## SENATE JOINT RESOLUTION NO. 26

Introduced: 04/04/83

Referred to Committee on Labor & Employment Relations: 04/04/83

Hearing: 4/12/83

Report: 04/12/83, Do Pass

2nd Reading: 04/15/83 3rd Reading: 04/16/83

Transmitted to House: 4/16/83

Referred to Committee on Labor & Employment Relations: 04/18/83

Hearing: 4/19/83

Died in House Committee.

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A JULYT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF MONTANA'S UNEMPLOYMENT INSURANCE LAWS AND REQUIRING A REPORT OF THE FINDINGS OF THE STUDY TO THE 49TH LEGISLATURE.

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WHEREAS. Montana's unemployment insurance trust fund is currently insolvent; and

WHEREAS, effective April 1, 1982, the federal government began charging the states interest on money corrowed from the federal unemployment insurance trust fund at a rate not to exceed 10%; and

HHEREAS, Congress is now considering proposals to provide relief for the states from interest charges, some of which are contingent upon the states taking actions to improve the solvency of their funds, based on improvements in the ratio of revenues to benefits paid or based on percentage improvements in revenues raisedy benefits lowered, or both; and

WHEREAS, concern has been expressed by many groups that Montana's taxable wage base and tax rate structure for purposes of employer contributions to the state unemployment insurance trust fund can be more equitably structured among

contributing employers: and

#HEREAS. Montana's unemployment insurance laws are highly complex and technical and to a large extent must satisfy federal compliance laws.

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NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND. THE HOUSE

OF REPRESENTATIVES OF THE STATE OF MONTANA:

That an appropriate interim committee be assigned to 10 study Montana's unemployment insurance laws with particular 11 attention to:

(1) devising a means of restructuring the unemployment insurance tax rate structure and taxable wage base to provide greater equity among contributing employers, based on the benefit charges against the employers;

(2) striking a reasonable balance between demands placed on employers and economic safeguards for employees;

18 (3) being apprised of and responding, through proposed legislation or otherwise, to congressional legislation that may provide relief from interest costs to states that have 23 21 acted to improve the solvency of their unemployment

22 insurance systems: (4) other means of improving the solvency of Montana's 23

unemployment insurance trust fund, including federal 24

25 government loans to the fund;

I (5) observing historical patterns with regard to the contributions paid to and the demands placed on Montana's unemployment insurance trust fund on an industry-by-industry basis;

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- (6) the uses, other than benefits, for which money 5 from the fund is expended;
- 7 (7) the funding of the unemployment insurance 8 administration account and the uses for which the account's 9 money is expended:
  - (d) the interaction between the funding and uses of the unemployment insurance trust fund and the unemployment insurance administration account; and
- 13 (9) the benefit structure, including what persons are 14 entitled to obtain benefits and under what conditions, and 15 safequards against false claims.
  - HE IT FURTHER RESOLVED, that the committee consult and work with appropriate government agencies, private industries, labor organizations, and the general public in its study of the unemployment insurance laws.
- 20 BE IT FURTHER RESOLVED, that the committee report its 21 findings and recommendations to the 49th Legislature.

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Approved by Committee on Labor & Employment Relations

1	Sengte JOINT RESOLUTION NO. 26
2	INTRODUCED BY TRESTAD Tule Christian Thomas
3	ARLESTAD Julle Christianik Thomas

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN
INTERIM STUDY OF MONTANA'S UNEMPLOYMENT INSURANCE LAWS AND
REQUITING A REPORT OF THE FINDINGS OF THE STUDY TO THE 49TH
LEGISLATURE.

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WHEREAS, Montana's unemployment insurance trust fund is currently insolvent; and

wHEREAS, effective April 1, 1982, the federal government began charging the states interest on money torrowed from the federal unemployment insurance trust fund at a rate not to exceed 10%; and

whereas, Congress is now considering proposals to provide relief for the states from interest charges, some of which are contingent upon the states taking actions to improve the solvency of their funds, based on improvements in the ratio of revenues to benefits paid or based on percentage improvements in revenues raised, benefits lowered, or both; and

WHEREAS, concern has been expressed by many groups that
Montana's taxable wage base and tax rate structure for
purposes of employer contributions to the state unemployment

insurance trust fund can be more equitably structured among
contributing employers; and

3 WHEREAS, Montana's unemployment insurance laws are 4 highly complex and technical and to a large extent must 5 satisfy federal compliance laws.

7 NON. THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE 8 DF REPRESENTATIVES OF THE STATE OF MONTANA:

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That an appropriate interim committee be assigned to study Montana's unemployment insurance laws with particular attention to:

- (1) devising a means of restructuring the unemployment insurance tax rate structure and taxable wage base to provide greater equity among contributing employers, based on the benefit charges against the employers;
- (2) striking a reasonable balance between demands

  placed on employers and economic safeguards for employees;
- 18 (3) being apprised of and responding, through proposed
  19 legislation or otherwise, to congressional legislation that
  20 may provide relief from interest costs to states that have
  21 acted to improve the solvency of their unemployment
  22 insurance systems;
  - (4) other means of improving the solvency of Montana's unemployment insurance trust fund, including federal government loans to the fund;

- 1 (5) observing historical patterns with regard to the
  2 contributions paid to and the demands placed on Montana's
  3 unemployment insurance trust fund on an industry-by-industry
  4 basis;
- 5 (6) the uses, other than benefits, for which money 6 from the fund is expended;
- 7 (7) the funding of the unemployment insurance 8 administration account and the uses for which the account's 9 money is expended;
- 10 (8) the interaction between the funding and uses of
  11 the unemployment insurance trust fund and the unemployment
  12 insurance administration account; and
- (9) the benefit structure, including what persons are
   entitled to obtain benefits and under what conditions, and
   safeguards against false claims.
- 16 BE IT FURTHER RESOLVED, that the committee consult and
  17 work with appropriate government agencies, private
  18 industries, labor organizations, and the general public in
  19 its study of the unemployment insurance laws.
- 20 BE IT FURTHER RESOLVED, that the committee report its
  21 findings and recommendations to the 49th Legislature.

-End-

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3	ARLESTAD Julle Christicale Frome
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5	REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN
6	INTERIM STUDY OF MONTANA'S UNEMPLOYMENT INSURANCE LAWS AND
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10	WHEREAS, Montana's unemployment insurance trust fund is
11	currently insolvent; and
12	WHEREAS, effective April 1, 1982, the federal
13	government began charging the states interest on money
14	borrowed from the federal unemployment insurance trust fund
15	at a rate not to exceed 10%; and
16	WHEREAS, Congress is now considering proposals to
17	provide relief for the states from interest charges, some of
18	which are contingent upon the states taking actions to
19	improve the solvency of their funds, based on improvements
۷٥	in the ratio of revenues to benefits paid or based on
21	percentage improvements in revenues raised, benefits
22	lowered, or both; and
23	WHEREAS, concern has been expressed by many groups that
24	Montana's taxable wage base and tax rate structure for

purposes of employer contributions to the state unemployment

contributing employers; and WHEREAS, Montana's unemployment insurance laws are highly complex and technical and to a large extent must satisfy federal compliance laws. NOW. THEREFORE. BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA: That an appropriate interim committee be assigned to 10 study Montana's unemployment insurance laws with particular 11 attention to: 12 (1) devising a means of restructuring the unemployment insurance tax rate structure and taxable wage base to 13 provide greater equity among contributing employers, based 14 on the benefit charges against the employers; 16 (2) striking a reasonable balance between demands placed on employers and economic safeguards for employees; (3) being apprised of and responding through proposed 18 legislation or otherwise, to congressional lagislation that 19 may provide relief from interest costs to states that have 20 acted to improve the solvency of their unamployment 21 22 insurance systems: (4) other means of improving the solvency of Montana!s 23 unemployment insurance trust fund, including federal 24

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(5) observing historical patterns with regard to the
contributions paid to and the demands placed on Montana's
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- 5 (6) the uses, other than benefits, for which money from the fund is expended;
  - (7) the funding of the unemployment insurance administration account and the uses for which the account's money is expended;
    - (d) the interaction between the funding and uses of the unemployment insurance trust fund and the unemployment Insurance administration account; and
- 13 (9) the benefit structure, including what persons are 14 entitled to obtain benefits and under what conditions, and 15 safequards against false claims.
- 15 BE IT FURTHER RESOLVED, that the committee consult and 17 work with appropriate government agencies, private 18 industries, labor organizations, and the general public in its study of the unemployment insurance laws.
- 20 BE IT FURTHER RESOLVED, that the committee report its 21 findings and recommendations to the 49th Legislature.

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