# Second Regular Session Sixty-third General Assembly STATE OF COLORADO

## **INTRODUCED**

LLS NO. 02-0719.01 Jason Gelender

SENATE BILL 02-191

### SENATE SPONSORSHIP

Thiebaut,

## **HOUSE SPONSORSHIP**

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**Senate Committees** 

101

**House Committees** 

Business, Labor, and Finance

### A BILL FOR AN ACT

#### CONCERNING UNEMPLOYMENT INSURANCE BENEFITS.

## **Bill Summary**

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Creates a specified alternative base period for an unemployed individual who has not earned sufficient wages for insured work during the existing base period to qualify for unemployment insurance benefits. Increases the amount of wages that an individual who is partially unemployed may earn without the individual's weekly unemployment benefit being reduced. Specifies that no individual shall be considered unavailable for work for the purpose of determining the individual's eligibility for unemployment benefits solely because the individual seeks, applies for, or accepts only part-time work, instead of full-time work, if

the part-time work is for at least 15 hours per week.

Eliminates the requirement that an individual be totally or partially unemployed for a waiting period of one week to be eligible to claim unemployment benefits. Reduces the minimum amount that an individual must earn during his or her base period in order to be eligible to claim unemployment benefits.

Specifies that an individual who quits a job voluntarily for the purpose of commencing other employment, actually commences such employment within a specified time after quitting the job, and subsequently becomes unemployed for any reason that does not disqualify the individual from receiving unemployment benefits shall be given a full award of benefits, and repeals portions of a statutory provision that only allows unemployment benefits to certain construction workers who meet such criteria. Repeals the requirement that an individual who receives severance allowances shall have the individual's weeks of potential entitlement reduced by the number of weeks the severance allowances constitute weeks of the individual's full-time weekly wage. Specifies that an individual's weekly benefit amount shall not be reduced when an individual receives a lump-sum retirement payment from a plan, fund, or trust that has been contributed to by a base period employer.

Modifies the trigger for determining whether an individual can claim extended unemployment benefits by specifying an alternative test by which the existence of an "on" indicator for a week can be determined. Modifies the formula for determining the amount of extended unemployment benefits that an individual may claim and increases the amount of extended unemployment benefits that can be claimed during any week that begins in a high unemployment period.

Modifies definitions and defines a term. Makes conforming amendments.

Be it enacted by the General Assembly of the State of Colorado:

2 **SECTION 1.** 8-70-103 (2), Colorado Revised Statutes, is

3 amended to read:

1

8

**8-70-103. Definitions.** As used in articles 70 to 82 of this title,

5 unless the context otherwise requires:

6 (2) (a) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (b) OF

7 THIS SUBSECTION (2), "base period" means the first four of the last five

completed calendar quarters immediately preceding the first day of the

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1	individual's benefit year.
2	(b) IF AN UNEMPLOYED INDIVIDUAL HAS NOT EARNED SUFFICIENT
3	WAGES FOR INSURED WORK DURING THE BASE PERIOD AS DEFINED IN
4	PARAGRAPH (a) OF THIS SUBSECTION (2) TO QUALIFY MONETARILY FOR
5	BENEFITS IN ACCORDANCE WITH SECTION 8-73-107 (1) (e), "BASE PERIOD"
6	SHALL INCLUDE THE LAST FOUR COMPLETED CALENDAR QUARTERS
7	IMMEDIATELY PRECEDING THE FIRST DAY OF THE INDIVIDUAL'S BENEFIT
8	YEAR IF THAT PERIOD ENABLES THE INDIVIDUAL TO QUALIFY MONETARILY
9	FOR BENEFITS IN ACCORDANCE WITH SECTION 8-73-107 (1) (e).
10	SECTION 2. 8-73-102 (4), Colorado Revised Statutes, is
11	amended to read:
12	8-73-102. Weekly benefit amount for total unemployment.
13	(4) There shall be deducted from the weekly benefit amount that part of
14	wages payable to such individual with respect to such week that is in
15	excess of twenty-five percent of the INDIVIDUAL'S weekly benefit amount,
16	and the weekly benefit amount resulting shall be computed to the next
17	lower multiple of one dollar.
18	SECTION 3. 8-73-103 (1), Colorado Revised Statutes, is
19	amended to read:
20	8-73-103. Benefits for partial unemployment. (1) Each eligible
21	individual who is partially unemployed shall be paid a partial benefit.
22	Partial benefits shall be in an amount equal to the eligible individual's
23	weekly benefit amount for total unemployment, minus that part of wages
24	payable to such individual with respect to such week which THAT is in
25	excess of twenty-five percent of his OR HER weekly benefit amount as
26	computed in accordance with section 8-73-102, and the benefit payment
27	resulting shall be computed to the next lower multiple of one dollar.

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1	<b>SECTION 4.</b> The introductory portion to $8-73-107(1)(c)(1)$ and
2	8-73-107 (1) (d) and (1) (e), Colorado Revised Statutes, are amended, and
3	the said 8-73-107 (1) (c) (I) is further amended BY THE ADDITION OF
4	A NEW SUB-SUBPARAGRAPH, to read:
5	8-73-107. Eligibility conditions - penalty. (1) Any unemployed
6	individual shall be eligible to receive benefits with respect to any week
7	only if the division finds that:
8	(c) (I) He OR SHE is able to work and is available for all work
9	deemed suitable pursuant to the provisions of section 8-73-108, and, with
10	respect thereto:
11	(F) NO INDIVIDUAL SHALL BE CONSIDERED UNAVAILABLE FOR
12	WORK SOLELY BECAUSE THE INDIVIDUAL SEEKS, APPLIES FOR, OR ACCEPTS
13	ONLY PART-TIME WORK, INSTEAD OF FULL-TIME WORK, IF THE PART-TIME
14	WORK IS FOR AT LEAST FIFTEEN HOURS PER WEEK.
15	(d) The individual has been either totally or partially unemployed
16	for a waiting period of one week. No benefits are payable for the waiting
17	period. No week shall be counted as a week of unemployment for the
18	purposes of this paragraph (d):
19	(I) Unless it occurs within the benefit year which includes the
20	week with respect to which he claims payment of benefits;
21	(II) If benefits have been paid with respect thereto;
22	(III) Unless the individual was eligible for benefits with respect
23	thereto under provisions of sections 8-73-107 to 8-73-112;
24	(IV) Unless total wages earned for the week are less than the
25	weekly benefit amount;
26	(e) The individual has during his or her base period been paid
27	wages for insured work equal to not less than forty times such individual's

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weekly benefit amount or two ONE thousand five hundred dollars, whichever is greater LESS. For the purposes of this paragraph (e), wages shall be counted as "wages for insured work" for benefit purposes with respect to any benefit year only if such benefit year comes subsequent to the date on which the employing unit by whom such wages were paid has satisfied the conditions of sections 8-70-113, 8-76-104, and 8-76-107 with respect to becoming an employer.

SECTION 5. 8-73-108 (4) (f) (I) (A), (4) (f) (I) (B), (4) (f) (I) (C), (4) (f) (II), (5) (e) (IV), and (5) (e) (V), Colorado Revised Statutes, are amended, and the said 8-73-108 (4) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

- **8-73-108. Benefit awards.** (4) **Full award.** An individual separated from a job shall be given a full award of benefits if any of the following reasons and pertinent conditions related thereto are determined by the division to have existed. The determination of whether or not the separation from employment shall result in a full award of benefits shall be the responsibility of the division. The following reasons shall be considered, along with any other factors that may be pertinent to such determination:
- (f) (I) Due to the particular nature of the building and construction industry, construction workers who quit a construction job to accept a different construction job in any of the following circumstances:
- (A) Quitting within thirty days immediately prior to the established termination date of the job quit; and at the time of quitting, the construction worker had been offered and had accepted another construction job and the specific starting date of the new job was within thirty days from the date of quitting the prior job; and the new job offered

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1 employment for a longer period of time than remained available on the 2 job quit unless the new job was terminated by a contract cancellation; or 3 (B) Unsatisfactory working conditions with respect to the distance 4 of his work from his residence when so determined by the division; or 5 (C) Quitting a construction job that is outside the state of 6 Colorado in order to accept a construction job within the state of 7 Colorado, if such construction worker has maintained a residence in this 8 state: or 9 (II) If the provisions of either sub-subparagraph (A), (B), (C), (D)10 or (E) of subparagraph (I) of this paragraph (f) are met, any benefits 11 normally chargeable to the employer for whom the employee worked 12 immediately prior to accepting the new job will be charged to the fund. 13 Benefits shall not be awarded pursuant to this paragraph (f) unless the 14 worker has subsequently separated from the new job under conditions 15 which THAT would result in a full award under this subsection (4). 16 (s) (I) QUITTING A JOB VOLUNTARILY FOR THE PURPOSE OF 17 COMMENCING OTHER EMPLOYMENT, ACTUALLY COMMENCING SUCH OTHER 18 EMPLOYMENT NO LATER THAN THIRTY DAYS AFTER QUITTING THE JOB, AND 19 SUBSEQUENTLY BECOMING UNEMPLOYED FOR ANY REASON THAT DOES NOT 20 DISQUALIFY AN INDIVIDUAL FROM RECEIVING BENEFITS PURSUANT TO 21 SUBSECTION (5) OF THIS SECTION. 22 (II) IF THE PROVISIONS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH 23 (s) ARE MET, ANY BENEFITS NORMALLY CHARGEABLE TO THE EMPLOYER 24 FOR WHOM THE EMPLOYEE WORKED IMMEDIATELY PRIOR TO COMMENCING 25 OTHER EMPLOYMENT SHALL BE CHARGED TO THE FUND. BENEFITS SHALL 26 NOT BE AWARDED PURSUANT TO THIS PARAGRAPH (s) UNLESS THE 27 INDIVIDUAL HAS SUBSEQUENTLY SEPARATED FROM THE OTHER

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1	EMPLOYMENT UNDER CONDITIONS THAT WOULD RESULT IN A FULL AWARD
2	UNDER THIS PARAGRAPH (s).
3	(5) <b>Disqualification.</b> (e) Subject to the maximum reduction
4	consistent with federal law, and insofar as consistent with interstate
5	agreements, if a separation from employment occurs for any of the
6	following reasons, the employer from whom such separation occurred
7	shall not be charged for benefits which are attributable to such
8	employment and, because any payment of benefits which are attributable
9	to such employment out of the fund as defined in section 8-70-103 (13)
10	shall be deemed to have an adverse effect on such employer's account in
11	such fund, no payment of such benefits shall be made from such fund:
12	(IV) Quitting to move to another area as a matter of personal
13	preference or to maintain contiguity with another person or persons,
14	unless such move was for health reasons or pursuant to the provisions of
15	paragraph (f) PARAGRAPH (f) OR (s) of subsection (4) of this section;
16	(V) Quitting to seek other work; or quitting to accept other
17	employment if such employment does not meet the requirements of
18	paragraph (f) PARAGRAPH (f) OR (s) of subsection (4) of this section;
19	<b>SECTION 6.</b> 8-73-110 (1.2) and (3) (a) (II), Colorado Revised
20	Statutes, are amended to read:
21	<b>8-73-110. Other remuneration.</b> (1.2) In addition, an individual
22	who receives severance allowances shall have his weeks of potential
23	entitlement reduced by the number of weeks such severance allowances
24	constitute weeks of an individual's full-time weekly wage.
25	(3) (a) (II) An individual's weekly benefit amount shall not be
26	reduced when an individual receives a lump-sum retirement payment
27	from a plan, fund, or trust that has been contributed to by a base period

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1	employer. when all of the following conditions are met:
2	(A) The individual's separation from the employer awarding the
3	payment is not due to a retirement pursuant to section 8-73-108 (4) (m)
4	or (5) (e) (XXIII);
5	(B) The individual presents proof to the division within fourteen
6	calendar days from date of claim or sixty calendar days of receipt of such
7	lump-sum payment, whichever is later, that this total payment has been
8	reinvested into an individual retirement account or KEOGH plan, as
9	defined in 26 U.S.C. 408 or 26 U.S.C. 401, and such proof establishes
10	that the investment is for a duration of at least one year; except that such
11	lump-sum retirement payment shall not be considered to be received by
12	the individual until the entire balance has been so received. Should a
13	portion of the payment be ineligible for reinvestment and the claimant
14	presents proof that the total eligible portion has been reinvested, only the
15	remaining uninvested portion will be prorated in accordance with
16	subparagraph (III) of this paragraph (a).
17	<b>SECTION 7.</b> 8-75-101 (10) and (11) (a), Colorado Revised
18	Statutes, are amended to read:
19	<b>8-75-101. Definitions.</b> As used in this article, unless the context
20	otherwise requires:
21	(10) There is an "off" indicator for a week if, for the period
22	consisting of such THE week and the immediately preceding twelve

consisting of such THE week and the immediately preceding twelve weeks, either sub-subparagraph (A) or (B) of subparagraph (I) of paragraph (a) of subsection (11) of this section was not satisfied, and subparagraph (II) of paragraph (a) of subsection (11) of this section was not satisfied, AND SUB-SUBPARAGRAPHS (A) AND (B) OF SUBPARAGRAPH (III) OF PARAGRAPH (a) OF THIS SECTION WERE NOT SATISFIED.

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1	(11) (a) There is an "on" indicator for a week if the rate of insured
2	unemployment under articles 70 to 82 of this title for the period
3	consisting of such THE week and the immediately preceding twelve
4	weeks:
5	(I) (A) Equaled or exceeded one hundred twenty percent of the
6	average of such rates for the corresponding thirteen-week period ending
7	in each of the preceding two calendar years; and
8	(B) Equaled or exceeded five percent; or
9	(II) Equaled or exceeded six percent; OR
10	(III) IF THE WEEK COMMENCED ON OR AFTER JULY 1, 2002:
11	(A) THE AVERAGE RATE OF SEASONALLY ADJUSTED TOTAL
12	UNEMPLOYMENT, AS DETERMINED BY THE UNITED STATES SECRETARY OF
13	LABOR, FOR THE PERIOD CONSISTING OF THE MOST RECENT THREE MONTHS
14	FOR WHICH DATA FOR ALL STATES ARE PUBLISHED BEFORE THE CLOSE OF
15	THE WEEK EQUALS OR EXCEEDS SIX AND ONE-HALF PERCENT; AND
16	(B) THE AVERAGE RATE OF SEASONALLY ADJUSTED TOTAL
17	UNEMPLOYMENT FOR THE STATE OF COLORADO, AS DETERMINED BY THE
18	UNITED STATES SECRETARY OF LABOR, FOR THE PERIOD CONSISTING OF
19	THE MOST RECENT THREE MONTHS FOR WHICH DATA FOR ALL STATES ARE
20	PUBLISHED BEFORE THE CLOSE OF SUCH WEEK EQUALS OR EXCEEDS ONE
21	HUNDRED TEN PERCENT OF THE AVERAGE RATE OF SEASONALLY ADJUSTED
22	TOTAL UNEMPLOYMENT FOR THE STATE OF COLORADO FOR EITHER OR
23	BOTH OF THE CORRESPONDING THREE-MONTH PERIODS ENDING IN THE TWO
24	PRECEDING CALENDAR YEARS.
25	<b>SECTION 8.</b> 8-75-105 (1), Colorado Revised Statutes, is
26	amended, and the said 8-75-105 is further amended BY THE ADDITION
27	OF A NEW SUBSECTION, to read:

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1	8-75-105. Total extended benefit amount. (1) The total
2	extended benefit amount payable to any eligible individual with respect
3	to his THE INDIVIDUAL'S applicable benefit year shall be the least of the
4	following amounts:
5	(a) Fifty percent of the total amount of regular benefits which
6	THAT were payable to him THE INDIVIDUAL under articles 70 to 82 of this
7	title in his THE applicable benefit year; or
8	(b) Thirteen times his THE weekly benefit amount which THAT
9	was payable to him THE INDIVIDUAL under articles 70 to 82 of this title for
10	a week of total unemployment in the applicable benefit year; OR
11	(c) THIRTY-NINE TIMES THE AVERAGE WEEKLY BENEFIT AMOUNT
12	That was payable to the individual under articles $70\text{to}82\text{of}$ this
13	TITLE FOR ANY WEEK FOR WHICH THE INDIVIDUAL WAS TOTALLY
14	UNEMPLOYED IN THE APPLICABLE BENEFIT YEAR, REDUCED BY THE TOTAL
15	AMOUNT OF REGULAR BENEFITS THAT WERE PAID OR DEEMED PAID TO THE
16	INDIVIDUAL WITH RESPECT TO THE BENEFIT YEAR; EXCEPT THAT:
17	(I) THE AMOUNT DETERMINED UNDER THIS PARAGRAPH (c) SHALL
18	ALSO BE REDUCED BY THE TOTAL AMOUNT OF REGULAR BENEFITS THAT
19	WERE PAID OR DEEMED PAID TO THE INDIVIDUAL FOR WEEKS OF
20	UNEMPLOYMENT IN THE INDIVIDUAL'S BENEFIT YEAR THAT BEGAN PRIOR
21	TO THE EFFECTIVE DATE OF THE EXTENDED BENEFIT PERIOD THAT IS
22	CURRENT IN THE WEEK FOR WHICH THE INDIVIDUAL FIRST CLAIMS
23	EXTENDED BENEFITS; AND
24	(II) IF THE BENEFIT YEAR OF THE INDIVIDUAL ENDS WITHIN AN
25	EXTENDED BENEFIT PERIOD, THE REMAINING BALANCE OF THE EXTENDED
26	BENEFITS THAT THE INDIVIDUAL WOULD, BUT FOR THE PROVISIONS OF THIS
27	SUBSECTION (1), BE ENTITLED TO RECEIVE IN THAT EXTENDED BENEFIT

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1	PERIOD, WITH RESPECT TO WEEKS OF UNEMPLOYMENT BEGINNING AFTER
2	THE END OF THE BENEFIT YEAR, SHALL BE REDUCED, BUT NOT BELOW
3	ZERO, BY THE PRODUCT OF THE NUMBER OF WEEKS FOR WHICH THE
4	INDIVIDUAL RECEIVED ANY AMOUNTS OF READJUSTMENT ALLOWANCES
5	UNDER THE FEDERAL "TRADE ACT OF 1974", AS AMENDED, WITHIN THAT
6	BENEFIT YEAR, MULTIPLIED BY THE INDIVIDUAL'S WEEKLY BENEFIT
7	AMOUNT FOR EXTENDED BENEFITS.
8	(4) (a) Notwithstanding the provisions of subsection $(1)$ of
9	THIS SECTION, FOR ANY WEEK THAT BEGINS IN A HIGH UNEMPLOYMENT
10	PERIOD, THE TOTAL EXTENDED BENEFIT AMOUNT PAYABLE TO ANY
11	ELIGIBLE INDIVIDUAL WITH RESPECT TO THE INDIVIDUAL'S APPLICABLE
12	BENEFIT YEAR SHALL BE THE LEAST OF THE FOLLOWING AMOUNTS:
13	(I) EIGHTY PERCENT OF THE TOTAL AMOUNT OF REGULAR BENEFITS
14	That were payable to the individual under articles $70$ to $82$ of
15	THIS TITLE IN THE APPLICABLE BENEFIT YEAR;
16	(II) TWENTY TIMES THE WEEKLY BENEFIT AMOUNT THAT WAS
17	PAYABLE TO THE INDIVIDUAL UNDER ARTICLES 70 TO 82 OF THIS TITLE FOR
18	A WEEK OF TOTAL UNEMPLOYMENT IN THE APPLICABLE BENEFIT YEAR; OR
19	(III) FORTY-SIX TIMES THE AVERAGE WEEKLY BENEFIT AMOUNT
20	THAT WAS PAYABLE TO THE INDIVIDUAL UNDER ARTICLES 70 TO 82 OF THIS
21	TITLE FOR ANY WEEK FOR WHICH THE INDIVIDUAL WAS TOTALLY
22	UNEMPLOYED IN THE APPLICABLE BENEFIT YEAR, REDUCED BY THE TOTAL
23	AMOUNT OF REGULAR BENEFITS THAT WERE PAID OR DEEMED PAID TO THE
24	INDIVIDUAL WITH RESPECT TO THE BENEFIT YEAR; EXCEPT THAT:
25	(A) THE AMOUNT DETERMINED UNDER THIS SUBPARAGRAPH (III)
26	SHALL ALSO BE REDUCED BY THE TOTAL AMOUNT OF REGULAR BENEFITS
27	THAT WERE PAID OR DEEMED PAID TO THE INDIVIDUAL FOR WEEKS OF

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1	UNEWIPLUTWIENT IN THE INDIVIDUAL'S DENEFTL TEAR THAT DEGAN PRIOR
2	TO THE EFFECTIVE DATE OF THE EXTENDED BENEFIT PERIOD THAT IS
3	CURRENT IN THE WEEK FOR WHICH THE INDIVIDUAL FIRST CLAIMS
4	EXTENDED BENEFITS; AND
5	(B) IF THE BENEFIT YEAR OF THE INDIVIDUAL ENDS WITHIN AN
6	EXTENDED BENEFIT PERIOD, THE REMAINING BALANCE OF THE EXTENDED
7	BENEFITS THAT THE INDIVIDUAL WOULD, BUT FOR THE PROVISIONS OF THIS
8	SUBSECTION (4), BE ENTITLED TO RECEIVE IN THAT EXTENDED BENEFIT
9	PERIOD, WITH RESPECT TO WEEKS OF UNEMPLOYMENT BEGINNING AFTER
10	THE END OF THE BENEFIT YEAR, SHALL BE REDUCED, BUT NOT BELOW
11	ZERO, BY THE PRODUCT OF THE NUMBER OF WEEKS FOR WHICH THE
12	INDIVIDUAL RECEIVED ANY AMOUNTS OF READJUSTMENT ALLOWANCES
13	UNDER THE FEDERAL "TRADE ACT OF 1974", AS AMENDED, WITHIN THAT
14	BENEFIT YEAR, MULTIPLIED BY THE INDIVIDUAL'S WEEKLY BENEFIT
15	AMOUNT FOR EXTENDED BENEFITS.
16	(b) As used in this subsection (4), "high unemployment
17	PERIOD" MEANS ANY PERIOD DURING WHICH:
18	(I) THE AVERAGE RATE OF SEASONALLY ADJUSTED TOTAL
19	UNEMPLOYMENT AS DETERMINED BY THE UNITED STATES SECRETARY OF
20	LABOR, FOR THE PERIOD CONSISTING OF THE MOST RECENT THREE MONTHS
21	FOR WHICH DATA FOR ALL STATES ARE PUBLISHED BEFORE THE CLOSE OF
22	THE WEEK EQUALS OR EXCEEDS EIGHT PERCENT; AND
23	(II) THE AVERAGE RATE OF SEASONALLY ADJUSTED TOTAL
24	UNEMPLOYMENT FOR THE STATE OF COLORADO, AS DETERMINED BY THE
25	UNITED STATES SECRETARY OF LABOR, FOR THE PERIOD CONSISTING OF
26	THE MOST RECENT THREE MONTHS FOR WHICH DATA FOR ALL STATES ARE
27	PUBLISHED BEFORE THE CLOSE OF SUCH WEEK EQUALS OR EXCEEDS ONE

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1	HUNDRED TEN PERCENT OF THE AVERAGE RATE OF SEASONALLY ADJUSTED
2	TOTAL UNEMPLOYMENT FOR THE STATE OF COLORADO FOR EITHER OR
3	BOTH OF THE CORRESPONDING THREE-MONTH PERIODS ENDING IN THE TWO
4	PRECEDING CALENDAR YEARS.
5	SECTION 9. Effective date - applicability. This act shall take
6	effect July 1, 2002, and shall apply to claims for benefits filed on or after
7	said date.
8	SECTION 10. Safety clause. The general assembly hereby
9	finds, determines, and declares that this act is necessary for the immediate
10	preservation of the public peace, health, and safety.

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