

Amendment No. 1 to HB2324

Matheny  
Signature of Sponsor

AMEND Senate Bill No. 2315

House Bill No. 2324\*

by deleting all the language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 50-7-213(a), is amended by deleting the language "seven thousand dollars (\$7,000)" in the second and third sentences and substituting instead the language "the taxable wage base, as defined in subsection (e) of this section."

SECTION 2. Tennessee Code Annotated, Section 50-7-213(b), is amended by deleting the language in the last sentence "seven thousand dollars (\$7,000) referred to in subsection (a)." and substituting instead "the taxable wage base, referred to herein as defined in subsection (e) of this section."

SECTION 3. Tennessee Code Annotated, Section 50-7-213, is amended by adding the following language as a new subsection (e):

(e) For purposes of this chapter, "taxable wage base" means:

(1) The first seven thousand dollars (\$7,000) paid to each individual employee during any period with respect to the calendar years beginning January 1, 1983, and ending December 31, 2008, and at any time after December 31, 2008, that the unemployment trust fund balance is greater than one billion dollars (\$1,000,000,000), as determined in accordance with § 50-7-403(j);

(2) The first eight thousand dollars (\$8,000) paid to each individual employee during any period after December 31, 2008, when the unemployment trust fund balance is greater than nine hundred million dollars (\$900,000,000) but

lower than or equal to one billion dollars (\$1,000,000,000), as determined in accordance with § 50-7-403(j); and

(3) The first nine thousand dollars (\$9,000) paid to each individual employee during the period after December 31, 2008, and at any time after such date that the unemployment trust fund balance is lower than or equal to nine hundred million dollars (\$900,000,000), as determined in accordance with § 50-7-403(j).

SECTION 4. Tennessee Code Annotated, Section 50-7-218, is amended by deleting the section in its entirety and substituting instead the following:

§ 50-7-218. "Base period" defined. - "Base period" means, with respect to each claimant, either the first four (4) of the last five (5) completed calendar quarters or the last four (4) completed calendar quarters immediately preceding the first day of the claimant's benefit year. For the purposes of establishing a base period, the department shall initially use the first four (4) of the last five (5) calendar quarters. If there are insufficient wages to monetarily qualify for benefits as defined in § 50-7-301(d)(3) or (4), the department shall use the last four (4) completed calendar quarters as the base period. Computations using the last four (4) completed calendar quarters shall be based upon all available wage items processed as of the close of business on the day preceding the date of application for unemployment benefits. The department shall promptly contact employers to request assistance in obtaining wage information for the last completed calendar quarter if it has not been reported at the time of the initial application for unemployment benefits. No benefits shall be payable utilizing the last four (4) completed calendar quarters as the base period until such time as the commissioner shall certify to the department of finance and administration that the mechanism and resources necessary for the prompt and efficient payment of such benefits are in place, except that in no event shall such certification fail to meet the deadline imposed by the American Recovery and

Reinvestment Act of 2009 for the payment of such benefits in order to receive federal funding under the act.

SECTION 5. Tennessee Code Annotated, Section 50-7-301, is amended by inserting the following language as a new subsection (e):

(1) A claimant eligible for benefits shall be paid for each benefit week an additional sum of fifteen dollars (\$15.00), not to exceed a total of fifty dollars (\$50.00), for each un-emancipated minor child of the claimant who is in fact wholly or mainly supported by the claimant and is:

(A) Less than eighteen (18) years of age and un-married;

(B) Less than eighteen (18) years of age and in the claimant's custody pending the adjudication of a petition filed by the claimant for the adoption of the child in a court of competent jurisdiction; or

(C) Less than eighteen (18) years of age and for whom the claimant, pursuant to a decree or order from a court of competent jurisdiction, is required to contribute to the child's support and for whom no other person is receiving allowances under this subsection if the child is domiciled within the United States or its territories or possessions, the payment to be withheld and paid pursuant to § 50-7-611.

(2) The amount of dependency benefits determined as of the beginning of a claimant's benefit year shall not be reduced for the duration of the benefit year; provided, however, that this provision does not prevent the transfer of dependents' benefits from one (1) spouse to another in accordance with this subsection. If both the husband and wife receive benefits with respect to a week of unemployment, only one (1) of them is entitled to a dependency allowance with respect to a child. Priority for the dependency allowance will be given to the custodial parent in cases where the parents are divorced or separated and to the first to file a claim for benefits in cases where the parents reside together. Dependency benefits shall not be paid unless the claimant submits documentation satisfactory to the division establishing the existence of the claimed

dependent. If the provisions of this subsection are satisfied, an otherwise eligible claimant who has been appointed guardian of a dependent child by a court of competent jurisdiction shall be paid dependency benefits.

(3) No benefits shall be payable pursuant to this subsection (e) until such time as the commissioner shall certify to the department of finance and administration that the mechanism and resources necessary for the prompt and efficient payment of such benefits are in place, except that in no event shall such certification fail to meet the deadline imposed by the American Recovery and Reinvestment Act of 2009 for the payment of such benefits in order to receive federal funding under the act.

SECTION 6. Tennessee Code Annotated, Section 50-7-302(a)(4), is amended by adding the following language as a new subdivision (F):

(F) No claimant, who is otherwise eligible, shall be deemed ineligible for benefits solely for the reason that the claimant seeks, applies for, or accepts only part-time work, instead of full-time work, if the part-time work is for a minimum of twenty (20) hours per week.

SECTION 7. Tennessee Code Annotated, Section 50-7-305(a)(6) is amended by adding the following language as a new subdivision (D):

(D) Notwithstanding the provisions of subdivisions (a)(6)(A-C), for the period beginning January 1, 2009, the state "on" indicator shall be determined as follows:

(1) The rate of insured unemployment under the state law for the period consisting of that week and the immediately preceding twelve (12) weeks:

(i) Equaled or exceeded one hundred twenty percent (120%) of the average of the rates for the corresponding thirteen-week period ending in each of the preceding two (2) calendar years; and

(ii) Equaled or exceeded five percent (5%); or

(2) The rate of insured unemployment pursuant to subdivision (a)(7) for the period consisting of that week and the immediately preceding twelve (12)

weeks equaled or exceeded six percent (6%), regardless of the rate of insured unemployment in the two (2) previous years; or

(3) With respect to benefits for weeks of unemployment beginning after January 1, 2009:

(i) The average rate of total unemployment (seasonally adjusted), as determined by the United States Secretary of Labor, for the period consisting of the most recent three (3) months for which data for all states are published before the close of that week equals or exceeds six and one-half percent (6.5%), and

(ii) The average rate of total unemployment in the state (seasonally adjusted), as determined by the United States Secretary of Labor, for the three (3) month period referred to in subdivision (i), equals or exceeds one hundred ten percent (110%) of such average for either or both of the corresponding three-month periods ending in the two (2) preceding calendar years.

(4) Notwithstanding the provisions of § 50-7-305(f)(1), for extended benefit payments after January 1, 2009, the total extended benefit amount payable to any eligible claimant with respect to such claimant's applicable benefit year shall be eighty percent (80%) of the total amount of regular benefits that were payable to such eligible claimant under this chapter in such eligible claimant's applicable benefit year, provided that the American Recovery and Reinvestment Act of 2009 provides full federal funding of extended unemployment compensation.

(5) No benefits shall be payable hereunder until such time as the commissioner shall certify to the department of finance and administration that the mechanism and resources necessary for the prompt and efficient payment of such benefits are in place, except that in no event shall such certification fail to meet the deadline imposed by the American Recovery

and Reinvestment Act of 2009 for the payment of such benefits in order to receive federal funding under the act.

(6) The provisions of this subdivision (D) shall expire on May 30, 2010, unless reauthorized by the general assembly.

SECTION 8. Tennessee Code Annotated, Section 50-7-403(b)(1)(A), is amended by deleting the language "1, 2, 3, 4, 5, 6a, and 6b" in the last sentence and substituting instead the language "1, 2, 3, 4, 5, or 6."

SECTION 9. Tennessee Code Annotated, Section 50-7-403(b)(1)(B)(i), is amended by deleting the language "1, 2, 3, 4, 5, 6a, and 6b" in the penultimate sentence of the subdivision and substituting instead the language "1, 2, 3, 4, 5, or 6."

SECTION 10. Tennessee Code Annotated, Section 50-7-403(b)(1)(B)(ii), is amended by deleting the language "1, 2, 3, 4, 5, 6a, and 6b" in the second sentence of the first paragraph and substituting instead the language "1, 2, 3, 4, 5, or 6".

SECTION 11. Tennessee Code Annotated, Section 50-7-403(g), is amended by deleting the first paragraph prior to the first table in its entirety and substituting instead the following:

(g) Variations from the standard rate of premiums for employers other than those referred to in § 50-7-207(b)(3)(A) and (B) shall be determined, beginning January 1, 2009, by the reserve ratio of each employer in accordance with premium rate table 1, 2, 3, 4, 5, or 6 as set forth below, depending on the provisions of subsection (j); provided, however, that beginning January 1, 2009, there shall be imposed an additional premium of six-tenths of one percent (0.6%) on all rates in Table 1, until such time the unemployment trust fund balance equals or exceeds six hundred fifty million dollars (\$650,000,000), as determined in accordance with subsection (j), at which time such additional premium shall expire.

SECTION 12. Tennessee Code Annotated, Section 50-7-403(g), is amended by deleting the chart entitled “Premium Rate Chart for Nongovernmental Employers” and substituting instead the following new chart of the same title:

Premium Rate Chart for Nongovernmental Employers

Reserve Ratio Percent	Premium Table 1 Trust Fund under \$450 million	Premium Table 2 Trust Fund \$450 to under \$525 million	Premium Table 3 Trust Fund \$525 to under \$650 million	Premium Table 4 Trust Fund \$650 to under \$750 million	Premium Table 5 Trust Fund \$750 to under \$850 million	Premium Table 6 Trust Fund \$850 million and over
20.0- and over	0.50	0.45	0.40	0.30	0.15	0.01
18.0 and less than 20.0	0.70	0.65	0.55	0.35	0.20	0.05
16.0 and less than 18.0	0.90	0.70	0.65	0.40	0.25	0.10
14.0 and less than 16	1.10	0.75	0.70	0.45	0.32	0.17
12.0 and less than 14	1.30	1.20	1.00	0.50	0.40	0.25
11.0 and less than 12	1.60	1.40	1.20	0.75	0.60	0.30
9.5 and less than 11	2.10	1.80	1.50	1.00	0.80	0.50
8.0 and less than 9.5	2.50	2.10	1.80	1.20	1.00	0.70
7.0 and less than 8	2.90	2.50	2.10	1.50	1.30	1.00
6.0 and less than 7	3.30	2.80	2.40	1.80	1.60	1.30
5.0 and less than 6	3.80	3.20	2.65	2.10	1.90	1.60
2.7 and less than 5	4.10	3.50	3.00	2.40	2.20	1.90
0.0 and less than 2.7	4.50	3.90	3.30	3.00	2.60	2.30
Less than 0.0 and more than -2.0	5.00	5.00	5.00	5.00	5.00	5.00
-2.0 and more than -4.0	5.50	5.50	5.50	5.50	5.50	5.50
-4.0 and more than -6.0	6.00	6.00	6.00	6.00	6.00	6.00
-6.0 and more than -8.0	6.50	6.50	6.50	6.50	6.50	6.50
-8.0 and more	7.00	7.00	7.00	7.00	7.00	7.00

	than -10.0						
-10.0	and more than -12.0	7.50	7.50	7.50	7.50	7.50	7.50
-12.0	and more than -14.0	8.00	8.00	8.00	8.00	8.00	8.00
-14.0	and more than -16.0	8.50	8.50	8.50	8.50	8.50	8.50
-16.0	and more than -18.0	9.00	9.00	9.00	9.00	9.00	9.00
-18.0	and more than -20.0	9.50	9.50	9.50	9.50	9.50	9.50
-20.0	and under	10.00	10.00	10.00	10.00	10.00	10.00

SECTION 13. Tennessee Code Annotated, Section 50-7-451, is amended by deleting subsection (b) in its entirety and renumbering the remainder of the subsection accordingly.

SECTION 14. Tennessee Code Annotated, Section 50-7-451(c)(2)(A), is amended by deleting this subdivision in its entirety and substituting instead the following:

(A) Money transferred into the Tennessee job skills fund from Tennessee job skills fees collected for calendar quarters occurring through December 31, 2001;

SECTION 15. Tennessee Code Annotated, Title 50, Chapter 7, Part 1, is amended by adding the following as a new section:

50-7-108. The commissioner of labor and workforce development shall report to the general assembly concerning the condition of the unemployment trust fund during the first week of January and the first week of July of each year.

SECTION 16. This act shall take effect upon becoming a law, the public welfare requiring it.