Jobless fund package clears House

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A package of bills that the author said would help shore up the state’s financially ailing unemployment compensation fund cleared the Louisiana House on Monday.

The Department of Labor-backed bills approved by the House include one to reduce slightly benefits to unemployed workers and another to give the state more power to recover overpayments.

Under current law, after an individual’s benefit is computed, the figure is rounded up to the next even dollar amount. For instance, if it is $121.49, the amount would be $122.

Under HB1670 — approved on a 97-6 vote — the figure would be “rounded down” to the lower full dollar amount.

Rep. Louis “Woody” Jenkins, D-Baton Rouge, said the move will save the state unemployment compensation fund $1.4 million annually.

The House also approved a bill, HB1669, which will allow the state to take steps to recover some of the $24 million in unemployment overpayments that have been made. The bill received a 96-0 vote.

Jenkins said the Department of Labor has “very little power to do anything about” recovery of the funds. He said the legislation would give the Department of Labor the same power it now has to go after employers who don’t pay unemployment compensation taxes.

The bill allows the department to place a lien on real or personal property for overpayments of $100 or more after all due process rights have been completed.

The House also approved a bill revamping the Unemployment Compensation Review Board, increasing its membership and eliminating specified business and labor appointees.

“Right now, people feel like their cases are being reviewed by advocates of either business or labor,” said Rep. Louis “Woody” Jenkins, D-Baton Rouge, adding the three-member board includes one business and one labor representative today.

Jenkins said that is a healthy situation.

The bill, HB1863, would expand the board from three to five members, a move Jenkins said will expedite the hearing of cases. The current board would be ousted and an entire new board would be appointed by Gov. Buddy Roemer.

Rep. Avery Alexander, D-New Orleans, protested removal of a labor representative from the board. He said the working man should have a voice on the board.

Rep. John Travis, D-Jackson, said Roemer campaigned on a promise of reducing the number and size of various state boards and commissions.

“I think I know what’s going on — they don’t have enough positions to appoint all their people,” he said.

The House approved the measure, HB1863, on a 74-29 vote after adopting an amendment that required all members of the board to take a special course related to their work.

The three measures now move to the Senate for consideration.