

SENATE BILL NO. 213

INTRODUCED BY DOVER, GAGE, KEATING

BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY

IN THE SENATE

January 19, 1983	Introduced and referred to Committee on Labor and Employment Relations.
January 20, 1983	Fiscal Note requested.
January 25, 1983	Fiscal Note returned.
February 7, 1983	Committee recommend bill do pass. Report adopted.
February 8, 1983	Bill printed and placed on members' desks.
February 9, 1983	Second reading, do pass.
February 10, 1983	Correctly engrossed.
February 11, 1983	Third reading, passed. Ayes, 43; Noes, 7. Transmitted to House.

IN THE HOUSE

February 12, 1983	Introduced and referred to Committee on Labor and Employment Relations.
March 11, 1983	Committee recommend bill be concurrent in. Report adopted.
March 12, 1983	Second reading, concurred in.
March 14, 1983	Third reading, concurred in.

IN THE SENATE

March 15, 1983

Returned to Senate. Sent to
enrolling.

Reported correctly enrolled.

1 *Senate* BILL NO. *213*
 2 INTRODUCED BY *Donner* *Rep. Tieding*
 3 BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ROUND UNEMPLOYMENT
 6 COMPENSATION AMOUNTS TO THE NEAREST LOWER FULL DOLLAR
 7 AMOUNT; AND TO REMOVE THE REQUIREMENT THAT THE DEPARTMENT OF
 8 LABOR AND INDUSTRY PUBLISH ANNUALLY AN UNEMPLOYMENT
 9 COMPENSATION BENEFIT SCHEDULE; AMENDING SECTIONS 39-51-2201
 10 AND 39-51-2202, MCA."
 11

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 Section 1. Section 39-51-2201, MCA, is amended to
 14 read:

15 "39-51-2201. Weekly benefit amount -- determination of
 16 average weekly wage. ~~{1} Any individual whose benefit year~~
 17 ~~begins on or after July 1, 1971, shall receive as his weekly~~
 18 ~~benefit amount an amount equal to one twenty-sixth of his~~
 19 ~~total wages for insured work paid during the calendar~~
 20 ~~quarter of his base period in which his wages were highest~~
 21 ~~Such weekly benefit amount, if not a multiple of \$1, shall~~
 22 ~~be rounded to the nearest multiple of \$1.~~

23 ~~{2}(1)~~ On and after July 1, 1980, an An eligible
 24 individual's weekly benefit amount shall be the total base
 25 period wages divided by the number of weeks of covered

1 employment times 50%. ~~The weekly benefit amount, if not a~~
 2 ~~multiple of \$1, must be rounded to the nearest lower full~~
 3 ~~dollar amount.~~ However, such amount shall not be less than
 4 the minimum, or more than the maximum weekly benefit amount.

5 ~~{3}(2)~~ On or before May 31 of each year, the total
 6 wages paid by all employers as reported on contribution
 7 reports submitted on or before such date for the preceding
 8 calendar year shall be divided by the average monthly number
 9 of individuals employed during the same preceding calendar
 10 year as reported on such contribution reports. The amount
 11 thus obtained shall be divided by 52 and the average weekly
 12 wage, rounded to the nearest cent, thus determined. Sixty
 13 percent of the average weekly wage shall constitute the
 14 maximum weekly benefit amount and shall apply to all maximum
 15 weekly benefit amount claims for benefits filed to establish
 16 a benefit year commencing on or after July 1 of the same
 17 year. Such maximum weekly benefit amount if not a multiple
 18 of \$1, shall be computed to the nearest ~~multiple of \$1 lower~~
 19 ~~full dollar amount.~~

20 ~~{4}(3)~~ The minimum weekly benefit amount shall be 15%
 21 of the average weekly wage. ~~The minimum weekly benefit~~
 22 ~~amount, if not a multiple of \$1, shall be computed to the~~
 23 ~~nearest lower full dollar amount.~~

24 ~~{5} The department shall prepare and publish annually~~
 25 ~~a benefit schedule in accordance with the provisions of this~~

1 subsection."

2 Section 2. Section 39-51-2202, MCA, is amended to
3 read:

4 "39-51-2202. Partial payment of benefits. Partial
5 payment for a week of unemployment as used in this section
6 shall be the claimant's weekly benefit amount less 50% of
7 wages earned in excess of one-fourth of his weekly benefit
8 amount. Such wages and the one-fourth weekly benefit
9 amount, if not a multiple of \$1, shall be rounded to the
10 nearest lower full dollar amount."

-End-

STATE OF MONTANA

REQUEST NO. 173-83

FISCAL NOTE

Form BD-15

In compliance with a written request received January 20, , 19 83 , there is hereby submitted a Fiscal Note for Senate Bill 213 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

Senate Bill 213 rounds down unemployment insurance benefit payments to the nearest lower full dollar amount and removes the requirement that the Department of Labor and Industry publish annually the Unemployment Insurance Benefit Schedule.

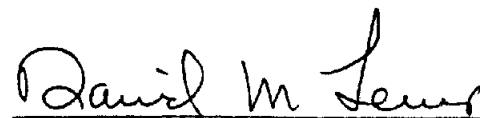
ASSUMPTIONS:

- 1) Benefit expenditures estimated under present law to be: FY 84 = \$67,900,000
FY 85 = \$71,300,000.
- 2) Number of UI benefit payments: FY 84 = 470,000 FY 85 = 455,000.
- 3) Number of EB benefit payments: FY 84 = 35,000 FY 85 = 32,000.
- 4) Maximum and minimum weekly benefit amount calculations expected to be rounded up, one out of every two years under current law. FY 84 randomly chosen to be the year to round up.
- 5) Number of partial benefit payments: FY 84 = 64,400 FY 85 = 61,500.
- 6) Estimated that $\frac{1}{2}$ of all calculations now rounded to the nearest dollar, would be rounded down to save \$1.00 each under proposed law.

FISCAL IMPACT:

	<u>FY84</u>	<u>FY85</u>	<u>TOTAL</u>
Operating Costs and Benefit Expenditures:			
Under Current Law	\$ 67,903,050	\$ 71,300,500	\$139,203,550
Under Proposed Law	67,615,444	71,105,100	138,720,544
Net Decrease In Expenditures	<u>\$ 287,606</u>	<u>\$ 195,400</u>	<u>\$ 483,006</u>

FISCAL NOTE 7:BB/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-25-83

Approved by Committee
on Labor & Employment
Relations

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AMOUNT; AND TO REMOVE THE REQUIREMENT THAT THE DEPARTMENT OF
LABOR AND INDUSTRY PUBLISH ANNUALLY AN UNEMPLOYMENT
COMPENSATION BENEFIT SCHEDULE; AMENDING SECTIONS 39-51-2201
AND 39-51-2202, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 39-51-2201, MCA, is amended to
read:

"39-51-2201. Weekly benefit amount -- determination of
average weekly wage. ~~(1) Any individual whose benefit year
begins on or after July 1, 1971, shall receive as his weekly
benefit amount an amount equal to one twenty-sixth of his
total wages for insured work paid during the calendar
quarter of his base period in which his wages were highest.~~
~~Such weekly benefit amount, if not a multiple of \$1, shall
be rounded to the nearest multiple of \$1.~~

~~(2)(1) On and after July 1, 1980, an~~ An eligible
individual's weekly benefit amount shall be the total base
period wages divided by the number of weeks of covered

employment times 50%. ~~The weekly benefit amount, if not a
multiple of \$1, must be rounded to the nearest lower full
dollar amount.~~ However, such amount shall not be less than
the minimum, or more than the maximum weekly benefit amount.

~~(3)(2)~~ On or before May 31 of each year, the total
wages paid by all employers as reported on contribution
reports submitted on or before such date for the preceding
calendar year shall be divided by the average monthly number
of individuals employed during the same preceding calendar
year as reported on such contribution reports. The amount
thus obtained shall be divided by 52 and the average weekly
wage, rounded to the nearest cent, thus determined. Sixty
percent of the average weekly wage shall constitute the
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a benefit year commencing on or after July 1 of the same
year. Such maximum weekly benefit amount if not a multiple
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full dollar amount.

~~(4)(3)~~ The minimum weekly benefit amount shall be 15%
of the average weekly wage. ~~The minimum weekly benefit
amount, if not a multiple of \$1, shall be computed to the
nearest lower full dollar amount.~~

~~(5) The department shall prepare and publish annually
a benefit schedule in accordance with the provisions of this~~

1 ~~subsection.~~"
2 Section 2. Section 39-51-2202, MCA, is amended to
3 read:
4 "39-51-2202. Partial payment of benefits. Partial
5 payment for a week of unemployment as used in this section
6 shall be the claimant's weekly benefit amount less 50% of
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