

ONE HUNDRED FIFTH LEGISLATURE - FIRST SESSION - 2017
COMMITTEE STATEMENT (CORRECTED)
LB519

Hearing Date: Monday January 30, 2017
Committee On: Business and Labor
Introducer: Hansen
One Liner: Change Employment Security Law provisions relating to employers' experience and reimbursement accounts

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye: 7 Senators Albrecht, Chambers, Crawford, Halloran, Hansen, Howard, Lowe
Nay:
Absent:
Present Not Voting:

Verbal Testimony:

Proponents:

Matt Hansen
William Austin

Representing:

Introducer
Airport Authority of the City of Lincoln

Opponents:

Representing:

Neutral:

John Albin

Representing:

Commissioner, Nebraska Department of Labor

Summary of purpose and/or changes:

A "contributory employer" is a liable employer who is required to pay quarterly combined tax, which consists of contributions and state unemployment insurance tax on wages at the applicable combined tax rate. Neb. Rev. Stat. 48-649.

A "reimbursable employer" is a liable employer who elects to make payments in lieu of combined tax. Such an employer is required to reimburse the agency for benefits paid to former employees. The reimbursing employer option is available only to governmental entities and nonprofit organizations with a 501 (c)(3) IRS exempt status. Neb. Rev. Stat. 48-649 (7).

Current law states that contributory employers who employ part-time employees who are currently receiving unemployment benefits, the contributory employer will not be charged if the employer files a timely notice of the facts.

LB 519 includes reimbursable employers in that category. They too will not be charged if they have hired a part-time employee who is currently receiving unemployment benefits as a result of separation from a previous employer.

Joni Albrecht, Chairperson