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FLOOR DEBATE

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cases, the worker was disqualified for having voluntarily left his or her employment without good cause. But in 81 percent of these cases, the disqualification period assessed was for seven weeks. An additional 27.2 percent of all separation determinations were for individuals who were discharged from their employment. Of these, it was determined 94.1 percent of the cases the worker has been discharged for misconduct. In 67 percent of these cases, the disqualification period was seven weeks. Therefore, in the vast majority of all separations, the worker was given a seven-week disqualification period for quitting without good cause or being fired for misconduct. Nebraska's economy has considerably drawn down our Unemployment Trust Fund and a substantial rate increase has recently been imposed. Because of the provision used in Nebraska's system that can reduce the total amount of benefits a worker can draw by the number of weeks of disqualification, times his or her weekly benefit amount, and because changing to a requalifying system would be very difficult to administer, I have opted instead to increase the disqualification period to a fixed 13 weeks. It's predicted that this change will save the Unemployment Trust Fund approximately \$4.5 million annually. Now if Nebraska were to change to a requalification system, like Iowa has, it would be difficult to estimate any cost savings because the elimination of the reduction of benefits would actually increase the weeks of benefits a worker is eligible for in some situations. However, a cost savings is not my only purpose in introducing this bill. I feel the present system is just simply very unfair. I've asked the Department of Labor to review LB 1049. I have been informed that the changes proposed conform with federal requirements, and any costs to update the system could be paid out of federal funds. I believe that increasing the length of time that a worker is disqualified before receiving unemployment benefits for quitting a job without good cause or being fired for misconduct is a reasonable solution to this unfairness. And I would urge you to advance this bill. And in simple terms, absolutely all this does in current statute is changes the wording from "seven to ten weeks" to "thirteen weeks." That's all it does. It saves the system about \$4.5 million to \$4.7 million a year. Thank you.

SENATOR CUDABACK: Thank you, Senator Cunningham. Mr. Clerk,