

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Commerce and Tourism

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BILL: SB 990

INTRODUCER: Senators Gibson and Berman

SUBJECT: Unemployment Compensation

DATE: March 22, 2019

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	McKay	McKay	CM	<b>Pre-meeting</b>
2.			JU	
3.			RC	

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**I. Summary:**

SB 990 provides that an individual may not be disqualified from receiving reemployment assistance benefits if he or she voluntarily leaves work as a direct result of circumstances related to domestic violence.

The bill takes effect July 1, 2019.

**II. Present Situation:**

**Reemployment Assistance Program**

The federal Unemployment Insurance Program provides unemployment benefits to eligible workers who are unemployed through no fault of their own (as determined under state law) and who meet the requirements of state law.<sup>1</sup> The program is administered as a partnership between the federal government and state governments.<sup>2</sup>

Florida's unemployment insurance program was created by the Legislature in 1937,<sup>3</sup> and rebranded as the "Reemployment Assistance Program" in 2012.<sup>4</sup> The Department of Economic Opportunity (DEO) is responsible for administering Florida's reemployment assistance laws, primarily through its Division of Workforce Services.<sup>5</sup>

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<sup>1</sup> United States Department of Labor, Employment and Training Administration, State Unemployment Insurance Benefits, available at <http://workforcesecurity.doleta.gov/unemploy/uifactsheet.asp> (last visited March 22, 2019).

<sup>2</sup> There are 53 programs, including the 50 states, Puerto Rico, the Virgin Islands, and the District of Columbia.

<sup>3</sup> Ch. 18402, Laws of Fla.

<sup>4</sup> Ch. 2012-30, Laws of Fla.

<sup>5</sup> Section 20.60(5)(c), F.S., and s. 443.171, F.S.

An unemployed individual must apply to the DEO for benefits using Florida's Online Reemployment Assistance System.<sup>6</sup> To receive reemployment assistance (RA) benefits, a claimant must meet certain monetary and nonmonetary eligibility requirements and provide proof of identification.<sup>7</sup> Key eligibility requirements involve a claimant's earnings during a certain period of time, the manner in which the claimant became unemployed, and the claimant's efforts to find new employment. A notice of claim is sent to a claimant's most recent employer and all employers whose employment records are liable for benefits.<sup>8</sup>

### ***Benefits***

A qualified claimant may receive RA benefits equal to 25 percent of wages, not to exceed \$6,325 in a benefit year.<sup>9</sup> Benefits range from a minimum of \$32 per week to a maximum weekly benefit amount of \$275 for up to 23 weeks, depending on the claimant's length of prior employment, wages earned, and the unemployment rate.<sup>10</sup>

A claimant must meet certain requirements in order to be eligible for benefits for each week of unemployment. For example, each week an individual is required to contact at least five prospective employers (three prospective employers if the individual resides in a small county) or report to the one-stop career center<sup>11</sup> for reemployment services.<sup>12</sup>

### ***Disqualification for Benefits***

Section 443.101, F.S., specifies the circumstances under which an individual is disqualified from receiving RA benefits. An individual must be disqualified for benefits for the week in which he or she has voluntarily left work without good cause attributable to his or her employing unit or has been discharged by the employing unit for misconduct connected with his or her work, based on a finding by the DEO. Disqualification for voluntarily quitting continues for the full period of unemployment next ensuing after the individual has left his or her full-time, part-time, or temporary work voluntarily without good cause and until the individual has earned income equal to or greater than 17 times his or her weekly benefit amount.

An individual is not disqualified for voluntarily leaving temporary work to immediately return when called to work by the permanent employing unit that temporarily terminated his or her work within the previous 6 calendar months, or for voluntarily leaving work to relocate as a result of his or her military-connected spouse's permanent change of station orders, activation orders, or unit deployment orders.

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<sup>6</sup> Fla. Admin Code R. 73B-11.013 (2019).

<sup>7</sup> See s. 443.091, F.S., and Fla. Admin. Code R. 73B-11.013.

<sup>8</sup> Section 445.151(3)(a), F.S.

<sup>9</sup> Section 443.111(5), F.S. The maximum amount of benefits available is calculated by multiplying an individual's weekly benefit amount by the number of available benefit weeks.

<sup>10</sup> Section 443.111(3), F.S. Pursuant to s. 443.111(5), F.S., if the average unemployment rate for the 3 months in the most recent third calendar year quarter is at or below 5 percent, then the maximum weeks of benefits available is 12; for each 0.5 percent that the unemployment rate is above 5 percent, an additional week of benefits becomes available for up to 23 weeks at an unemployment rate of 10.5 percent.

<sup>11</sup> The one-stop delivery system is Florida's primary customer service strategy for offering access to job search, referral, and placement assistance; career counseling and educational planning; and other services. Section 445.009, F.S.

<sup>12</sup> Section 443.091(1), F.S.

### ***Financing Reemployment Assistance***

In Florida, RA benefits are financed solely through contributions by employers. Public employers such as the military, counties, and state and federal agencies are generally reimbursable employers, meaning they pay back the exact amount of benefits received by claimants.<sup>13</sup> Private employers are contributory employers and fund the program through a tax on the first \$7,000 of each employee's wages.<sup>14</sup> The calculation for determining each employer's tax rate is statutorily set, and takes into consideration an employer's "experience" (as former employees collect RA benefits, these benefits are charged to the employer), the balance of the Unemployment Compensation Trust Fund, and other factors.<sup>15</sup>

### **Domestic Violence**

Section 741.28, F.S., defines domestic violence as any assault, aggravated assault, battery, aggravated battery, sexual assault, sexual battery, stalking, aggravated stalking, kidnapping, false imprisonment, or any criminal offense resulting in physical injury or death of one family or household member by another family or household member.

Florida Department of Law Enforcement (FDLE) data indicates that there were a total of 106,979 acts of domestic violence reported in 2017, and 64,781 arrests based on those acts.<sup>16</sup> Currently, Florida has 42 certified domestic violence shelters.<sup>17</sup> In Fiscal Year 2016-2017, the Florida Department of Children and Families reported that a total of 14,412 people were admitted to domestic violence shelters for the first time, while over 37,000 people received non-residential services from a certified shelter.<sup>18</sup>

According to some studies, 96 percent of employed domestic violence victims experience some type of work-related problem due to the violence.<sup>19</sup>

### **III. Effect of Proposed Changes:**

The bill amends s. 443.101, F.S., to provide that an individual may not be disqualified from receiving reemployment assistance if he or she voluntarily leaves work and is able to prove that

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<sup>13</sup> Florida Department of Economic Opportunity, *Employer Reemployment Assistance FAQ*, <http://www.floridajobs.org/frequently-asked-questions-directory/faqs> (last visited March 22, 2019).

<sup>14</sup> Section 443.1217(2)(a)2., F.S.

<sup>15</sup> Section 443.131, F.S.

<sup>16</sup> Florida Department of Law Enforcement, *Crime in Florida, Florida uniform crime report (2017)*, [http://www.fdle.state.fl.us/FSAC/Documents/PDF/DV\\_ARR\\_JUR17.aspx](http://www.fdle.state.fl.us/FSAC/Documents/PDF/DV_ARR_JUR17.aspx) (last visited March 22, 2019). The FDLE includes murder, manslaughter, rape, fondling, aggravated assault, aggravated stalking, simple assault, threat/intimidation, and stalking in this data.

<sup>17</sup> Florida Coalition Against Domestic Violence, *2016-2017 Annual Report to the Florida Legislature: 40<sup>th</sup> Anniversary Edition*, <http://www.dcf.state.fl.us/programs/domesticviolence/publications/docs/2017AnnualReport%2021%20DEC%2017.pdf> (last visited March 22, 2019).

<sup>18</sup> Department of Children and Families, *Domestic Violence Annual Report, 7/1/2016 - 6/30/2017*, <http://www.dcf.state.fl.us/programs/domesticviolence/publications/docs/2016-2017%20Annual%20Statistics.pdf> (last visited March 22, 2019).

<sup>19</sup> *Unemployment Insurance and Domestic Violence: Learning from Our Experiences*, Rebecca Smith and Richard W. McHugh, Revised May, 2002, available at <https://www.nelp.org/wp-content/uploads/2015/03/UIDV-Learning-from-our-Experiences.pdf> (last visited March 22, 2019).

the discontinuation of employment is a direct result of circumstances related to domestic violence.

An individual who leaves voluntarily work as a result of domestic violence must:

- Make reasonable efforts to preserve employment or to decrease the risk of future incidents of domestic violence. Such efforts may include seeking a protective injunction, relocating to a secure place, or seeking reasonable accommodation from the employing unit, such as a transfer or change of assignment;
- Provide evidence such as an injunction, a protective order or other documentation authorized by state law which reasonably proves that domestic violence has occurred; and
- Reasonably believe that he or she is likely to be the victim of a future act of domestic violence at, in transit to, or departing from his or her place of employment.

An individual who is otherwise eligible for reemployment assistance under these criteria is ineligible for each week that he or she no longer meets these criteria or refuses a reasonable accommodation offered in good faith by his or her employing unit.

For contributory employers, the employment record of an employing unit may not be charged for the payment of benefits to an individual who has voluntarily left work pursuant to the bill's provisions.

The bill has an effective date of July 1, 2019.

#### **IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

The bill prohibits charging the employment record of contributory employers for benefits paid pursuant to the bill's provisions.

**C. Government Sector Impact:**

The bill will allow RA benefits to be extended to persons who would previously have been disqualified. The number of persons to whom the bill's provisions would apply is unknown, so the RA benefit costs to reimbursable government employers is unknown, as is the amount of RA benefits that could be paid.

The DEO has indicated that it could absorb within its existing budget any costs that it would incur to implement the changes in the bill.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

The bill substantially amends section 443.101 of the Florida Statutes.

**IX. Additional Information:****A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

None.