

HOUSE RESEARCH

Bill Summary

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Authors: Garofalo

Subject: Iron Range Unemployment Benefits Extension

Analyst: Ben Weeks, (651) 296-5808

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Section

Article 1: Iron Mining

1 Iron ore mining industry extended unemployment benefits program.

Subd. 1. Availability of extended benefits. Authorizes extended unemployment insurance benefits for applicants laid off after March 15, 2015, from employers in the iron ore mining industry or employers supplying goods or services to iron mining industry employers.

Subd. 2. Eligibility requirements. Provides extended benefits to an applicant who has exhausted regular benefits. Extended benefits are available through the week ending June 25, 2017.

Subd. 3. Weekly and maximum amount of extended unemployment benefits. Allows a maximum of 26 weeks of extended benefits at the same amount per week as regular benefits.

Subd. 4. Qualifying for a new regular benefit account. Provides that an applicant who meets the definition under subdivision 1 who exhausts regular benefits again becomes eligible to establish a new regular benefit account, the applicant must establish that account. The applicant may take the greater of the new benefits or the extended benefits.

Subd. 5. Effect on employer. Provides that benefits paid under this bill will not affect an employer's experience rating for UI tax purposes.

Section

Subd. 6. Eligibility for Trade Adjustment Assistance Program benefits. Provides that applicants who have applied and been determined eligible for federal TRA benefits are not eligible for extended UI benefits.

Subd. 7. Legislative findings. Sets forth legislative findings.

Article 2: Unemployment Insurance

1 Unemployment insurance tax limits. Provides an ongoing UI tax reduction to employers if the balance in the UI trust fund is in excess of a specified solvency level on December 31 of the previous year. Employers with the maximum experience rating and new employers in high experience rating industries are not eligible for the reduction. The reduction takes the form of credits against future UI taxes owed.

For the current UI tax year, bases the tax reduction on the solvency level of the trust fund on December, 31, 2012, resulting in a total tax reduction of approximately \$258 million.