

Regular Session, 2014

SENATE BILL NO. 377

BY SENATOR MARTINY

UNEMPLOYMENT COMP. Provides relative to reciprocal agreements with federal and state agencies. (8/1/14)

1 AN ACT

2 To enact R.S. 23:1665(C), relative to unemployment compensation; to provide for reciprocal  
3 arrangements with federal and state agencies; and to provide for related matters.

4 Be it enacted by the Legislature of Louisiana:

5 Section 1. R.S. 23:1665(C) is hereby enacted to read as follows:

6 §1665. Reciprocal arrangements with federal and state agencies

7 \* \* \*

8 **C. The Louisiana Workforce Commission shall work with multi-state**  
9 **employers to propose interstate reciprocal agreements that will safeguard**  
10 **multi-state employers from paying duplicative unemployment insurance**  
11 **contributions on the same worker and protect the solvency of a state's trust**  
12 **fund by ensuring sufficient tax streams to cover benefit liabilities.**

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The original instrument was prepared by Mary Dozier O'Brien. The following digest, which does not constitute a part of the legislative instrument, was prepared by Jay Lueckel.

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#### DIGEST

Martiny (SB 377)

Present law provides that the administrator for the unemployment insurance fund (executive director of the La. Workforce Commission) may enter into reciprocal arrangements with unemployment agencies of other states or the United States, or both, regarding the payment of unemployment contributions that are made by employers to other states or to the federal government.

Proposed law requires that the La. Workforce Commission will work with multi-state employers to propose interstate reciprocal agreements that will safeguard multi-state employers from paying duplicative unemployment insurance on the same worker and protect the solvency of a state's trust fund by ensuring sufficient tax streams to cover benefit liabilities.

Effective August 1, 2014.

(Adds R.S. 23:1665(C))

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Labor and Industrial Relations to the original bill

1. Removes discretion of the administrator and, therefore, mandates the administrator to enter into reciprocal arrangements with other states or the federal government.
2. Requires a date for proof of contributions.

##### Committee Amendments Proposed by Senate Committee on Finance to the engrossed bill

1. Deletes the requirements that mandate the administrator to propose reciprocal arrangements with appropriate and duly authorized agencies of other states or of the U.S. government.
2. Deletes provisions being restricted to wages for insured work provided proof of the contribution is provided to the administrator by a date certain.
3. Adds requirement that the La. Workforce Commission shall work with multi-state employers to propose interstate reciprocal agreements that will safeguard multi-state employers from paying duplicative unemployment insurance on the same worker and protect the solvency of a state's trust fund by ensuring sufficient tax streams to cover benefit liabilities.