SENATE SUBSTITUTE

FOR

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILL NO. 510

AN ACT

To repeal sections 288.030 and 288.050, RSMo, and to enact in lieu thereof two new sections relating to disqualification from unemployment benefits.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

- Section A. Sections 288.030 and 288.050, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as
- 3 sections 288.030 and 288.050, to read as follows:
- 288.030. 1. As used in this chapter, unless the context clearly requires otherwise, the following terms mean:
- 6 (1) "Appeals tribunal", a referee or a body consisting of
 7 three referees appointed to conduct hearings and make decisions
 8 on appeals from administrative determinations, petitions for
 9 reassessment, and claims referred pursuant to subsection 2 of
- 10 section 288.070;
- 11 (2) "Base period", the first four of the last five 12 completed calendar quarters immediately preceding the first day 13 of an individual's benefit year;
- 14 (3) "Benefit year", the one-year period beginning with the 15 first day of the first week with respect to which an insured 16 worker first files an initial claim for determination of such 17 worker's insured status, and thereafter the one-year period

- 1 beginning with the first day of the first week with respect to
- 2 which the individual, providing the individual is then an insured
- 3 worker, next files such an initial claim after the end of the
- 4 individual's last preceding benefit year;
- 5 (4) "Benefits", the money payments payable to an insured 6 worker, as provided in this chapter, with respect to such insured
- 7 worker's unemployment;
- 8 (5) "Calendar quarter", the period of three consecutive 9 calendar months ending on March thirty-first, June thirtieth, 10 September thirtieth, or December thirty-first;
- 11 (6) "Claimant", an individual who has filed an initial
- 12 claim for determination of such individual's status as an insured
- worker, a notice of unemployment, a certification for waiting
- 14 week credit, or a claim for benefits;
- 15 (7) "Commission", the labor and industrial relations
 16 commission of Missouri;
- 17 (8) "Common paymaster", two or more related corporations in
- 18 which one of the corporations has been designated to disburse
- 19 remuneration to concurrently employed individuals of any of the
- 20 related corporations;
- 21 (9) "Contributions", the money payments to the unemployment
- 22 compensation fund required by this chapter, exclusive of interest
- 23 and penalties;
- 24 (10) "Decision", a ruling made by an appeals tribunal or
- 25 the commission after a hearing;
- 26 (11) "Deputy", a representative of the division designated
- 27 to make investigations and administrative determinations on
- 28 claims or matters of employer liability or to perform related

1 work;

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- 2 (12) "Determination", any administrative ruling made by the division without a hearing;
- 4 (13) "Director", the administrative head of the division of employment security;
 - (14) "Division", the division of employment security which administers this chapter;
- "Employing unit", any individual, organization, 8 9 partnership, corporation, common paymaster, or other legal 10 entity, including the legal representatives thereof, which has or, subsequent to June 17, 1937, had in its employ one or more 11 12 individuals performing services for it within this state. All 13 individuals performing services within this state for any 14 employing unit which maintains two or more separate 15 establishments within this state shall be deemed to be employed 16 by a single employing unit for all the purposes of this chapter. 17 Each individual engaged to perform or to assist in performing the 18 work of any person in the service of an employing unit shall be 19 deemed to be engaged by such employing unit for all the purposes 20 of this chapter, whether such individual was engaged or paid 21 directly by such employing unit or by such person, provided the 22 employing unit had actual or constructive knowledge of the work;
 - (16) "Employment office", a free public employment office operated by this or any other state as a part of a state controlled system of public employment offices including any location designated by the state as being a part of the one-stop career system;
 - (17) "Equipment", a motor vehicle, straight truck, tractor,

- 1 semi-trailer, full trailer, any combination of these and any
- 2 other type of equipment used by authorized carriers in the
- 3 transportation of property for hire;

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- 4 (18) "Fund", the unemployment compensation fund established 5 by this chapter;
 - (19) "Governmental entity", the state, any political subdivision thereof, any instrumentality of any one or more of the foregoing which is wholly owned by this state and one or more other states or political subdivisions and any instrumentality of this state or any political subdivision thereof and one or more other states or political subdivisions;
 - (20) "Initial claim", an application, in a form prescribed by the division, made by an individual for the determination of the individual's status as an insured worker;
 - (21) "Insured work", employment in the service of an employer;
- 17 (22)As to initial claims filed after December 31, 1990, "insured worker", a worker who has been paid wages for 18 19 insured work in the amount of one thousand dollars or more in at 20 least one calendar quarter of such worker's base period and total 21 wages in the worker's base period equal to at least one and 22 one-half times the insured wages in that calendar quarter of the 23 base period in which the worker's insured wages were the highest, 24 or in the alternative, a worker who has been paid wages in at 25 least two calendar quarters of such worker's base period and 26 whose total base period wages are at least one and one-half times 27 the maximum taxable wage base, taxable to any one employer, in 28 accordance with subsection 2 of section 288.036. For the

- purposes of this definition, "wages" shall be considered as wage credits with respect to any benefit year, only if such benefit year begins subsequent to the date on which the employing unit by which such wages were paid has become an employer;
- 5 As to initial claims filed after December 31, 2004, 6 wages for insured work in the amount of one thousand two hundred 7 dollars or more, after December 31, 2005, one thousand three hundred dollars or more, after December 31, 2006, one thousand 8 9 four hundred dollars or more, after December 31, 2007, one 10 thousand five hundred dollars or more in at least one calendar quarter of such worker's base period and total wages in the 11 12 worker's base period equal to at least one and one-half times the 13 insured wages in that calendar quarter of the base period in 14 which the worker's insured wages were the highest, or in the 15 alternative, a worker who has been paid wages in at least two 16 calendar quarters of such worker's base period and whose total 17 base period wages are at least one and one-half times the maximum 18 taxable wage base, taxable to any one employer, in accordance with subsection 2 of section 288.036; 19
 - of the employer's interest, a deliberate violation of the employer's rules, a disregard of standards of behavior which the employer has the right to expect of his or her employee, or negligence in such degree or recurrence as to manifest culpability, wrongful intent or evil design, or show an intentional and substantial disregard of the employer's interest or of the employee's duties and obligations to the employer] only as the term is used in this chapter, conduct or failure to act in

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- a manner that is connected with work, regardless of whether such

 conduct or failure to act occurs at the workplace or during work
- 4 (a) Conduct or a failure to act demonstrating knowing
 5 disregard of the employer's interest or a knowing violation of

hours, which shall include:

- the standards which the employer expects of his or her employee;
- 7 (b) Conduct or a failure to act demonstrating carelessness
 8 or negligence in such degree or recurrence as to manifest
 9 culpability, wrongful intent, or a knowing disregard of the
 10 employer's interest or of the employee's duties and obligations
- 11 <u>to the employer;</u>

- 12 <u>(c) A violation of an employer's no-call, no-show policy;</u>
 13 <u>chronic absenteeism or tardiness in violation of a known policy</u>
 14 <u>of the employer; or two or more unapproved absences following a</u>
 15 <u>written reprimand or warning relating to an unapproved absence</u>
 16 unless such absences are protected by law;
- 17 (d) A knowing violation of a state standard or regulation

 18 by an employee of an employer licensed or certified by the state,

 19 which would cause the employer to be sanctioned or have its

 20 license or certification suspended or revoked; or
- 21 <u>(e) A violation of an employer's rule, unless the employee</u> 22 can demonstrate that:
- 23 <u>a. He or she did not know, and could not reasonably know,</u>
 24 <u>of the rule's requirements;</u>
- b. The rule is not lawful; or
- 26 c. The rule is not fairly or consistently enforced;
- 27 (24) "Referee", a representative of the division designated 28 to serve on an appeals tribunal;

- 1 (25) "State" includes, in addition to the states of the 2 United States of America, the District of Columbia, Puerto Rico, 3 the Virgin Islands, and the Dominion of Canada;
- 4 (26) "Temporary employee", an employee assigned to work for 5 the clients of a temporary help firm;

- (27) "Temporary help firm", a firm that hires its own employees and assigns them to clients to support or supplement the clients' workforce in work situations such as employee absences, temporary skill shortages, seasonal workloads, and special assignments and projects;
- (28) (a) An individual shall be deemed "totally unemployed" in any week during which the individual performs no services and with respect to which no wages are payable to such individual;
 - (b) a. An individual shall be deemed "partially unemployed" in any week of less than full-time work if the wages payable to such individual for such week do not equal or exceed the individual's weekly benefit amount plus twenty dollars;
 - b. Effective for calendar year 2007 and each year thereafter, an individual shall be deemed "partially unemployed" in any week of less than full-time work if the wages payable to such individual for such week do not equal or exceed the individual's weekly benefit amount plus twenty dollars or twenty percent of his or her weekly benefit amount, whichever is greater;
- 26 (c) An individual's "week of unemployment" shall begin the 27 first day of the calendar week in which the individual registers 28 at an employment office except that, if for good cause the

- 1 individual's registration is delayed, the week of unemployment
- 2 shall begin the first day of the calendar week in which the
- 3 individual would have otherwise registered. The requirement of
- 4 registration may by regulation be postponed or eliminated in
- 5 respect to claims for partial unemployment or may by regulation
- 6 be postponed in case of a mass layoff due to a temporary
- 7 cessation of work;
- 8 (29) "Waiting week", the first week of unemployment for
- 9 which a claim is allowed in a benefit year or if no waiting week
- 10 has occurred in a benefit year in effect on the effective date of
- 11 a shared work plan, the first week of participation in a shared
- work unemployment compensation program pursuant to section
- 13 288.500.
- 14 2. The Missouri average annual wage shall be computed as of
- June thirtieth of each year, and shall be applicable to the
- 16 following calendar year. The Missouri average annual wage shall
- be calculated by dividing the total wages reported as paid for
- insured work in the preceding calendar year by the average of
- mid-month employment reported by employers for the same calendar
- 20 year. The Missouri average weekly wage shall be computed by
- 21 dividing the Missouri average annual wage as computed in this
- 22 subsection by fifty-two.
- 28 288.050. 1. Notwithstanding the other provisions of this
- law, a claimant shall be disqualified for waiting week credit or
- 25 benefits until after the claimant has earned wages for work
- insured pursuant to the unemployment compensation laws of any
- 27 state equal to ten times the claimant's weekly benefit amount if
- 28 the deputy finds:

- That the claimant has left work voluntarily without (1)good cause attributable to such work or to the claimant's employer. A temporary employee of a temporary help firm will be deemed to have voluntarily quit employment if the employee does not contact the temporary help firm for reassignment prior to filing for benefits. Failure to contact the temporary help firm will not be deemed a voluntary quit unless the claimant has been advised of the obligation to contact the firm upon completion of assignments and that unemployment benefits may be denied for failure to do so. "Good cause", for the purposes of this subdivision, shall include only that cause which would compel a reasonable employee to cease working or which would require separation from work due to illness or disability. The claimant shall not be disqualified:
 - (a) If the deputy finds the claimant quit such work for the purpose of accepting a more remunerative job which the claimant did accept and earn some wages therein;

- (b) If the claimant quit temporary work to return to such claimant's regular employer; or
- (c) If the deputy finds the individual quit work, which would have been determined not suitable in accordance with paragraphs (a) and (b) of subdivision (3) of this subsection, within twenty-eight calendar days of the first day worked;
- (d) As to initial claims filed after December 31, 1988, if the claimant presents evidence supported by competent medical proof that she was forced to leave her work because of pregnancy, notified her employer of such necessity as soon as practical under the circumstances, and returned to that employer and

offered her services to that employer as soon as she was

physically able to return to work, as certified by a licensed and

practicing physician, but in no event later than ninety days

after the termination of the pregnancy. An employee shall have

been employed for at least one year with the same employer before

she may be provided benefits pursuant to the provisions of this

paragraph;

- (e) If the deputy finds that, due to the spouse's mandatory and permanent military change of station order, the claimant quit work to relocate with the spouse to a new residence from which it is impractical to commute to the place of employment and the claimant remained employed as long as was reasonable prior to the move. The claimant's spouse shall be a member of the U.S. Armed Forces who is on active duty, or a member of the National Guard or other reserve component of the U.S. Armed Forces who is on active National Guard or reserve duty. The provisions of this paragraph shall only apply to individuals who have been determined to be an insured worker as provided in subdivision (22) of subsection 1 of section 288.030;
 - (2) That the claimant has retired pursuant to the terms of a labor agreement between the claimant's employer and a union duly elected by the employees as their official representative or in accordance with an established policy of the claimant's employer; or
 - (3) That the claimant failed without good cause either to apply for available suitable work when so directed by a deputy of the division or designated staff of an employment office as defined in subsection 1 of section 288.030, or to accept suitable

work when offered the claimant, either through the division or 1 2 directly by an employer by whom the individual was formerly employed, or to return to the individual's customary 3 self-employment, if any, when so directed by the deputy. 5 offer of work shall be rebuttably presumed if an employer 6 notifies the claimant in writing of such offer by sending an 7 acknowledgment via any form of certified mail issued by the 8 United States Postal Service stating such offer to the claimant 9 at the claimant's last known address. Nothing in this 10 subdivision shall be construed to limit the means by which the deputy may establish that the claimant has or has not been 11 12 sufficiently notified of available work.

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In determining whether or not any work is suitable for an individual, the division shall consider, among other factors and in addition to those enumerated in paragraph (b) of this subdivision, the degree of risk involved to the individual's health, safety and morals, the individual's physical fitness and prior training, the individual's experience and prior earnings, the individual's length of unemployment, the individual's prospects for securing work in the individual's customary occupation, the distance of available work from the individual's residence and the individual's prospect of obtaining local work; except that, if an individual has moved from the locality in which the individual actually resided when such individual was last employed to a place where there is less probability of the individual's employment at such individual's usual type of work and which is more distant from or otherwise less accessible to the community in which the individual was last employed, work

- offered by the individual's most recent employer if similar to
- 2 that which such individual performed in such individual's last
- 3 employment and at wages, hours, and working conditions which are
- 4 substantially similar to those prevailing for similar work in
- 5 such community, or any work which the individual is capable of
- 6 performing at the wages prevailing for such work in the locality
- 7 to which the individual has moved, if not hazardous to such
- 8 individual's health, safety or morals, shall be deemed suitable
- 9 for the individual;
- 10 (b) Notwithstanding any other provisions of this law, no
- work shall be deemed suitable and benefits shall not be denied
- 12 pursuant to this law to any otherwise eligible individual for
- 13 refusing to accept new work under any of the following
- 14 conditions:
- 15 a. If the position offered is vacant due directly to a
- 16 strike, lockout, or other labor dispute;
- b. If the wages, hours, or other conditions of the work
- offered are substantially less favorable to the individual than
- 19 those prevailing for similar work in the locality;
- c. If as a condition of being employed the individual would
- 21 be required to join a company union or to resign from or refrain
- from joining any bona fide labor organization.
- 23 2. If a deputy finds that a claimant has been discharged
- for misconduct connected with the claimant's work, such claimant
- 25 shall be disqualified for waiting week credit and benefits, and
- 26 no benefits shall be paid nor shall the cost of any benefits be
- 27 charged against any employer for any period of employment within
- the base period until the claimant has earned wages for work

- insured under the unemployment laws of this state or any other 1 2 state as prescribed in this section. In addition to the disqualification for benefits pursuant to this provision the 3 division may in the more aggravated cases of misconduct cancel 5 all or any part of the individual's wage credits, which were 6 established through the individual's employment by the employer 7 who discharged such individual, according to the seriousness of 8 the misconduct. A disqualification provided for pursuant to this 9 subsection shall not apply to any week which occurs after the 10 claimant has earned wages for work insured pursuant to the unemployment compensation laws of any state in an amount equal to 11 12 six times the claimant's weekly benefit amount. Should a 13 claimant be disqualified on a second or subsequent occasion 14 within the base period or subsequent to the base period the 15 claimant shall be required to earn wages in an amount equal to or 16 in excess of six times the claimant's weekly benefit amount for 17 each disqualification.
 - 3. [Absenteeism or tardiness may constitute a rebuttable presumption of misconduct, regardless of whether the last incident alone constitutes misconduct, if the discharge was the result of a violation of the employer's attendance policy, provided the employee had received knowledge of such policy prior to the occurrence of any absence or tardy upon which the discharge is based.

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4.] Notwithstanding the provisions of subsection 1 of this section, a claimant may not be determined to be disqualified for benefits because the claimant is in training approved pursuant to Section 236 of the Trade Act of 1974, as amended, (19 U.S.C.A.

- 1 Sec. 2296, as amended), or because the claimant left work which
- 2 was not suitable employment to enter such training. For the
- 3 purposes of this subsection "suitable employment" means, with
- 4 respect to a worker, work of a substantially equal or higher
- 5 skill level than the worker's past adversely affected employment,
- 6 and wages for such work at not less than eighty percent of the
- 7 worker's average weekly wage as determined for the purposes of
- 8 the Trade Act of 1974.