6 employees both have less to gain from short-time compensation plans.

7 (5) The application and approval process for short-time compensation  
8 plans is an administrative burden for employers.

9 (6) Since 2014, only one employer in Vermont has established a Short-  
10 Time Compensation Program.

11 (7) Therefore, the General Assembly finds that 21 V.S.A. chapter 17,  
12 subchapter 3, which establishes the Short-Time Compensation Program,  
13 should be repealed.

14 Sec. 3. REPEAL

15 21 V.S.A. chapter 17, subchapter 3 is repealed.

16 \* \* \* Ski Tramways \* \* \*

17 Sec. 4. 31 V.S.A. § 707 is amended to read:

18 § 707. REGISTRATION AND FEES

19 \* \* \*

20 (e)(1) All fees collected under this section shall be credited to a special  
21 fund for the Department to be expended for carrying out its duties under this

1 chapter and may also be expended as provided pursuant to subdivision (2) of  
2 this subsection.

3 (2) The Passenger Tramway Board may expend amounts that it  
4 determines to be appropriate from the special fund established pursuant to  
5 subdivision (1) of this subsection for the purpose of contributing to ski lift  
6 mechanic education, job training, and apprenticeship programs.

7 \* \* \*

8 \* \* \* Effective Date \* \* \*

9 Sec. 5. EFFECTIVE DATE

10 This act shall take effect on July 1, 2019.