

**APPRENTICESHIP UNEMPLOYMENT
INSURANCE AMENDMENTS**

1999 GENERAL SESSION

STATE OF UTAH

Sponsor: Ed P. Mayne

AN ACT RELATING TO EMPLOYMENT SECURITY; EXEMPTING EMPLOYERS FROM PAYING UNEMPLOYMENT INSURANCE WHILE AN EMPLOYEE ATTENDS THE FIRST WEEK OF MANDATORY APPRENTICESHIP TRAINING; AND EXEMPTING APPRENTICES FROM THE ONE-WEEK WAITING REQUIREMENT FOR UNEMPLOYMENT BENEFITS.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

35A-4-307, as renumbered and amended by Chapter 240, Laws of Utah 1996

35A-4-403, as last amended by Chapter 375, Laws of Utah 1997

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **35A-4-307** is amended to read:

35A-4-307. Social costs -- Relief of charges.

(1) Social costs shall consist of those benefit costs defined as follows:

(a) Benefit costs of an individual will not be charged to a base-period employer, but will be considered social costs if the individual's separation from that employer occurred under any of the following circumstances:

(i) the individual was discharged by the employer or voluntarily quit employment with the employer for disqualifying reasons, but subsequently requalified for benefits and actually received benefits;

(ii) the individual received benefits following a quit which was not attributable to the employer; [or]

(iii) the individual received benefits following a discharge for nonperformance due to medical reasons[-]; or

(iv) the individual received benefits while attending the first week of mandatory

apprenticeship training.

(b) Social costs are benefit costs which are or have been charged to employers who have terminated coverage and are no longer liable for contributions, less the amount of contributions paid by such employers during the same time period.

(c) The difference between the benefit charges of all employers whose benefit ratio exceeds the maximum overall contribution rate and the amount determined by multiplying the taxable payroll of the same employers by the maximum overall contribution rate is a social cost.

(d) Benefit costs attributable to a concurrent base-period employer will not be charged to that employer if the individual's customary hours of work for that employer have not been reduced.

(e) Benefit costs incurred during the course of division-approved training which occurs after December 31, 1985, will not be charged to base-period employers.

(f) Benefit costs will not be charged to employers if such costs are attributable to:

(i) the state's share of extended benefits;

(ii) uncollectible benefit overpayments;

(iii) the proportion of benefit costs of combined wage claims that are chargeable to Utah employers and are insufficient when separately considered for a monetary eligible claim under Utah law and which have been transferred to a paying state; and

(iv) benefit costs attributable to wages used in a previous benefit year that are available for a second benefit year under Subsection 35A-4-401(2) because of a change in method of computing base-periods, overlapping base-periods, or for other reasons required by law.

(g) Any benefit costs that are not charged to an employer and not defined in this subsection are also social costs.

(2) Subsection (1) applies only to contributing employers and not to employers that have elected to finance the payment of benefits in accordance with Section 35A-4-309 or 35A-4-311.

Section 2. Section **35A-4-403** is amended to read:

35A-4-403. Eligibility of individual -- Conditions -- Furnishing reports -- Weeks of employment -- Successive benefit years.

(1) ~~[An]~~ Except as provided in Section (2), an unemployed individual is eligible to receive

benefits with respect to any week only if the division finds:

(a) The individual has made a claim for benefits with respect to that week in accordance with any rules the department may prescribe.

(b) The individual has registered for work at, and thereafter continued to report at, an employment office, in accordance with any rules the department may prescribe.

(c) The individual is able to work and is available for work during each and every week with respect to which the individual made a claim for benefits under this chapter, and acted in good faith in an active effort to secure employment, except as provided in Subsection (3).

(d) The individual has been unemployed for a waiting period of one week with respect to each benefit year. A week may not be counted as a week of unemployment for the purpose of this subsection:

(i) unless it occurs within the benefit year that includes the week with respect to which the individual's claims benefits;

(ii) if benefits have been paid with respect to the claim; or

(iii) unless the individual was eligible for benefits with respect thereto as provided in this section and Sections 35A-4-401 and 35A-4-405, except for the requirement of Subsection (1)(d).

(e) (i) The individual has furnished the division separation and other information the department may by rule prescribe.

(ii) Subsection (1)(e) does not apply if the individual proves to the satisfaction of the division that the individual had good cause for failing to furnish the information.

(iii) If any employer fails to furnish reports concerning separation and employment as required by this chapter and rules adopted under the chapter, the division shall on the basis of such information as it may obtain, determine the eligibility and insured status of any individual affected by that failure and the employer is not considered to be an interested party to any such determination.

(f) The individual's base period wages were at least 1-1/2 times the individual's wages for insured work paid during that quarter of the individual's base period in which the individual's wages were highest or the individual shows to the satisfaction of the division that the individual worked at least 20 weeks in insured work during the individual's base period and earned wages of at least

5% of the monetary base period wage requirement each week, rounded to the nearest whole dollar, provided that the individual's total base-period wages were not less than the monetary base period wage requirement. The monetary base period wage requirement is defined in Section 35A-4-201.

(g) The individual applying for benefits in a successive benefit year has had subsequent employment since the effective date of the preceding benefit year equal to at least six times the individual's weekly benefit amount, in insured work, and the individual's total wages and employment experience in the individual's base period meet the requirements specified in Subsection (1)(f).

(2) (a) An individual in training with the approval of the division is not ineligible to receive benefits by reason of nonavailability for work, failure to search for work, refusal of suitable work, [or] failure to apply for or to accept suitable work, or not having been unemployed for a waiting period of one week with respect to any week the individual is in the approved training. For purposes of this Subsection (2)(a), the division shall approve any mandatory apprenticeship-related training.

(b) Notwithstanding any other provision of this chapter, no otherwise eligible individual shall be denied benefits for any week:

(i) because the individual is in training approved under Section 236 (a)(1) of the Trade Act of 1974, 19 U.S.C. 2296(a);

(ii) for leaving work to enter training described in Subsection (2)(b)(i) if the work left is not suitable employment; or

(iii) because of the application to any such week in training of provisions in this law or any applicable federal unemployment compensation law relating to availability for work, active search for work, or refusal to accept work.

(c) For purposes of this Subsection (2), "suitable employment" means work of a substantially equal or higher skill level than the individual's past adversely affected employment, as defined for purposes of the Trade Act of 1974, and wages for that work at not less than 80% of the individual's average weekly wage as determined for the purposes of the Trade Act of 1974.

(3) The department may, by rule, waive or alter either or both of the requirements of Subsections (1)(a) and (b) as to individuals attached to regular jobs and as to other types of cases or

situations with respect to which it finds that compliance with the requirements would be oppressive, or would be inconsistent with the purposes of this chapter as long as the rules do not conflict with Subsection 35A-4-401(1).