



Finance & Tax Committee

**Thursday, February 10, 2011
2:30 p.m.
Morris Hall (17 HOB)**

ACTION PACKET

COMMITTEE MEETING REPORT

Finance & Tax Committee

2/10/2011 2:30:00PM

Location: Morris Hall (17 HOB)

Summary: No Bills Considered

Committee meeting was reported out: Thursday, February 10, 2011 4:55:04PM

COMMITTEE MEETING REPORT

Finance & Tax Committee

2/10/2011 2:30:00PM

Location: Morris Hall (17 HOB)

Attendance:

	<i>Present</i>	<i>Absent</i>	<i>Excused</i>
Stephen Precourt (Chair)	X		
Joseph Abruzzo	X		
Larry Ahern	X		
Lori Berman	X		
Jason Brodeur	X		
Douglas Broxson	X		
Fredrick Costello	X		
Jose Diaz	X		
Chris Dorworth	X		
Erik Fresen	X		
James Grant	X		
John Julien	X		
Debbie Mayfield	X		
George Moraitis, Jr.	X		
Scott Randolph	X		
Lake Ray		X	
Michelle Rehwinkel Vasilinda	X		
Hazelle Rogers	X		
Patrick Rooney, Jr.	X		
Perry Thurston, Jr.	X		
Carlos Trujillo	X		
Charles Van Zant	X		
James Waldman	X		
Michael Weinstein	X		
Totals:	23	1	0

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COMMITTEE MEETING REPORT

Finance & Tax Committee

2/10/2011 2:30:00PM

Location: Morris Hall (17 HOB)

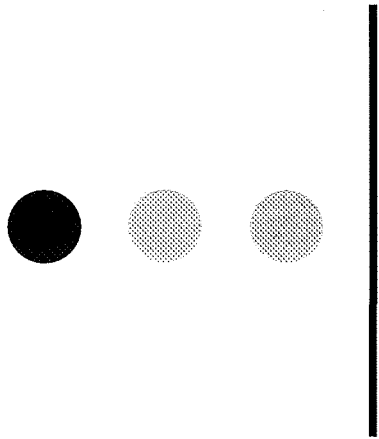
Other Business Appearance:

Tom Clendenning (State Employee) - Information Only
Agency for Workforce Innovation
Caldwell Building
Tallahassee FL 32399
Phone: 850-245-7499

Special Districts

Jack Gaskins, Jr. (State Employee) - Information Only
Department of Community Affairs/Special District Information Program
2555 Shumard Oak Boulevard
Tallahassee FL 32399
Phone: 850-922-1457

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***House of Representatives
Finance & Tax Committee***

February 10, 2011



UC Benefit Eligibility

- Benefits are determined by the wages paid to a worker from all employment during the “base period”, as defined in s. 443.036(7), F.S.
- Base period is the first four of the last five completed calendar quarters preceding the filings date of the claim.



Base Period

Year Preceding Prior Year			Prior Year				Current Year			
July August Sept	Oct Nov Dec	Jan Feb Mar	April May June	July Aug Sept	Oct Nov Dec	Jan Feb Mar	April May June	July Aug Sept	Oct Nov Dec	
	-----Base Period-----				Lag Qtr	*Claim Filed*				
		-----Base Period-----				Lag Qtr	*Claim Filed*			
			-----Base Period-----				Lag Qtr	*Claim Filed*		
				-----Base Period-----				Lag Qtr	*Claim Filed*	



Calculation of Benefits

- To be monetarily eligible a worker must meet the conditions specified in ss. 443.091(1)(g) and 443.111(2), F.S. The individual must:
 - have worked during at least 2 of the 4 quarters of the base period;
 - have been paid total wages of at least \$3,400 during the base period; and
 - Have base period wages equal to at least 1.5 times the amount of the wages in which the earnings were the highest amount.



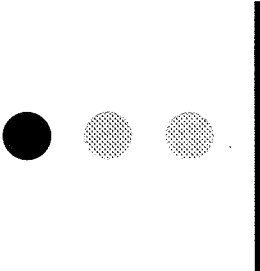
Calculation of Benefits

- As provided in s. 443.111(3), F.S., the weekly benefit amount of the claim is equal to $1/26^{\text{th}}$ of the worker's high quarter wages but cannot exceed \$275.
- The total benefits available are equal to 25% of the total base period wages but cannot exceed \$7,150, as provided in s. 443.111(5), F.S.
- The benefit calculation has been used since July 1, 1996. The weekly benefit amount was set by law effective January 1, 1998.



Calculation of Benefits

- Depending on the amount of wages paid to the worker during the base period the individual may be eligible for 10 to 26 weeks of benefits.
- The benefits can be claimed for weeks of unemployment that occur during the one-year period following the filing date of the claim.
- If the individual uses all state entitlement prior to the expiration date of the claim, no additional state benefits can be paid until a new benefit year has been established as provided in s. 443.036(9), F.S.



Emergency Unemployment Compensation (EUC)

- Individual that have used all of their entitlement to state benefits can receive Emergency Unemployment Compensation.
- The Supplemental Appropriations Act of 1998 created the EUC program on June 30, 2008.
- EUC was designed to pay federally funded extended benefits of up to 13 weeks when the governor of the state entered into an agreement with the Secretary of the U.S. Department of Labor.

Federal Extension of Federally Funded UC Benefits

Regular State Benefits					
26 Weeks	20 Weeks	14 Weeks	13 Weeks	6 Weeks	20 Weeks
Funded by Florida Employers (Reimbursable employers must pay share)	Funded by Federal Government				Funded by Federal Government (Reimbursable employers must pay share)
Total Potential Weeks of Unemployment – 99 Weeks					
	Total Estimated Payments: \$3.5 billion				Total Estimated Payments: \$650 million
	Estimated Total Payments from Extension: \$4.15 billion (December 2010 – December 2011)				



Current EUC Eligibility

- To enter the EUC program all entitlement to regular state benefits must have ended by the week of December 25, 2011.
- Those in the EUC program can establish their next tier of eligibility no later than January 1, 2012.
- Phase out through June 7, 2012.
- EUC payments to date total more than \$7 billion
 - SFY 2008-09: \$1.415 billion
 - SFY 2009-10: \$3.612 billion
 - SFY 2010-11: \$2.081 billion



State Extended Benefits

- State Extended Benefits become payable when the worker has used all regular and EUC entitlements.
- Full federal funding provided by the American Recovery and Reinvestment Act (ARRA)
- In 2009 and 2010 the Legislature provided necessary statutory changes to make state extended benefits available.
- As federal law was further amended after adjournment of the 2010 Regular Session, two executive orders were issued authorizing AWI to continue paying extended benefits.

● ● ● | **State Extended Benefits** (cont.)

- **Total Weeks** – provides up to 20 additional weeks of benefits or 80% of an individual's state claim, whichever is less
- **Payments** – began July 3, 2009 retroactive to February 22, 2009
- **Payments to date** – Nearly \$1 billion to more than 315,669 people
 - SFY 2009-10: \$ 491 million
 - SFY 2010-11: \$ 484 million
- **Program ends**– January 7, 2012



Current Picture

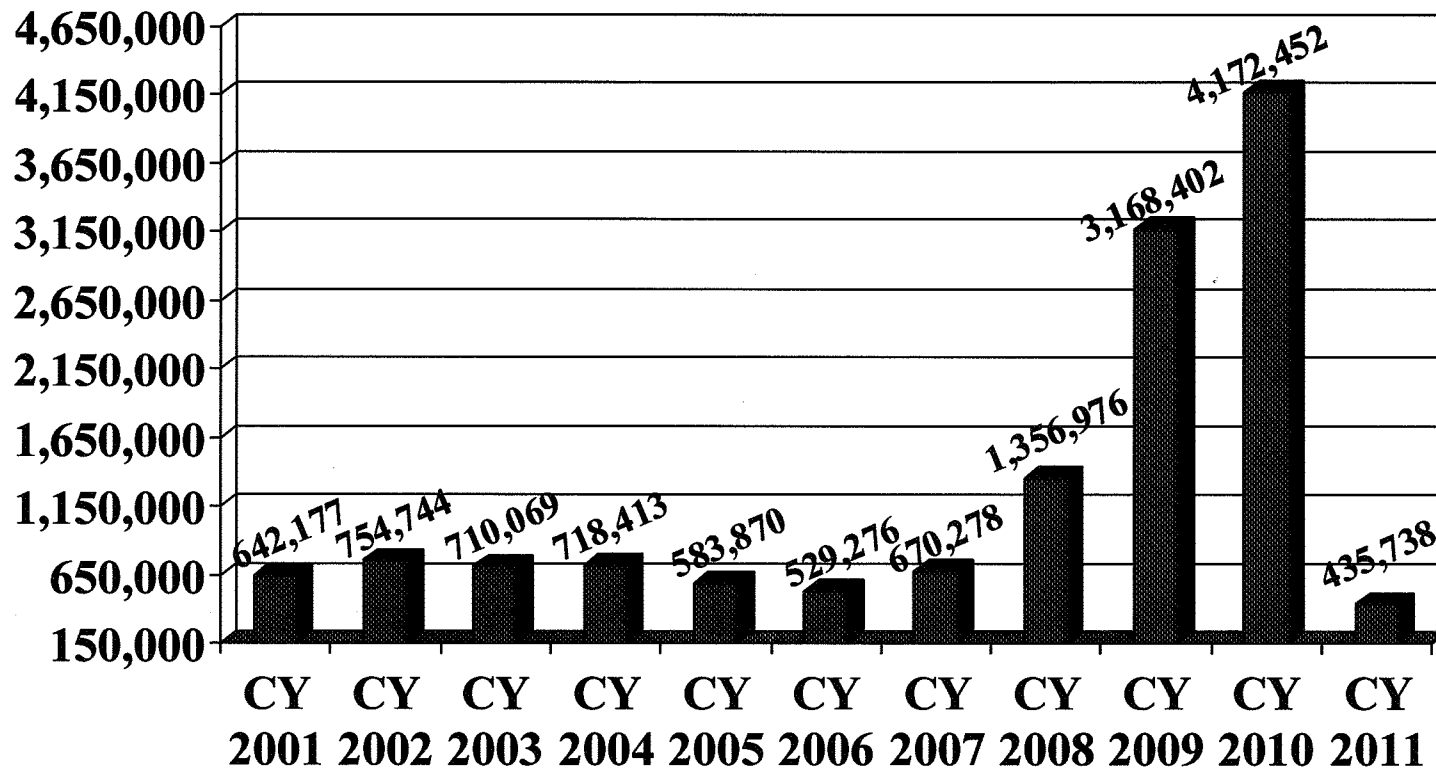
- In Calendar Year 2010 - 4,172,452 claims filed in all programs (UC, EUC, and EB)
 - 32% increase over 2009
- In Calendar Year 2010 - \$7.1 billion benefits paid in all programs
 - 10% increase over benefits paid in 2009
- There are 564,481 people currently claiming unemployment benefits



Current Picture (cont.)

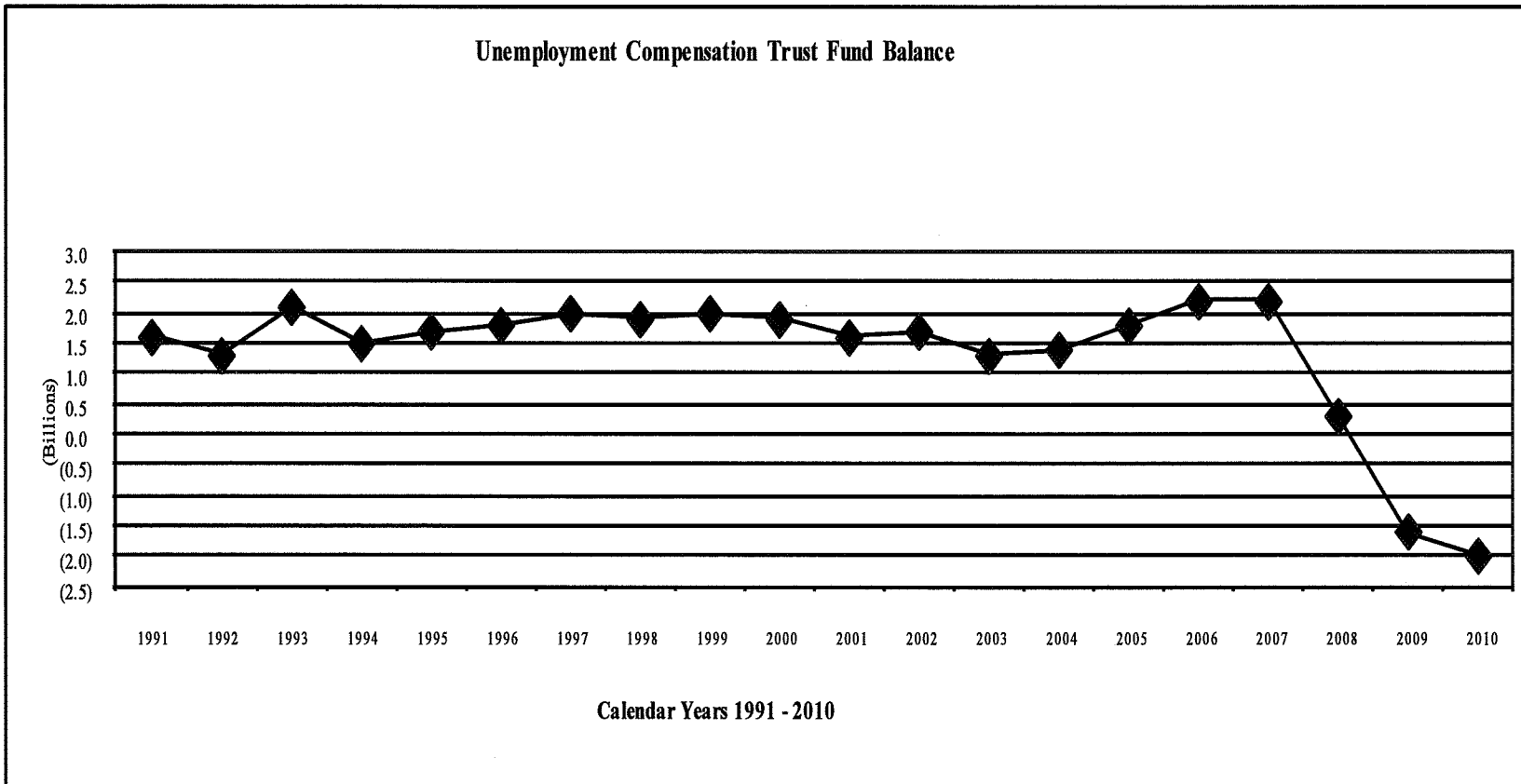
- In Calendar Year 2010, the agency assisted nearly 1.4 million customers. This was a 2.3% increase over the 1.31 million served in 2009.
- Call Center assists 25,000 UC callers per day

Total Number of Yearly UC Claims



Source: Agency for Workforce Innovation, Unemployment Compensation
CY 2011 – through January 31, 2011

UC Trust Fund Balance





Cynthia Lorenzo

Director

(850) 245-7298

Tom Clendenning

Assistant Director

(850) 245-7499

Curt Siegmeister

Legislative Director

(850) 245-7148