

the statute is written, it evaluates the unemployment performance after a two-year period two consecutive years, and they discovered that if they changed their...changed the name of their company, say, for example, if it's ABC company and they change their name then to ABCD company that they are no longer classified. They would be viewed as a new company under the Department of Labor's unemployment evaluation. So they would be again be tacked with a 3.5 percent unemployment benefits. So what we're changing in the law is to say that we will still evaluate it on the basis of past performance but it won't be based upon a two-year period, two consecutive year period. It will be on any two years. And in that way the hope is from the Department of Labor that these rates will more accurately reflect what companies are drawing from the unemployment insurance trust fund. I will be happy to answer any questions.

SENATOR HALL: Thank you, Senator Abboud. You've heard the opening on the committee amendments. Is there any discussion? Senator Pirsch, on the committee amendments.

SENATOR PIRSCH: Thank you. Senator Abboud, when we're talking about any two years, regardless of whether such years are consecutive, can the Department of Labor selectively pick out those two years? Or what kind of rationale will they use to select those years?

SENATOR ABBOUD: Well, if you'll notice in the committee amendment, the language that we are going to be using would state for any two preceding calendar years,...

SENATOR PIRSCH: Right.

SENATOR ABBOUD: ...so the term "preceding" would be (interruption).

SENATOR PIRSCH: Regardless of whether such years are consecutive.

SENATOR ABBOUD: Right.

SENATOR PIRSCH: So who makes...how do they determine that? Do they pick out their worst years or...

SENATOR ABBOUD: Well, preceding would be the two years, the last two years.