

**No. 173. An act relating to unemployment insurance.**

(H.646)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 21 V.S.A. § 342a is amended to read:

§ 342a. INVESTIGATION OF COMPLAINTS OF UNPAID WAGES

(a) An employee or the Department on its own motion may file a complaint that wages have not been paid to an employee, not later than two years from the date the wages were due. The Commissioner shall provide notice and a copy of the complaint to the employer by service, or by certified mail sent to the employer's last known address, together with an order to file a response to the specific allegation in the complaint filed by the employee or the Department with the Department within 10 calendar days of receipt.

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Sec. 2. 21 V.S.A. § 1314a is amended to read:

§ 1314a. QUARTERLY WAGE REPORTING; MISCLASSIFICATION;  
PENALTIES

\* \* \*

(g) Notwithstanding any other provisions of this section, the Commissioner may where practicable require of any employing ~~units with 25 or more employees~~ unit that the reports required to be filed pursuant to subsections (a) through (d) of this section be filed in an electronic media form.

Sec. 3. 21 V.S.A. § 1338 is amended to read:

§ 1338. WEEKLY BENEFITS

\* \* \*

(d)(1) For benefit years beginning on January 3, 1988 and subsequent thereto, to qualify for benefits an individual must:

~~(1)~~(A) have been paid in one quarter of his or her base period wages in employment with an employer or employers subject to this chapter which equal at least ~~\$1000.00~~ \$1,000.00; and

~~(2)~~(B) have been paid in his or her base period additional wages in employment with an employer or employers subject to this chapter which equal or exceed 40 percent of the total wages paid in the highest quarter of his or her base period; and

~~(3)~~(C) have earned subsequent to the beginning of his or her most recent benefit year wages in employment with an employer or employers subject to this chapter which equal or exceed four times his or her weekly benefit amount as determined under subsection (e) of this section for that prior benefit year.

(2) The base period wages shall not include any wages paid by an employing unit based on a separation for gross misconduct under subdivision 1344(a)(2)(B) of this title.

(e) For benefit years beginning on January 3, 1988 and subsequent thereto, an individual's weekly benefit amount shall be determined by dividing the individual's two high quarter total subject wages required under subdivision (d)(1) of this section by 45; provided that the weekly benefit amount so determined shall not exceed the maximum weekly benefit amount computed as provided in this section. ~~The base period wages shall not include any wages~~

~~paid by an employing unit based on a separation for gross misconduct under subdivision 1344(a)(2)(B) of this title.~~

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Sec. 4. 21 V.S.A. § 1340a is added to read:

§ 1340a. SELF-EMPLOYMENT ASSISTANCE PROGRAM

(a) As used in this section:

(1) “Full-time basis” means that the individual is devoting the necessary time as determined by the Commissioner to establish a business that will serve as a full-time occupation for that individual.

(2) “Regular benefits” shall have the same meaning as in subdivision 1421(5) of this title.

(3) “Self-employment assistance activities” means activities approved by the Commissioner in which an individual participates for the purpose of establishing a business and becoming self-employed, including entrepreneurial training, business counseling, and technical assistance.

(4) “Self-employment assistance allowance” means an allowance payable in lieu of regular benefits from the Unemployment Compensation Fund to an individual who meets the requirements of this section.

(5) “Self-Employment Assistance Program” means a program under which an individual who meets the requirements of subsection (d) of this section is eligible to receive an allowance in lieu of regular benefits for the

purpose of assisting that individual in establishing a business and becoming self-employed.

(b) The weekly amount of the self-employment assistance allowance payable to an individual shall be equal to the weekly benefit amount for regular benefits otherwise payable under this title.

(c) The maximum amount of the self-employment assistance allowance paid under this section shall not exceed the maximum amount of benefits established under section 1340 of this title with respect to any benefit year.

(d)(1) An individual may receive a self-employment assistance allowance if that individual:

(A) is eligible to receive regular benefits or would be eligible to receive regular benefits except for the requirements described in subdivisions (2)(A) and (B) of this subsection;

(B) is identified by a worker profiling system as an individual likely to exhaust regular benefits;

(C) has received the approval of the Commissioner to participate in a program providing self-employment assistance activities;

(D) is actively engaged on a full-time basis in activities, which may include training related to establishing a business and becoming self-employed; and

(E) has filed a weekly claim for the self-employment assistance allowance and provided the information the Commissioner prescribes.

(2) A self-employment allowance shall be payable to an individual at the same interval, on the same terms, and subject to the same conditions as regular benefits under this chapter, except:

(A) the requirements of section 1343 of this title, relating to availability for work, efforts to secure work, and refusal to accept work, are not applicable to the individual; and

(B)(i) the individual is not considered to be self-employed pursuant to subdivision 1301(24) of this title;

(ii) an individual who meets the requirements of this section shall be considered to be unemployed under section 1338 of this title; and

(iii) an individual who fails to participate in self-employment assistance activities or who fails to actively engage on a full-time basis in activities, including training, relating to the establishment of a business and becoming self-employed shall be disqualified from receiving an allowance for the week the failure occurs.

(e) The self-employment assistance allowance may be paid to up to 35 qualified individuals at any time.

(f)(1) The self-employment assistance allowance shall be charged to the Unemployment Trust Fund.

(2) In the event that the self-employment assistance allowance cannot be charged to the Unemployment Trust Fund pursuant to subdivision (1) of this

subsection, the allowance shall be charged in accordance with section 1325 of this title.

(g) The Commissioner shall approve any program that will provide self-employment assistance activities to qualified individuals.

(h) The Commissioner shall adopt rules to implement this section.

(i) The Commissioner may suspend the Self-Employment Assistance Program with approval of the Secretary of Administration and notice to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs in the event that it presents unintended adverse consequences to the Unemployment Trust Fund.

Sec. 5. 21 V.S.A. § 1343 is amended to read:

§ 1343. CONDITIONS

(a) An unemployed individual shall be eligible to receive benefits with respect to any week only if the ~~commissioner~~ Commissioner finds that all of the following requirements are met and the individual:

\* \* \*

(8) Has given written notice of resignation to his or her employer and the employer subsequently made the termination of employment effective prior to the date of termination as given in the notice. Provided that the claimant could not establish good cause for leaving work pursuant to subdivision 1344(a)(2)(A) of this title and was not discharged for misconduct as provided

in subdivision 1344(a)(1)(A) or for gross misconduct as provided in subdivision 1344(a)(2)(B), in no case shall unemployment benefits awarded under this subdivision exceed four weeks or extend beyond the date of separation as provided in the employee's notice to the employer.

\* \* \*

Sec. 6. 21 V.S.A. § 1459 is amended to read:

§ 1459. CHARGING BENEFITS

STC benefits paid to an employee shall be charged to ~~his or her STC employer's experience rating records~~ the employers in the base period.

Reimbursable employers participating in the STC ~~program~~ Program shall be assessed for the STC benefits paid their employees.

Sec. 7. SUNSET

Sec. 4, 21 V.S.A. § 1340a (self-employment assistance program), shall be repealed on January 1, 2017.

Sec. 8. 21 V.S.A. § 1338a is amended to read:

§ 1338a. DISREGARDED EARNINGS

(a) An individual shall be deemed "partially unemployed" in any week of less than full-time work if the wages earned by the individual with respect to such week are less than the weekly benefit amount the individual would be entitled to receive if totally unemployed and eligible. As used in this section, "wages" in any one week includes only that amount of remuneration to the

nearest dollar ~~which that~~ is in excess of ~~30~~ 50 percent of the individual's weekly wage, ~~or \$40.00, whichever amount is greater.~~

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Sec. 9. 21 V.S.A. § 1325 is amended to read:

§ 1325. EMPLOYERS' EXPERIENCE-RATING RECORDS;

DISCLOSURE TO SUCCESSOR ENTITY

(a)(1) The Commissioner shall maintain an experience-rating record for each employer. Benefits paid shall be charged against the experience-rating record of each subject employer who provided base-period wages to the eligible individual. Each subject employer's experience-rating charge shall bear the same ratio to total benefits paid as the total base-period wages paid by that employer bear to the total base-period wages paid to the individual by all base-period employers. The experience-rating record of an individual subject base-period employer shall not be charged for benefits paid to an individual under any of the following conditions:

\* \* \*

(F) The individual voluntarily separated from that employer to accompany a spouse who is on active duty with the U.S. Armed Forces or who holds a commission in the foreign service of the United States and is assigned overseas as provided by section 1344(a)(2)(A) of this chapter.

\* \* \*



Sec. 10. 21 V.S.A. § 1344 is amended to read:

§ 1344. DISQUALIFICATIONS

(a) An individual shall be disqualified for benefits:

\* \* \*

(2) For any week benefits are claimed, except as provided in subdivision (a)(3) of this section, until he or she has presented evidence to the satisfaction of the Commissioner that he or she has performed services in employment for a bona fide employer and has had earnings in excess of six times his or her weekly benefit amount if the Commissioner finds that such individual is unemployed because:

(A) He or she has left the employ of his or her last employing unit voluntarily without good cause attributable to such employing unit. An individual shall not suffer more than one disqualification by reason of such separation. However, an individual shall not be disqualified for benefits if the individual left such employment to accompany a spouse who:

(i) is on active duty with the U.S. Armed Forces and is required to relocate due to permanent change of station orders, activation orders, or unit deployment orders, and when such relocation would make it impractical or impossible, as determined by the Commissioner, for the individual to continue working for such employment unit; or

(ii) holds a commission in the foreign service of the United States and is assigned overseas, and when such relocation would make it impractical

or impossible, as determined by the Commissioner, for the individual to continue working for such employment unit.

\* \* \*

Sec. 11. EFFECTIVE DATES

(a) This section and Sec. 4(h) (rulemaking for self-employment assistance program) shall take effect on passage.

(b) Secs. 1–3, 4(a)–(g) and (i), and 5–10 shall take effect on July 1, 2014.

Date Governor signed bill: June 4, 2014