Employer Impacts

Taxable wage base
- Increase to $13,000 in 2011 and to $16,000 in 2012
- Index to growth in average annual wage once UI trust fund balance is positive
- Drop TWB by $2,000 at Schedule III and again at Schedule I

Surcharge on chronically negative balance employers – 0.5%
Increase fines – failure to file timely reports; misclassification

Employee Impacts

Maximum weekly benefit
- Maintain at $425
- Index to growth in average annual wage once UI trust fund balance is positive
- When Schedule III is reached, move to 57% of average weekly wage

Simple misconduct
- Expanding waiting period and
- Limit benefit duration to 23 weeks

Gross misconduct - Commissioner to draft statutory language expanding definition

Variable duration - maximum total benefit limited to 48% of base period wages

Waiting period - one-week waiting period until UI trust fund balance is positive

Wage disregard - 30% wage disregard that creates an incentive to seek part-time work

Severance pay - eliminate option to receive both severance pay and UI benefits

Other Impacts

Enhanced reporting to Legislature
3-year review by Legislature of progress of this proposal
UI modeling capacity to JFO
Study of Self-Employment Assistance
Re-employment services