

# GEORGIA DEPARTMENT OF LABOR

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DATE: May 15, 2009

MICHAEL L. THURMOND

COMMISSIONER

TO: Cheryl Atkinson

Administrator

Office of Workforce Security 200 Constitution Avenue NW

Room S-4231

Washington, DC 20210

Via Email to Atkinson.Cheryl@dol.gov

cc: Hildebrand, Gerard@dol.gov.

Regional Office

RE: STATE OF GEORGIA AMENDED APPLICATION FOR 2009

**UI MODERNIZATION INCENTIVE FUNDS** 

Please consider and approve the following Amended Application and request from the State of Georgia for UI Modernization Incentive Payments under Section 2003 of the American Recovery and Reinvestment Act of 2009 (the Act):

## I. Alternative Base Period Incentive Payment; 42 USC 1103(f)(1)(C)(i)

The State of Georgia hereby makes application for the State's share (\$73.4 million) in modernization incentive payments for enactment and amendment of its Alternative Base Period (ABP) provision under Section 2003 of the Act, amending 42 U.S.C. 1103 at subsection (f) and providing for payment conditions at 1103(f)(1)(C)(i). Georgia enacted an ABP provision effective January 1, 2003 at O.C.G.A. 34-8-21(b). In 2009 House Bill 581, Georgia amended that provision to delete language in Georgia's ABP provision that limited payment for ABP claims to 2002 Reed Act funds only. See SECTION 8 of House Bill 581 attached. A separate copy of the amended provisions also attached. Governor Sonny Purdue signed HB 581 on April 21, 2009, at which time it became effective.

#### II. Remainder Incentive Payments; 42 USC 1103(f)(1(C)(ii)

The State of Georgia also makes application for the remainder of this State's share (\$146.7 million) in modernization incentive payments for amending its state laws, as follows:

- 1. Eliminating disqualification from benefits of part-time workers who limit their work search to part-time employment only, in accordance with limitations and conditions imposed by UIPL 14-09 and applicable provisions of Section 2003 of the Act. The subject amendment regarding the work search and availability requirements in Georgia law appears at O.C.G.A. 34-8-24 (definition of "bona fide in the labor market"), as amended. See SECTION 5 of 2009 House Bill 581 attached. A separate copy of the amended provision is also attached. The amendment became effective with the signing of the HB 581 by Georgia's Governor on April 21, 2009; and
- 2. Adding a new training benefit, under specified conditions, for persons who lose their jobs in a reduction in force or from a declining occupation and enroll in certain categories of training for high demand occupations. The bill was modeled on instructions regarding such legislation found in UIPL 14-09 and applicable language in Section 2003 of the Act. The new training benefit law will be codified as an amendment to O.C.G.A. 34-8-193(d). See SECTION 6 of HB581 attached. A separate copy of the amended provision is also attached. The new extended benefit training will become effective on January 1, 2010.

Status of Georgia Law Amendments:

Each of the three Georgia law provisions, as amended, O.C.G.A. 34-8-21, 34-8-24, and 34-8-193, with the exception of the new extended training benefit provision in O.C.G.A. 34-8-193, is currently in effect as permanent law and not subject to discontinuation under any circumstances other than repeal by the Georgia legislature. The new extended training benefit will be in effect as permanent law on January 1, 2010, and is not subject to discontinuation under any circumstances other than repeal by the Georgia legislature. This should satisfy the U.S. Department of Labor's requirements regarding post-certification effective dates, as indicated in UIPL 14-09.

Proposed Use of All Incentive Payments:

The State of Georgia will use the incentive payments to pay unemployment insurance benefits. In 2009, unemployment claim costs in Georgia are at record levels, which is reducing Georgia's Unemployment Trust Fund balance at a rapid pace. The incentive payments are needed for benefit funding.

Total Incentive Payment Requested:

Total requested - \$220.3 Million, as outlined in UIPL 14-09.

#### CERTIFICATION:

I hereby certify that this Amended Application for 2009 UI Modernization Incentive Funds, as authorized in Section 2003 of the American Recovery and Reinvestment Act of 2009, is made in good faith, all qualifying legislation having been enacted and/or amended with the intention of providing benefits to unemployed workers who meet the eligibility requirements on which the Application is based.

Georgia Department of Labor

Judy Bryson Deputy Commissioner May 18, 2009 Page 3

# ATTACHMENTS:

2009 House Bill 581, as Passed House and Senate, Georgia Legislature O.C.G.A. 34-8-21, as amended in SECTION 8, HB 581 O.C.G.A. 34-8-24, as amended in SECTION 5, HB 581 O.C.G.A. 34-8-193(d), as amended in SECTION 6, HB 581

09 HB581/AP

House Bill 581 (AS PASSED HOUSE AND SENATE)

By: Representatives Coan of the 101<sup>st</sup>, May of the 111<sup>th</sup>, Horne of the 71<sup>st</sup>, Marin of the 96<sup>th</sup>, Reese of the 98<sup>th</sup>, and others

# A BILL TO BE ENTITLED AN ACT

1	To amend Titles 34 and 50 of the Official Code of Georgia Annotated, relating to labor and
2	industrial relations and state government, respectively, so as to provide for implementation
3	of provisions allowing for stimulation of the economy and labor market within the state; to
4	protect the solvency of the Georgia Unemployment Trust Fund by providing incentives to
5	employers to comply with the Employment Security Law; to protect existing jobs and to
6	stimulate job creation; to reduce employer payment requirements for de minimis tax
7	amounts; to extend suspension of adjustments based upon the State-wide Reserve Ratio; to
8	provide for a reduced adjustment in contribution rates through a certain time period; to
9	reauthorize certain federal moneys for the administration of Chapter 8 of Title 34; to change
0 ا	a definition; to provide for additional weeks of benefits for persons in certain types of job
11	training for high-demand occupations; to provide for restrictions on disclosure of confidential
12	information; to change certain provisions relating to the base period; to change certain
13	provisions relating to eligibility requirements for extended benefits; to change certain
14	provisions relating to withdrawals from the Unemployment Trust Fund; to provide for
15	applicability; to change certain provisions regarding powers of the Georgia State Financing
16	and Investment Commission; to provide for related matters; to provide for an effective date;
17	to repeal conflicting laws; and for other purposes.

#### BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

19 SECTION 1.

- 20 This Act shall be known and may be cited as the "Georgia Works Job Creation and
- 21 Protection Act of 2009."

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- 22 SECTION 2.
- 23 Title 34 of the Official Code of Georgia Annotated, relating to labor and industrial relations,
- 24 is amended by revising Code Section 34-8-150, relating to payment of contributions by
- 25 employers, to read as follows:

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26 "34-8-150. 27 (a) Contributions shall accrue from each employer for each calendar year in which the 28 employer is subject to this chapter with respect to wages payable for employment, except 29 as provided in Code Sections 34-8-158 through 34-8-162. Except as otherwise provided in this Code section, such Such contributions shall become due and be paid before the last 30 day of the month next following the end of the calendar quarter to which they apply, in 31 32 accordance with such regulations as the Commissioner may prescribe; provided, however, 33 that with respect to employers as defined in paragraph (2) of subsection (a) of Code Section 34 34-8-33, the Commissioner shall provide by regulation that such contributions shall 35 become due and be paid on an annual basis not later than such date as shall be prescribed by resolution of the Commissioner. Such contributions shall become delinquent if not paid 36 when due and shall not be deducted, in whole or in part, from the wages of individuals in 37 38 such employer's employ. 39 (b)(1) For calendar quarters beginning on or after July 1, 2009, when the combined 40 amount of contributions under this Code section and assessments under Code Section 34-8-180 or 34-8-181 due from an employer for any calendar quarter does not exceed 41 \$5.00, such amount may be regarded as a de minimis amount with respect to that calendar 42 43 quarter. 44 (2) Payment of such de minimis amount for such calendar quarter, otherwise due before the last day of the month next following the end of the calendar quarter, may be deferred, 45 46 at the option of the employer, until the January 31 reporting date next following, if the 47 employer: 48 (A) Files all quarterly wage and tax reports, including a report of such de minimis 49 amount due; 50 (B) Timely pays all other amounts due; and 51 (C) Makes full payment of any deferred de minimis amount by the January 31 report 52 date next following. 53 (3) In the event that an employer fails to comply with paragraph (2) of this subsection, 54 any such deferred de minimis amount shall become delinquent as of the date originally

H. B. 581

due under this Code section and Code Section 34-8-165, 34-8-180, or 34-8-181, as

(b)(c) In the payment of any contributions, a fractional part of a cent shall be disregarded

unless it amounts to one-half cent or more, in which case it shall be increased to one cent."

applicable, and the employer shall be subject to all the provisions thereof.

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SECTION 3.

Said title is further amended by revising subparagraph (d)(4)(B) of Code Section 34-8-156, relating to the State-wide Reserve Ratio for unemployment compensation, to read as follows:

"(B) Except for any year or portion of a year during which the provisions of paragraph (1) of subsection (f) of Code Section 34-8-155 apply, when the State-wide Reserve Ratio, as calculated above, is less than 1.7 percent, there shall be an overall increase in the rate, as of the computation date, for each employer whose rate is computed under a rate table in Code Section 34-8-155 in accordance with the following table:

#### If the State-wide Reserve Ratio:

Equals or	But Is	Overall
Exceeds	Less Than	Increase
1.5 percent	1.7 percent	25 percent
1.25 percent	1.5 percent	50 percent
0.75 percent	1.25 percent	75 percent
Under 0.75 percent		100 percent

provided, however, that for the periods of January 1 through December 31, 2004; January 1 through December 31, 2005; and January 1 through December 31, 2006, the overall increase in the rate required under this subparagraph shall be suspended and the provisions of this subparagraph shall be null and void, except in the event the State-wide Reserve Ratio, as calculated above, is less than 1.00 percent on the computation date with respect to rates applicable to calendar year 2004, 2005, or 2006, then for each such year the Commissioner of Labor shall have the option of imposing an increase in the overall rate of up to 35 percent, as of the computation date, for each employer whose rate is computed under a rate table in Code Section 34-8-155; and provided, further, that for the periods of January 1 through December 31, 2007, January 1 through December 31, 2008, and January 1 through December 31, 2009, January 1 through December 31, 2010, and January 1 through December 31, 2011, the overall increase in the rate required under this subparagraph shall be suspended and the provisions of this subparagraph shall be null and void, except in the event the State-wide Reserve Ratio, as calculated above, is less than 1.25 percent on the computation date with respect to rates applicable to calendar year 2007, 2008, or 2009, 2010, or 2011, then for each such year the Commissioner of Labor shall have the option of imposing an increase in the overall rate of up to 35 percent, as of the computation date, for each employer whose rate is computed under a rate table in Code Section 34-8-155."

95 SECTION 4.

There is appropriated to the Department of Labor out of funds credited to and held in this 96 state's account in the Unemployment Trust Fund by the Secretary of the Treasury of the 97 United States pursuant to and in accordance with Section 903 of the Social Security Act, as 98 99 amended, an additional amount of \$1,885,551.11. Of said additional amount, the sum of \$1,885,551.11 is authorized to be allocated for expenses incurred in the administration of 100 Chapter 8 of Title 34 of the Official Code of Georgia Annotated, the "Employment Security 101 102 Law" as amended, including personal services and operating and other expenses incurred in 103 the administration of said law, as well as for the purchase or rental, either or both, of 104 improvements, repairs, or alterations to and of offices, lands, buildings or parts of buildings, fixtures, furnishings, equipment, technology, data, reports and studies, supplies, and the 105 construction of buildings or parts of buildings suitable for use in this state by the Department 106 107 of Labor, and for the payment of expenses incurred for the acquisition, purchase, rental, 108 construction, maintenance, improvements, repairs, or alterations of and to such real or personal property. Notwithstanding any other provision of this section, the amount 109 appropriated in this section shall not exceed the amount in the Unemployment Trust Fund, 110 111 which may be obligated for expenditure for such purposes as provided in Code Section 112 34-8-85 of the Official Code of Georgia Annotated, relating to certain withdrawals from the Unemployment Trust Fund, and the amount which may be obligated shall not exceed the 113 limitations provided in Code Section 34-8-85 of the Official Code of Georgia Annotated, 114 relating to certain withdrawals from the Unemployment Trust Fund; provided, however, that 115 said additional funds shall not be obligated for expenditure, as provided in this section, after 116 the close of the two-year period which begins on the date of enactment of this section. 117

118 SECTION 5.

Said title is further amended by revising Code Section 34-8-24, relating to an individual's status as bona fide in the labor market, which revision is intended to satisfy the requirements and conditions to qualify for incentive payments provided for as Special Transfers for Unemployment Compensation Modernization in Section 2003 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, to read as follows:

124 "34-8-24.

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128 129 claiming benefits under this chapter must be available for full-time employment, as that term is generally understood in the trade or work classification involved, without regard to prior work restrictions, provided that no individual who is otherwise eligible shall be deemed ineligible for benefits solely because the individual seeks, applies for, or accepts

As used in this chapter, the term 'bona fide in the labor market' means that any person

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only part-time work, instead of full-time work, provided the individual claiming benefits
worked part-time during a majority of the weeks of work in the base period and the
individual is available for part-time work for at least 20 hours per week."

133 SECTION 6.

Said title is further amended by revising subsection (d) of Code Section 34-8-193, relating to determination of weekly benefit amount, which revision is intended to satisfy the requirements and conditions to qualify for incentive payments provided for as Special Transfers for Unemployment Compensation Modernization in Section 2003 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, to read as follows:

"(d)(1) Except as otherwise provided in this subsection, the The maximum benefits payable to an individual in a benefit year shall be the lesser of 26 times the weekly benefit amount or one-fourth of the base period wages. If the amount computed is not a multiple of the weekly benefit amount, the total will be adjusted to the nearest multiple of the weekly benefit amount. The duration of benefits shall be extended in accordance with Code Section 34-8-197.

(2) In addition to and subsequent to payment of all benefits otherwise allowed under paragraph (1) of this subsection and without restriction with respect to an individual's benefit year, for claims filed on or after January 1, 2010, weekly unemployment compensation shall be payable under this subsection to any individual who is unemployed, has exhausted all rights to regular unemployment compensation under the provisions of Article 7 of this chapter, and is enrolled and making satisfactory progress, as determined by the Commissioner, in a training program approved by the department, or in a job training program authorized under the Workforce Investment Act of 1998, Public Law 105-220, and not receiving similar stipends or other training allowances for nontraining costs. Each such training program approved by the department or job training program authorized under the Workforce Investment Act of 1998 shall prepare individuals who have been separated from a declining occupation, as designated by the department from time to time, or who have been involuntarily and indefinitely separated from employment as a result of a permanent reduction of operations at the individual's place of employment, for entry into a high-demand occupation, as designated by the department from time to time. The amount of unemployment compensation payable under this subsection to an individual for a week of unemployment shall be equal to the individual's weekly benefit amount for the individual's most recent benefit year less deductible earnings, if any. The total amount of unemployment compensation payable under this subsection to any individual shall be equal to at least 26 times the individual's weekly benefit amount for the individual's most recent benefit year. The provisions of subsection (d) of Code Section 34-8-195 shall apply to eligibility for benefits under this subsection. Except when the result would be inconsistent with other provisions of this subsection, all other provisions of Article 7 of this chapter shall apply to the administration

of the provisions of this subsection."

170 SECTION 7.

- Said title is further amended by revising Code Section 34-8-121, relating to information or records to be kept private and confidential, release of authorized maintenance of records, and
- 173 destruction of outdated records, to read as follows:
- 174 "34-8-121.

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- 175 (a) Any information or records concerning an individual or employing unit obtained by the 176 department pursuant to the administration of this chapter or other federally funded 177 programs for which the department has responsibility shall be private and confidential, 178 except as otherwise provided in this article or by regulation. This article does not create a 179 rule of evidence. Information or records may be released by the department when the 180 release is required by the federal government in connection with, or as a condition of 181 funding for, a program being administered by the department. The provisions of 182 paragraphs (1) through (3) of subsection (a) of Code Section 34-8-125 shall not apply to 183 such release.
  - (b)(1) Each employing unit shall keep true and accurate records containing such information as the Commissioner may prescribe. Such records shall be open to inspection and be subject to being copied by the Commissioner or an authorized representative of the Commissioner at any time and as often as may be necessary. In addition to information prescribed by the Commissioner, each employer shall keep records of and report to the Commissioner quarterly the street address of each establishment, branch, outlet, or office of such employer, the nature of the operation, the number of persons employed, and the wages paid at each establishment, branch, outlet, or office.
  - (2) The Commissioner or an authorized representative of the Commissioner may require from any employing unit any sworn or unsworn reports deemed necessary for the effective administration of this chapter. Any member of the board of review, any administrative hearing officer, or any field representative may require from any employing unit any sworn or unsworn reports, with respect to persons employed by it, which are deemed necessary for the effective administration of this chapter.
  - (3) Information, statements, transcriptions of proceedings, transcriptions of recordings, electronic recordings, letters, memoranda, and other documents and reports thus obtained

or obtained from any individual, claimant, employing unit, or employer pursuant to the administration of this chapter, except to the extent necessary for the proper administration and enforcement of this chapter, shall be held confidential and shall not be subject to subpoena in any civil action or proceeding, published, or open to public inspection, other than to public employees in the performance of their public duties, in any manner revealing the individual's or employing unit's identity; but any claimant, employer, or a duly authorized representative, at a hearing before an administrative hearing officer or the board of review. shall be supplied with information from such records to the extent necessary for the proper presentation of his or her claim. Any person who violates any provision of this paragraph shall upon conviction be guilty of a misdemeanor.

(4) Notwithstanding the provisions of Code Sections 50-6-9 and 50-6-29 relating to the powers of the state auditor to disclose private and confidential information or records obtained by the department pursuant to the administration of this chapter or other federally funded programs for which the department has responsibility, such private and confidential information or records may be disclosed by the state auditor only in accordance with all provisions of this article and the requirements of 20 C.F.R. 603 and, after notice and review, upon the written direction of the Commissioner issued in advance of such disclosure.

(4)(5) On orders of the Commissioner, any records or documents received or maintained by the Commissioner under the provisions of this chapter or the rules and regulations promulgated under this chapter may be destroyed under such safeguards as will protect their confidential nature two years after the date on which such records or documents last serve any useful, legal, or administrative purpose in the administration of this chapter or in the protection of the rights of anyone."

224 SECTION 8.

Said title is further amended by revising Code Section 34-8-21, relating to base period, as follows:

227 "34-8-21.

(a) Except as provided in subsection (b) of this Code section, as used in this chapter, the term 'base period' means the first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year; provided, however, that, in the case of a combined wage claim under Code Section 34-8-80, the base period shall be that applicable under the unemployment compensation law of the paying state.

(b) If an individual does not have sufficient wages to qualify for benefits under the definition of base period in subsection (a) of this Code section, then his or her base period

shall be calculated using the last four completed quarters immediately preceding the first day of the individual's benefit year. Such base period shall be known as the 'alternative base Applicants shall receive written notice of the alternative base period. Implementation of the alternative base period shall commence on January 1, 2003. Implementation of the alternative base period under this subsection shall be under such terms and conditions as the Commissioner may prescribe by rules and regulations. All benefit payments made under this subsection shall be paid exclusively from amounts - credited to the account of this state in the Unemployment Trust Fund by the secretary of the treasury of the United States pursuant to Section 903 of the federal Social Security Act; as amended by the Job Creation and Worker Assistance Act of 2002 (P.L. 107-147)."

245 SECTION 9.

Said title is further amended by revising Code Section 34-8-197, relating to eligibility requirements for extended benefits, to read as follows:

248 "34-8-197.

(a) Definitions. As used in this Code section, the term:

(1) 'Eligibility period' of an individual means the period consisting of the weeks in his or her benefit year which begin in an extended benefit period and, if his or her benefit year ends within such extended benefit period, any weeks thereafter which begin in such period; provided, however, that with respect to extended benefit periods established under division (a)(3)(B)(i) of this Code section pertaining to Section 2005 of Public Law 111-5 and any extension thereof that does not impose any new condition upon receipt of such federal funding, 'eligibility period' of an individual also means the period consisting of the weeks during which such individual is eligible for Emergency Unemployment Compensation provided for by the Supplemental Appropriations Act of 2008, Title IV Emergency Unemployment Compensation, Public Law 110-252, and the Unemployment Compensation Extension Act of 2008, Public Law 110-449, when such weeks begin in that extended benefit period and, if his or her eligibility for such emergency unemployment compensation ends within such extended benefit period, any weeks thereafter which begin in such period, except as otherwise limited by the provisions in division (a)(3)(B)(ii) of this Code section.

(2) 'Exhaustee' means an individual who, with respect to any week of unemployment in his or her eligibility period:

(A) Has received, prior to such week, all of the regular benefits that were available to him or her under this chapter or any other state law, including dependents' allowances and benefits payable to federal civilian employees and ex-service personnel under 5

- U.S.C. Chapter 85, in his or her current benefit year that includes such week, provided that for the purposes of this subparagraph an individual shall be deemed to have received all of the regular benefits that were available to him or her, although, as a result of a pending appeal with respect to wages that were not considered in the original monetary determination in his or her benefit year, he or she may subsequently be determined to be entitled to added regular benefits;
  - (B) His or her benefit year having expired prior to such week, has no or insufficient wages on the basis of which he or she could establish a new benefit year that would include such week; and
  - (C)(i) Has no right to unemployment benefits or allowances under the Railroad Unemployment Insurance Act and such other federal laws as are specified in regulations issued by the United States secretary of labor.
  - (ii) Has not received and is not seeking unemployment benefits under the unemployment compensation law of Canada; but if he or she is seeking such benefits and the appropriate agency finally determines that he or she is not entitled to benefits under such law, he or she is considered an exhaustee.
  - (3)(A) 'Extended benefit period' means a period which:
  - (A)(i) Begins with the third week after a week for which there is a state 'on' indicator; and
    - (B)(ii) Ends with either of the following weeks, whichever occurs later:

(ii)(II) The thirteenth consecutive week of such period.

(i)(I) The third week after the first week for which there is a state 'off' indicator; or

However, no extended benefit period may begin by reason of a state 'on' indicator before the fourteenth week following the end of a prior extended benefit period which was in effect with respect to this state. There is a state 'on' indicator for a week if, for the period consisting of such week and the immediately preceding 12 weeks, the rate of insured unemployment under the state law for the period equaled or exceeded 120 percent of the average of such rates for the corresponding 13 week period ending in each of the preceding two calendar years and equaled or exceeded 5 percent. There is a state 'off' indicator for a week if, for the period consisting of such week and the immediately preceding 12 weeks, either of the above provisions is not satisfied.

- (B)(i) With respect to weeks of unemployment beginning on or after February 1, 2009, there is a state 'on' indicator for a week if:
- 303 (I) The average rate of total unemployment, seasonally adjusted, as determined by
  304 the United States secretary of labor, for the period consisting of the most recent

305	 three months for which data for all states are published before the close of such
306	 week equals or exceeds 6 1/2 percent; and
307	(II) The average rate of total unemployment in this state, seasonally adjusted, as
308	determined by the United States secretary of labor, for the three-month period
309	referred to in subdivision (I) of this subparagraph, equals or exceeds 110 percent of
310	such average for either or both of the corresponding three-month periods ending in
311	the two preceding calendar years.
312	(ii) This subparagraph shall apply through the week ending three weeks prior to the
313	last week for which 100 percent federal funding is authorized and provided pursuant
314	to either Section 2005(a) of Public Law 111-5 or any extension thereof that does not
315	impose any new condition upon receipt of such federal funding.
316	(C) There is a state 'off' indicator for a week if, for the period consisting of such week
317	and the immediately preceding 12 weeks, none of the options specified in
318	subparagraphs (A) and (B) of this paragraph result in an 'on' indicator.
319	(4) 'Rate of insured unemployment,' for purposes of paragraph (3) of this subsection,
320	means the percentage derived by dividing:
321	(A) The average weekly number of individuals filing claims in this state, not including
322	individuals filing claims for extended benefits or regular benefits claimed by federal
323	civilian employees and ex-service personnel, for weeks of unemployment with respect
324	to the most recent 13 consecutive week period, as determined by the Commissioner on
325	the basis of the Commissioner's reports to the United States secretary of labor; by
326	(B) The average monthly employment covered under this chapter for the first four of
327	the most recent six completed calendar quarters ending before the end of such 13 week
328	period.
329	(5) 'Regular benefits' means benefits payable to an individual under this chapter or under
330	any other state law, including benefits payable to federal civilian employees and to
331	ex-service personnel pursuant to 5 U.S.C. Chapter 85, other than extended benefits.
332	(6) 'State law' means the unemployment insurance law of any state approved by the
333	United States secretary of labor under Section 3304 of the Internal Revenue Code.
334	(7) 'Suitable work' means, with respect to any individual, any work which is within such
335	individual's capabilities, provided that, if the individual furnishes evidence satisfactory
336	to the Commissioner that such individual's prospects for obtaining work in the customary
337	occupation of such individual within a reasonably short period are good, the
338	determination of whether any work is suitable work with respect to such individual shall
339	be made in accordance with this chapter.

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340 (b) Applicability of provisions as to regular benefits to claims for and payment of extended 341 benefits. Except when the result would be inconsistent with the other provisions of this 342 Code section, as provided in the regulations of the Commissioner, the provisions of this 343 chapter which apply to claims for, or the payment of, regular benefits shall apply to claims 344 for, and the payment of, extended benefits. To establish entitlement to extended benefits, 345 an individual must have been paid in at least two quarters of the base period and total wages in the base period must equal or exceed 150 percent of the highest quarter base 346 347 period wages. The alternative computation for entitlement as required by Code Section 348 34-8-193 shall not apply to extended benefits.

- (c) Eligibility requirements for extended benefits. An individual shall be eligible to receive extended benefits with respect to any week of unemployment in the eligibility period of the individual only if the Commissioner finds that with respect to such week:
- 352 (1) He or she is an 'exhaustee' as defined in paragraph (2) of subsection (a) of this Code 353 section; and
  - (2) He or she has satisfied the requirements of this chapter for the receipt of regular benefits that are applicable to individuals claiming extended benefits, including not being subject to a disqualification for the receipt of benefits; provided, however, that the total extended benefits otherwise payable to an individual who has filed an interstate claim under the interstate benefit payment plan shall not exceed two weeks whenever an extended benefit period is not in effect for such week in the state where the claim is filed; provided, further, if an individual has been disqualified in his or her most recent benefit year or on his or her extended benefit claim, only those who are required to return to work and to earn additional insured wages in employment in order to terminate this disqualification and who satisfy this requirement shall be eligible to receive extended benefits; provided, further, if the benefit year of a claimant ends within an extended benefit period, the number of weeks of extended benefits that such claimant would be entitled to in that extended benefit period, but for this subsection, shall be reduced, but not below zero, by the number of weeks for which the claimant was entitled to trade readjustment allowances during such benefit year. For purposes of this subsection, the terms 'benefit year' and 'extended benefit period' shall have the same respective meanings. (d) Weekly extended benefit amount. The weekly extended benefit amount payable to an individual for a week of total unemployment in the eligibility period of such individual shall be an amount equal to the weekly benefit amount payable to him or her during his or her applicable benefit year.

- (e) Total extended benefit amount. Except as provided in paragraph (1) of this section, the
- 375 The total extended benefit amount payable to any eligible individual with respect to his or
- 376 her applicable benefit year shall be the least of the following amounts:
- 377 (1) Fifty percent of the total amount of regular benefits which were payable to him or her
- 378 under this chapter in his or her applicable benefit year;
- 379 (2) Thirteen times his or her weekly benefit amount which was payable to him or her
- 380 under this chapter for a week of total unemployment in the applicable benefit year; or
- 381 (3) Thirty-nine times the individual's weekly benefit amount which was payable to the
- individual under this chapter for a week of total unemployment in the applicable benefit
- year, reduced by the total amount of regular benefits which were paid or deemed paid to
- him or her under this chapter with respect to the benefit year.
- 385 (f) Notice as to beginning and termination of extended benefit period. Whenever an
- 386 extended benefit period is to become effective in this state as a result of the state 'on'
- 387 indicator or whenever an extended benefit period is to be terminated in this state as a result
- of the state 'off' indicator, the Commissioner shall make an appropriate announcement.
- 389 (g) Computations. Computations required by paragraph (4) of subsection (a) of this Code
- 390 section shall be made by the Commissioner in accordance with regulations prescribed by
- 391 the United States secretary of labor.
- 392 (h) Nonpayment of extended benefits for failure to seek or accept work. Notwithstanding
- 393 other provisions of this Code section, payment of extended benefits under this Code section
- 394 shall not be made to any individual for any week of unemployment in his or her eligibility
- 395 period during which he or she fails:
- 396 (1) To accept any offer of suitable work or fails to apply for any suitable work to which
- 397 he or she was referred by the State Employment Service; or
- 398 (2) To engage actively in seeking work. For the purposes of this paragraph, an individual
- shall be treated as actively engaged in seeking work during any week if:
- 400 (A) The individual has engaged in a systematic and sustained effort to obtain work
- 401 during such week; and
- 402 (B) The individual provides tangible evidence to the satisfaction of the Commissioner
- 403 that he or she has engaged in such an effort during such week.
- 404 (i) Period of nonpayment for extended benefits. If any individual is ineligible for
- 405 extended benefits for any week by reason of a failure described in paragraph (1) or (2) of
- 406 subsection (h) of this Code section, the individual shall be ineligible to receive extended
- 407 benefits for any week which begins during a period which:
- 408 (1) Begins with the week following the week in which such failure occurs; and

- 409 (2) Does not end until such individual has been employed during at least four weeks
- which begin after such failure and for which the total of the remuneration in insured
- 411 wages for services in employment earned by the individual for being so employed is not
- 412 less than the product of four multiplied by the individual's weekly benefit amount for his
- 413 or her benefit year.
- 414 (j) Exceptions to subsection (h) of this Code section. No individual shall be denied
- extended benefits under paragraph (1) of subsection (h) of this Code section for any week
- by reason of a failure to accept an offer of or apply for suitable work:
- 417 (1) If the gross average weekly remuneration payable to such individual for the position
- 418 does not exceed the sum of:
- 419 (A) The individual's weekly benefit amount for such individual's benefit year; and
- 420 (B) The amount, if any, of supplemental unemployment compensation benefits, as
- defined in Code Section 34-8-45, payable to such individual for such week;
- 422 (2) If the position was not offered to such individual in writing and was not listed with
- 423 the State Employment Service;
- 424 (3) If such failure would not result in a denial of benefits under this chapter to the extent
- 425 that such provisions are not inconsistent with paragraph (7) of subsection (a) of this Code
- section and the provisions of subsection (h) of this Code section which relate to
- 427 individuals actively engaged in seeking work; or
- 428 (4) If the position pays wages less than the higher of:
- 429 (A) The minimum wage provided by Section 6(a)(1) of the Fair Labor Standards Act
- of 1938, without regard to any exemption; or
- 431 (B) The Georgia minimum wage.
- 432 (k) Referral of claimants to suitable work. A claimant for extended benefits shall be
- 433 referred to any suitable work as provided for in paragraph (7) of subsection (a) of this Code
- 434 section which is not excluded by subsection (j) of this Code section.
- 435 (1) Effective with respect to weeks beginning in a high-unemployment period, the total
- 436 extended benefit amount payable to an eligible individual with respect to the applicable
- 437 benefit year shall be the least of the following amounts:
- 438 (1) Eighty percent of the total amount of regular benefits that were payable to the
- 439 individual pursuant to this chapter in the individual's applicable benefit year;
- 440 (2) Twenty times the individual's weekly benefit amount that was payable to the
- 441 <u>individual pursuant to this chapter for a week of total unemployment in the applicable</u>
- 442 benefit year; or
- 443 (3) Forty-six times the individual's weekly benefit amount which was payable to the
- 444 individual under this chapter for a week of total unemployment in the applicable benefit

445	year, reduced by the total amount of regular benefits which were paid or deemed paid to
446	him or her under this chapter with respect to the benefit year.
447	(m) For purposes of subsection (l) of this Code section, 'high-unemployment period' means
448	a period during which an extended benefit period would be in effect if subdivision
449	(a)(3)(B)(i)(I) of this Code section were applied by substituting '8 percent' for '6 1/2
450	percent.'
451	(n) Subsections (l) and (m) of this Code section shall apply through the week ending three
452	weeks prior to the last week for which 100 percent federal funding is authorized and
453	provided pursuant to either Section 2005(a) of Public Law 111-5 or any extension thereof
454	that does not impose any new condition upon receipt of such federal funding."
455	SECTION 10.
456	Said title is further amended by revising paragraph (5) of Code Section 34-8-85, relating to
457	$with drawals\ from\ the\ Unemployment\ Trust\ Fund\ for\ expenditures\ under\ chapter,\ as\ follows:$
458	"(5) APPROPRIATIONS TO DEPARTMENT OF LABOR. There is authorized to be appropriated
459	by the General Assembly to the Department of Labor any part of or all moneys credited
460	to the account of this state in the Unemployment Trust Fund by the secretary of the
461	treasury of the United States pursuant to Section 903 of the federal Social Security Act,
462	as amended, and as provided in this Code section; provided, however, that
463	notwithstanding any other provisions of this Code section to the contrary, moneys
464	credited with respect to federal fiscal years 1999, 2000, and 2001, and moneys credited
465	with respect to the special transfer made under Section 903(g) of said Act, shall be used
466	solely for the administration of the unemployment insurance program in Georgia and are
467	not subject to appropriations by the General Assembly."
468	SECTION 11.
469	Title 50 of the Official Code of Georgia Annotated, relating to state government, is amended
470	by revising subsection (d) of Code Section 50-17-22, relating to powers of the Georgia State
471	Financing and Investment Commission, as follows:
472	"(d) Powers. The commission shall have those powers set forth in the Constitution and the
473	powers necessary and incidental thereto. In addition to such powers, the commission shall
474	have power:
475	(1) To have a seal and alter the same at pleasure;
476	(2) To make contracts and to execute all instruments necessary or convenient, including
477	contracts with any and all political subdivisions, institutions, or agencies of the state and
478	state authorities, upon such terms and for such purposes as it deems advisable; and such

479	political subdivisions, institutions, or agencies of the state and state authorities are
480	authorized and empowered to enter into and perform such contracts;
481	(3) To employ such other experts, agents, and employees as may be in the commission's
482	judgment necessary to carry on properly the business of the commission; to fix the
483	compensation for such officers, experts, agents, and employees and to promote and
484	discharge the same;
485	(4) To do and perform all things necessary or convenient to carry out the powers
486	conferred upon the commission by this article; and
487	(5) To make reasonable regulations or adopt the standard specifications or regulations
488	of the Department of Transportation or the state authorities, or parts thereof, for the
489	construction, reconstruction, building, rebuilding, renovating, surfacing, resurfacing,
490	acquiring, leasing, maintaining, repairing, removing, installing, planning, or disposing of
491	projects for which public debt has been authorized, or for such other purposes as deemed
492	necessary by the commission; and
493	(6)(A) To apply for, arrange for, accept, and administer federal funds for capital outlay
494	and construction related services and for authorization or payment of public debt.
495	(B) Without limitation, the commission may:
496	(i) Deposit, or arrange for, federal funds to be deposited into the State of Georgia
497	General Obligation Debt Sinking Fund or into the State of Georgia Guaranteed
498	Revenue Debt Common Reserve Fund, and the fiscal officer of the state shall accept
499	such deposits;
500	(ii) Arrange for the disbursement of federal funds directly to trustees, paying agents,
501	or other persons for the payment of public debt;
502	(iii) Cooperate with any public agency, authority, or officer in applying for,
503	accepting, and administering federal funds for public purposes mutual to the
504	commission and any other agency, authority, or officer;
505	(iv) Apply or arrange to participate in and take all actions the commission determines
506	appropriate to obtain the benefits of federal programs which provide tax credits,
507	incentives, or other inducements to the state or to holders of public debt;
508	(v) Apply or arrange to participate in federal programs which require the allocation
509	of funds or bonding authority among geographical areas, governmental jurisdictions
510	and entities, or other categories, and perform such allocation unless another officer,
511	agency, or instrumentality is explicitly authorized by state law to perform such
512	allocation and all officers, agencies, or instrumentalities are required to provide such
513	assistance, cooperation, and information as the commission directs related to any
514	federal programs; and

515	(vi) Apply or arrange to participate in any other federal program which provides
516	benefits consistent with state law and supportive of functions of the commission.
517	(C) The use of federal funds as part of the authorization for the issuance of general
518	obligation debt or the issuance of guaranteed revenue debt shall be by appropriation as
519	provided by law. The payment of federal funds into the sinking fund to pay annual debt
520	service requirements shall be by appropriation or by direction of the commission in the
521	absence of appropriation. The payment of federal funds into the State of Georgia
522	Guaranteed Revenue Debt Common Reserve Fund as part of the common reserve shall
523	be by appropriation or by direction of the commission in the absence of appropriation.
524	(D) The commission may delegate to the fiscal officer of the state its authority to
525	arrange for and accept federal funds as provided in this Code section."
526	SECTION 12.
527	This Act shall become effective upon its approval by the Governor or upon its becoming law
528	without such approval; provided, however, that the Commissioner of Labor may delay the
529	implementation of Section 9 of this Act for a period of time not to extend beyond May 25,
530	2009, if the Commissioner of Labor determines that it is not reasonably practicable to
531	commence implementation of such section as of the effective date.
532	SECTION 13.
533	All laws and parts of laws in conflict with this Act are repealed.

### SECTION 8.

Said title is further amended by revising Code Section 34-8-21, relating to base period, as follows:

"34-8-21.

- (a) Except as provided in subsection (b) of this Code section, as used in this chapter, the term 'base period' means the first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year; provided, however, that, in the case of a combined wage claim under Code Section 34-8-80, the base period shall be that applicable under the unemployment compensation law of the paying state.
- (b) If an individual does not have sufficient wages to qualify for benefits under the definition of base period in subsection (a) of this Code section, then his or her base period shall be calculated using the last four completed quarters immediately preceding the first day of the individual's benefit year. Such base period shall be known as the 'alternative base period.' Applicants shall receive written notice of the alternative base period. Implementation of the alternative base period shall commence on January 1, 2003. Implementation of the alternative base period under this subsection shall be under such terms and conditions as the Commissioner may prescribe by rules and regulations. All benefit payments made under this subsection shall be paid exclusively from amounts credited to the account of this state in the Unemployment Trust Fund by the secretary of the treasury of the United States pursuant to Section 903 of the federal Social Security Act, as amended by the Job Creation and Worker Assistance Act of 2002 (P.L. 107-147)."

#### SECTION 5.

Said title is further amended by revising Code Section 34-8-24, relating to an individual's status as bona fide in the labor market, which revision is intended to satisfy the requirements and conditions to qualify for incentive payments provided for as Special Transfers for Unemployment Compensation Modernization in Section 2003 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, to read as follows:

As used in this chapter, the term 'bona fide in the labor market' means that any person claiming benefits under this chapter must be available for full-time employment, as that term is generally understood in the trade or work classification involved, without regard to prior work restrictions, provided that no individual who is otherwise eligible shall be deemed ineligible for benefits solely because the individual seeks, applies for, or accepts only part-time work, instead of full-time work, provided the individual claiming benefits worked part-time during a majority of the weeks of work in the base period and the individual is available for part-time work for at least 20 hours per week."

#### **SECTION 6.**

Said title is further amended by revising subsection (d) of Code Section 34-8-193, relating to determination of weekly benefit amount, which revision is intended to satisfy the requirements and conditions to qualify for incentive payments provided for as Special Transfers for Unemployment Compensation Modernization in Section 2003 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, to read as follows:

- "(d)(1) Except as otherwise provided in this subsection, the The maximum benefits payable to an individual in a benefit year shall be the lesser of 26 times the weekly benefit amount or one-fourth of the base period wages. If the amount computed is not a multiple of the weekly benefit amount, the total will be adjusted to the nearest multiple of the weekly benefit amount. The duration of benefits shall be extended in accordance with Code Section 34-8-197.
- (2) In addition to and subsequent to payment of all benefits otherwise allowed under paragraph (1) of this subsection and without restriction with respect to an individual's benefit year, for claims filed on or after January 1, 2010, weekly unemployment compensation shall be payable under this subsection to any individual who is unemployed, has exhausted all rights to regular unemployment compensation under the provisions of Article 7 of this chapter, and is enrolled and making satisfactory progress, as determined by the Commissioner, in a training program approved by the department, or in a job training program authorized under the Workforce Investment Act of 1998, Public Law 105-220, and not receiving similar stipends or other training allowances for nontraining costs. Each such training program approved by the department or job training program authorized under the Workforce Investment Act of 1998 shall prepare individuals who have been separated from a declining occupation, as designated by the department from time to time, or who have been involuntarily and

indefinitely separated from employment as a result of a permanent reduction of operations at the individual's place of employment, for entry into a high-demand occupation, as designated by the department from time to time. The amount of unemployment compensation payable under this subsection to an individual for a week of unemployment shall be equal to the individual's weekly benefit amount for the individual's most recent benefit year less deductible earnings, if any. The total amount of unemployment compensation payable under this subsection to any individual shall be equal to at least 26 times the individual's weekly benefit amount for the individual's most recent benefit year. The provisions of subsection (d) of Code Section 34-8-195 shall apply to eligibility for benefits under this subsection. Except when the result would be inconsistent with other provisions of this subsection, all other provisions of Article 7 of this chapter shall apply to the administration of the provisions of this subsection."