

Increasing Economic Opportunities by Reforming Unemployment Insurance

Mr. Tarr moves to amend the bill (Senate, No. 2001) by striking all after the enacting clause and inserting in place thereof the following text:-

SECTION 1. Section 6A of chapter 151A of the General Laws, as appearing in the 2012 Official Edition, is hereby amended by inserting after subsection (6) the following :-

(7) an election official or election worker if the amount of remuneration received by the individual during the calendar year for services as an election official or election worker is less than \$1000.”

SECTION 2. Section 14 of chapter 151A of the General Laws, as appearing in the 2012 Official Edition, is hereby amended by inserting in the definition of “reserve percentage”, after the word “date” in line 57, the following words:- provided, however, that not less than 6 months before the computation date, the commissioner shall make available on its website and distribute to employers an assessment of the projected unemployment compensation fund reserve percentage for the upcoming calendar year.

SECTION 3. Subsection (h) of Section 14 of chapter 151A of the General Laws, as appearing in the 2012 Official Edition, is hereby amended by adding the following paragraph:-

(4) For the purposes of determining the annual statewide contribution schedule provided for in subsection (i), any determination that the schedule will yield a column resulting in increased employer contributions shall be approved by the general court and communicated to employers not less than 120 days prior to the first contribution under said increased schedule being due.

SECTION 4. Paragraph (l) of subsection (i) of said section 14 of said chapter 151A, as so appearing, is hereby amended by striking out, in line 187 and 188, the date “January 1, 2004” and inserting in place thereof the following date:- January 1, 2015

SECTION 5. Said paragraph (l) of said subsection (i) of said section 14 of said chapter 151A, as so appearing, is hereby further amended by striking out the table and inserting in place thereof the following table:-

Experience Rate Table
Unemployment compensation fund reserve percentage

	A	B	C	D	E	F	G
	1.75% and over	1.6% or more but less than 1.75%	1.4% or more but less than 1.6%	1.1% or more but less than 1.4%	0.8% or more but less than 1.1%	0.5% or more but less than 0.8%	less than 0.5%
Negative Percentage							
23 or more	9.40	10.53	11.79	13.21	14.79	16.57	18.55
21	9.00	10.08	11.29	12.64	14.16	15.86	17.76
19	8.60	9.63	10.79	12.08	13.53	15.16	16.97
17	8.20	9.18	10.29	11.52	12.90	14.45	16.19
15	7.80	8.74	9.78	10.96	12.27	13.75	15.40
13	7.40	8.29	9.28	10.40	11.64	13.04	14.61
11	7.00	7.84	8.78	9.83	11.01	12.34	13.82
9	6.60	7.39	8.28	9.27	10.39	11.63	13.03
7	6.20	6.94	7.78	8.71	9.76	10.93	12.24
5	5.80	6.50	7.28	8.15	9.13	10.22	11.45
3	5.40	6.05	6.77	7.59	8.50	9.52	10.66
1	5.00	5.60	6.27	7.02	7.87	8.81	9.87
0 but < 1	4.60	5.15	5.77	6.46	7.24	8.11	9.08
Positive Percentage							
0 but < 0.5	3.90	4.37	4.89	5.48	6.14	6.87	7.70
0.5	3.80	4.26	4.77	5.34	5.98	6.70	7.50
1	3.70	4.14	4.64	5.20	5.82	6.52	7.30
1.5	3.60	4.03	4.52	5.06	5.66	6.34	7.11
2	3.50	3.92	4.39	4.92	5.51	6.17	6.91
2.5	3.40	3.81	4.26	4.78	5.35	5.99	6.71
3	3.30	3.70	4.14	4.64	5.19	5.82	6.51
3.5	3.20	3.58	4.01	4.50	5.04	5.64	6.32
4	3.10	3.47	3.89	4.36	4.88	5.46	6.12
4.5	3.00	3.36	3.76	4.21	4.72	5.29	5.92
5	2.90	3.25	3.64	4.07	4.56	5.11	5.72
5.5	2.80	3.14	3.51	3.93	4.41	4.93	5.53
6	2.70	3.02	3.39	3.79	4.25	4.76	5.33
6.5	2.60	2.91	3.26	3.65	4.09	4.58	5.13
7	2.50	2.80	3.14	3.51	3.93	4.41	4.93
7.5	2.40	2.69	3.01	3.37	3.78	4.23	4.74
8	2.30	2.58	2.89	3.23	3.62	4.05	4.54
8.5	2.20	2.46	2.76	3.09	3.46	3.88	4.34
9	2.10	2.35	2.63	2.95	3.30	3.70	4.15
9.5	2.00	2.24	2.51	2.81	3.15	3.52	3.95
10	1.90	2.13	2.38	2.67	2.99	3.35	3.75
10.5	1.80	2.02	2.26	2.53	2.83	3.17	3.55
11	1.70	1.90	2.13	2.39	2.67	3.00	3.36
11.5	1.60	1.79	2.01	2.25	2.52	2.82	3.16
12	1.50	1.68	1.88	2.11	2.36	2.64	2.96
12.5	1.40	1.57	1.76	1.97	2.20	2.47	2.76
13	1.30	1.46	1.63	1.83	2.05	2.29	2.57
13.5	1.20	1.34	1.51	1.69	1.89	2.11	2.37
14	1.00	1.12	1.25	1.40	1.57	1.76	1.97
15	0.90	1.01	1.13	1.26	1.42	1.59	1.78
16	0.80	0.90	1.00	1.12	1.26	1.41	1.58
17	0.70	0.78	0.88	0.98	1.10	1.23	1.38
18	0.60	0.67	0.75	0.84	0.94	1.06	1.18
19	0.50	0.56	0.63	0.70	0.79	0.88	0.99
20	0.40	0.45	0.50	0.56	0.63	0.70	0.79
25	0.30	0.34	0.38	0.42	0.47	0.53	0.59
30	0.20	0.22	0.25	0.28	0.31	0.35	0.39
35 or more	0.10	0.11	0.13	0.14	0.16	0.18	0.20

SECTION 6. Section 14F of chapter 151A of the General Laws, as appearing in the 2012 Official Edition, is hereby amended by inserting, in line 29, after the word “effect”, the following words:- ; and provided further, however, that any requirement that employers will have to contribute from a column in the annual statewide contribution schedule that results in increased contributions shall be approved by the general court and communicated to employers not less than 120 days prior to the first contribution under said increased schedule being due.

SECTION 7. Said Section 14F of said chapter 151A of the General Laws, as so appearing, is hereby further amended by adding the following sentence:- All reports required by

this section shall be made prominently available on the website of the department of unemployment assistance.

“SECTION 8. Said chapter 151A of the General Laws, as so appearing, is hereby amended by inserting after section 14P the following section:-

Section 14Q. Treasury Offset Program. The commissioner may enter into an agreement with the Secretary of the Department of Treasury, under the provisions of 26 U.S.C. § 6402 (f) and 31 CFR § 285.8, to transmit valid, unpaid, and overdue unemployment compensation debts to the Financial Management Service, a bureau of the U.S. Department of the Treasury, for collection by offset of Federal tax refund payments through the Treasury Offset Program. If the commissioner chooses to participate in the Treasury Offset Program to recover unemployment compensation debt, the commissioner shall adhere to all rules, policies, and guidance as required by the U.S. Department of the Treasury and the U.S. Department of Labor in implementing and administering the program. The commissioner may promulgate such regulations as needed to implement this section.”

SECTION 9. Section 15 of said chapter 151A of the General Laws, as so appearing, is hereby amended by inserting after subsection (e), the following :-

(f) If an assessment, or any administrative decision upon review thereof has become final and the contributions, payments in lieu of contributions, interest, or penalties thereby assessed remain unpaid, the Director may refer the unpaid and overdue amount to the Secretary of the Department of Treasury for collection under the provisions of 26 U.S.C. § 6402 (f), the Treasury Offset Program, provided that all procedures for notice and opportunity to present evidence as required by 31 CFR § 285.8 have been followed.

“SECTION 10. Paragraph (a) of section 24 of chapter 151A of the General Laws is hereby amended by striking out in its entirety said paragraph and inserting in place thereof a new paragraph:-

(a) Have been paid wages in the base period amounting to at least forty times the weekly benefit rate; provided, however, that for the period beginning on January first, nineteen hundred and ninety-five the individual has been paid wages in at least two quarters of the base period amounting to at least thirty times the weekly benefit rate; provided, further, that said amount shall be increased annually proportionately, rounding to the nearest one hundred dollars, to any increases which have occurred during the prior calendar year in the minimum wage as set forth in section one of chapter one hundred and fifty-one; and, provided further, that any such increase shall be effective beginning on the first Sunday in January.

SECTION 11. Section 28A of said chapter 151A of the General Laws, as so appearing, is hereby amended by inserting after subsection (d) the following:-

(e) with respect to any services described in subsections (a) and (b) that are provided to or on behalf of an education institution, benefits shall not be paid to any individual under the same circumstances as described in subsections (a) through (c).

SECTION 12. Section 30 of said chapter 151A of the General Laws, as so appearing, is hereby amended by striking out subsection (a) in its entirety and inserting in place thereof the following subsection:

(a) Except as provided in subsection (b) and (d), the total benefits which an unemployed individual may receive during his benefit year shall be an amount equal to thirty-six percent of his wages in the base period, or an amount equal to thirty times his benefit rate, whichever is less, plus dependency benefits payable under section 29; provided, that if in any month the average state-wide unemployment rate for the prior 6 months, as determined by the United States Department of Labor, is equal to or below 5.1 percent, the total benefits which an unemployed individual who then files a claim may receive during his benefit year shall be an amount equal to 36 per cent of his wages in the base period or an amount equal to 26 times his benefit rate, whichever is less, plus dependency benefits payable under said section 29. If such amount includes a fractional part of a dollar, it shall be rounded to the next lower full dollar amount

SECTION 13. Said section 30 of said chapter 151A of the General Laws, as so appearing, is hereby amended by adding the following subsection:-

(d) Notwithstanding the provisions of subsection (a), in any period that the average state-wide unemployment rate exceeds 5.1 percent and is below 7.0 percent, an individual's rights to receive regular benefits under this chapter for any week in excess of 26 times the individual's weekly benefit amount, plus dependency benefits payable under section 29, shall be dependent on the individual's participation in an unpaid internship program approved by the commissioner. An individual may participate and receive a weekly benefit amount in an approved unpaid internship program for 4 weeks in excess of the 26 week benefit period. For each week in excess of said 26 weeks, in order to receive the corresponding benefits for that week, the individual shall complete a week in such approved internship program. Approved participation in such program shall not result in a decrease in an individual's regular benefits. Benefits under this chapter in excess of 26 weeks shall not be conditional upon participation in an unpaid internship if the average state-wide unemployment rate for the prior 6 months is equal to or above 7.1 percent, provided that in no case shall regular benefits be distributed in excess of 30 weeks.

SECTION 14. Subsection (a) of section 62A of chapter 151A of the General Laws, as appearing in the 2012 Official Edition, is hereby amended by adding the following paragraph:-
The department shall yearly conduct not less than 1 public hearing to seek the input of Massachusetts employers. Said hearing shall be held at a time and location designated to maximize employer participation. Not less than 20 days prior to a public hearing the commissioner shall conspicuously post notice of the time and location of the hearing on its website and send notice, electronically or otherwise, to members of the general court; every employer with an account with the department; the Massachusetts and Greater Boston Chambers of Commerce; the Massachusetts Taxpayers Association, Associated Industries of Massachusetts, and the National Federation of Independent Businesses.”

SECTION 15. Section 69B of said chapter 151A of the General Laws, as so appearing, is hereby amended by inserting, at the end thereof, the following :-

(b) In addition to any other remedy provided by this chapter, the commissioner may request that the amount payable to the department by an individual resulting from an overpayment of unemployment benefits which has become final as specified in 430 CMR 6.12 be set off against any Federal tax refund payment owed such individual by the U.S. Department of Treasury, in accordance with the requirements of the Treasury Offset Program described in section 14Q of this chapter.

SECTION 16. There shall be a special commission to conduct an investigation and study of the activities and efficacy of the adjudication of unemployment insurance claims by the department of unemployment assistance under the executive office of labor and workforce development. The commission shall consist of 11 members: 2 members who shall be appointed by the state auditor, both of whom shall have experience with the adjudication of unemployment disputes, and 1 of whom shall serve as chair; 2 members of the senate, 1 of whom shall be appointed by the senate president and 1 of whom shall be appointed by the minority leader of the senate; 2 members of the house of representatives, 1 of whom shall be appointed by the speaker of the house and 1 of whom shall be appointed by the minority leader of the house; the director of the department of unemployment assistance, or a designee; the president of the Massachusetts taxpayer's foundation, or a designee; the executive vice-president of the AFL-CIO, or a designee; the executive vice-president of associated industries of Massachusetts, or a designee; and the executive director of the Massachusetts municipal association, or a designee.

The study shall include, but not be limited to, an analysis of: (1) the number of claims received by the department quarterly since January 1, 2010 and the resulting status of all claims, including any information pertinent to the description of the status of said claims, including, but not limited to (i) the results of all initial determinations of claims, (ii) the results of any appeals resulting from said initial determination, (iii) the number of rulings reversed through the appeals and review process, (iv) the number of claims arising from the provisions of subdivisions (1) and (2) of subsection (e) of section 25 of chapter 151A, and (v) the number of claims settled in favor of the claimant and in favor of the employer; (2) the average length of time of the appeals and review process of a claim from initial determination to final disposition; (3) the procedures through which the department hires and trains new employees to implement the provisions of sections 39 through 41, inclusive, of chapter 151A, including a determination as to whether or not employment procedures have been followed pursuant to section 9K of chapter 23.

The study shall also include the recommendations of the commission relative to: (1) procedures through which the department may produce a quarterly report, to be posted on the department's website, of the number of active claims and the status of said claims; (2) procedures through which any current backlog of cases may be fairly and efficiently resolved and avoided in future department proceedings; (3) procedures through which oversight and quality control principles may be implemented to ensure the continuing prompt, equitable, and transparent application of current law by the commissioner and the board of review; (4) a complete review of current statute and regulations relative to the implementation of chapter 151A and any recommendations as to possible legislative reform and streamlined procedures,

including, but not limited to, recommendations and procedures for the uniform and effective implementation of section 25 of chapter 151A.

The commission may request from all state agencies such information and assistance as the commission may require. The commission shall report the results of its investigation and study, together with drafts of legislation, if any, necessary to carry its recommendations into effect, by filing the same with the clerks of the senate and house of representatives, who shall forward the same to the joint committee on public health and the house and senate committees on ways and means on or before December 31, 2014.

SECTION 17. The department of unemployment assistance shall, beginning on December 31, 2014 and continuing annually through December 31, 2016, prepare a report on the number of unemployment claimants who are over the age of 50 and those recipients experiencing long-term unemployment. For the purposes of this section, the term "long-term unemployment" shall apply to those workers who have been unemployed for more than 27 weeks. Said report shall be made available on the department's website and submitted to the clerk of the house, the clerk of the senate, and the house and senate chairs of the joint committee on labor and workforce development.

In conjunction with said report, the department shall also develop specialized training programs and strategies for addressing the unique needs of older workers and the long-term unemployed. The focus of these programs shall include, but not be limited to, retraining, the development of marketing skills, job search training, resume assistance and job placement. The department's annual report to the legislature shall include details on the success of said programs in assisting older workers and the long-term unemployed with securing employment.

SECTION 18. Notwithstanding any general or special law to the contrary, the commissioner or director of the department of unemployment assistance shall issue a report on the unemployment trust fund. Said report shall include, but not be limited to, the balance in the fund in each of the past 12 months and a projection of both the future balances in the fund for each of the next 12 months after the enactment of this legislation and the future balance projections without the enactment of this legislation, and the assumptions used to generate said projections. Said report shall be made available on the website of the department and submitted to the clerks of the house of representatives and the senate and to the joint committee on labor and workforce development not later than April 15, 2014.