

SENATE No. 1216

The Commonwealth of Massachusetts

PRESENTED BY:

Patricia D. Jehlen

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to establish a Commission on Unemployment Trust Fund Solvency.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Patricia D. Jehlen</i>	<i>Second Middlesex</i>
<i>Tram T. Nguyen</i>	<i>18th Essex</i>
<i>Andres X. Vargas</i>	<i>3rd Essex</i>

SENATE No. 1216

By Ms. Jehlen, a petition (accompanied by bill, Senate, No. 1216) of Patricia D. Jehlen, Tram T. Nguyen and Andres X. Vargas for legislation to establish a Commission on Unemployment Trust Fund Solvency. Labor and Workforce Development.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act to establish a Commission on Unemployment Trust Fund Solvency.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to address the growing insolvency of the unemployment trust fund, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. (a) There shall be a special commission on solvency of the unemployment
2 trust fund established in section 14F of chapter 151A. The commission shall include 15 members
3 and shall consist of: the chairs of the joint committee on labor and workforce development, who
4 shall chair the commission; the secretary of the executive office of labor and workforce
5 development; the director of the department of unemployment assistance; 2 members appointed
6 by the Massachusetts State Labor Council, AFL-CIO, 1 member appointed by the Associated
7 Industries of Massachusetts, Inc.; 1 member appointed by the Massachusetts Legal Assistance
8 Corporation representing unemployed workers; 1 member appointed by the Alliance for
9 Business Leadership; 1 member appointed by the Union of Minority Neighborhoods, Inc.; 1
10 member appointed by the Massachusetts Restaurant Association; 1 member appointed by the

11 Black Economic Council of Massachusetts; 1 member appointed by the Massachusetts Building
12 Trades Council; 1 member appointed by the Massachusetts Competitive Partnership; and 1
13 member appointed by the Massachusetts Retailers Association.

14 (b) The commission shall study the long-term solvency of the unemployment trust fund,
15 evaluate whether changes are necessary to the experience rating system that would promote
16 solvency and reduce the tax impact on small businesses, examine increasing or indexing the
17 taxable wage base under section 14 of chapter 151A, examine the industry specific impacts of
18 changes to the unemployment tax rate, review solvency efforts in other state unemployment tax
19 systems, determine what changes are necessary to benefit from federal tax credits and federal
20 interest-free borrowing under the Federal Unemployment Tax Act, 26 U.S.C. § 3301-3305. The
21 executive office of labor and workforce development and the department of unemployment
22 assistance shall furnish any necessary information or documentation to develop
23 recommendations on the areas of study. The executive office and the department shall furnish
24 reasonable staff and other support for the work of the commission.

25 (c) The commission shall hold at least one public hearing and may hold additional
26 hearings as necessary at which members of the public shall have an opportunity to speak.

27 (d) Not later than October 1, 2021, the commission shall file a report on its findings,
28 including legislation to implement said findings, with the clerks of the house and senate, and the
29 house and senate committees on ways and means. The report shall include recommendations for
30 legislation that would ensure long-term solvency of the trust fund and meet solvency criteria
31 required by the United States Department of Labor under the Federal Unemployment Tax Act,

32 26 U.S.C. § 3301-3305, and the Social Security Act, 42 U.S.C. § 1321-1324 and applicable
33 regulations and guidance.