

1 **EMPLOYMENT SECURITY ACT**
2 **MODIFICATIONS**

3 2003 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Merlynn T. Newbold**

6 **This act amends the definition section of the Employment Security Act. It provides for**
7 **an alternate base period through June 30, 2006.**

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

9 AMENDS:

10 **35A-4-201**, as last amended by Chapter 265, Laws of Utah 2001

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

12 Section 1. Section **35A-4-201** is amended to read:

13 **35A-4-201. General definitions.**

14 As used in this chapter:

15 (1) "Base-period" means the first four of the last five completed calendar quarters next
16 preceding the first day of the individual's benefit year with respect to any individual whose
17 benefit year commences on or after January 5, 1986. For benefit years on or after July 1, 2003,
18 an individual who does not have sufficient qualifying weeks and wages in the base period to
19 qualify for benefit rights shall have an "alternate base period" substituted for the current base
20 period. The alternate base period consists of the last four completed calendar quarters
21 immediately preceding the first day of the individual's benefit year. The alternate base period is
22 effective until June 30, 2006.

23 (2) "Benefit year" means the 52 consecutive week period beginning with the first week
24 with respect to which an individual files for benefits and is found to have an insured status.

25 (3) "Benefits" means the money payments payable to an individual as provided in this
26 chapter with respect to the individual's unemployment.

27 (4) "Calendar quarter" means the period of three consecutive months ending on March



28 31, June 30, September 30, or December 31, or the equivalent, as the department may by rule
29 prescribe.

30 (5) "Contribution" means the money payments required by this chapter to be made into
31 the Unemployment Compensation Fund by any employing unit on account of having
32 individuals in its employ.

33 (6) "Division" means the Division of Workforce Information and Payment Services.

34 (7) "Employment office" means a free public employment office or branch operated by
35 this or any other state as a part of a state-controlled system of public employment offices or by
36 a federal agency charged with the administration of an unemployment compensation program
37 or free public employment offices.

38 (8) "Employment Security Administration Fund" means the fund established by
39 Section 35A-4-505, and from which administrative expenses under this chapter shall be paid.

40 (9) "Extended benefits" has the meaning specified in Subsection 35A-4-402(7)(f).

41 (10) "Fund" means the Unemployment Compensation Fund established by this chapter.

42 (11) "Insured average annual wage" means on or before the 15th day of May of each
43 year, the total wages of insured workers for the preceding calendar year, divided by the average
44 monthly number of insured workers, determined by dividing by 12 the total insured workers for
45 the preceding calendar year as determined under the rules of the department calculated to two
46 decimal places, disregarding any fraction of one cent.

47 (12) "Insured average fiscal year wage" means on or before the 15th day of November
48 of each year, the total wages of insured workers for the preceding fiscal year, divided by the
49 average monthly number of insured workers, determined by dividing by 12 the total insured
50 workers for the preceding fiscal year as determined under the rules of the department calculated
51 to two decimal places, disregarding any fraction of one cent.

52 (13) "Insured average fiscal year weekly wage" means the insured average fiscal year
53 wage determined in Subsection (12), divided by 52, calculated to two decimal places,
54 disregarding any fraction of one cent.

55 (14) "Insured average weekly wage" means the insured average annual wage
56 determined in Subsection (11), divided by 52, calculated to two decimal places, disregarding
57 any fraction of one cent.

58 (15) "Insured status" means that an individual has, during the individual's base-period,

59 performed services and earned wages in employment sufficient to qualify for benefits under
60 Section 35A-4-403.

61 (16) "Insured work" means employment for an employer, as defined in Section
62 35A-4-203.

63 (17) "Monetary base period wage requirement" means 8% of the insured average fiscal
64 year wage for the preceding fiscal year, for example, fiscal year 1990 for individuals
65 establishing benefit years in 1991, rounded up to the next higher multiple of \$100.

66 (18) "State" includes the Commonwealth of Puerto Rico, the Virgin Islands, and the
67 District of Columbia.

68 (19) "Tribal unit" means a subdivision, subsidiary, or business enterprise wholly owned
69 by an American Indian tribe.

70 (20) "Week" means the period or periods of seven consecutive calendar days as the
71 department may prescribe by rule.

Legislative Review Note
as of 11-20-02 4:19 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

Interim Committee Note
as of 12-12-02 3:37 PM

The Workforce Services and Community and Economic Development Interim Committee recommended this bill.