



BILL SUMMARY

HF 2110 Unemployment Insurance for Military Spouses

Status of Bill: House Floor
Committee: Veterans Affairs (passed 10-6)
Floor Manager: Rep. Ray Zirkelbach
Research Analyst: Zeke Furlong 515-281-6972
zeke.furlong@legis.state.ia.us

January 26, 2010

Background

Currently, at least 17 other states provide unemployment insurance benefits to spouses of military personnel who left employment, due to no fault of their own, and relocated because of a military assignment in another area. The bill was originally an Iowa Workforce Development department bill.

Summary

The bill will provide unemployment benefits to spouses of military personnel who left employment and relocated. In addition, the spouse's employer will not be charged for any benefits paid. The benefits will be paid out of the Unemployment Benefits Trust Fund.

Fiscal Note

There is currently approximately \$154.1 million in the Unemployment Insurance Reserve Fund and \$318.3 million in the Unemployment Insurance Trust Fund. The Legislative Services Agency (LSA) assumes there will be 48 claims for unemployment benefits annually. In addition, LSA makes the assumption that benefit payments will be \$300 per week for each claimant and the average payments will be for 14 weeks. As a result, HF 2110 will increase expenses for the Unemployment Insurance Trust Fund by an estimated \$202,000 annually beginning in FY 2011. Because of the many variables that go into calculating contributions to the Trust Fund, it is not possible to determine what, if any, possible impact the legislation will have on future employer contributions.

Amendment

H-8026 by Horbach of Tama. The amendment requires that any benefits paid from the Unemployment Trust Fund for this purpose must be reimbursed from the general fund at the end of each fiscal year.

H-8027 by Tymeson of Madison. The amendment strikes the language of the bill allowing for unemployment benefits for military spouses who are forced to relocate. That language is replaced by language that states the spouse's unemployment benefits will only be paid due to the military member being injured while serving in the military. In order to qualify for benefits, the spouse must provide a letter from the military member's doctor stating that full-time care for the injured military member is necessary. All other provisions of the bill will still apply.

H-8028 by Windschitl of Harrison. The amendment strikes the language of the bill and replaces it stating that unemployment benefits will only apply to spouses of the Iowa National Guard, the Reservists, or the Civil Air Patrol. In addition, to qualify for benefits the spouse must accompany the military member who was relocated due to a military assignment, or the spouse must relocate at least 50 miles

away, if the military member is relocated to another state or country, and the original employer has no work available in the new area.

Zeke Furlong[G:\Caucus Staff\ZFurlong\2010\Word\Veterans Affairs\bill summ - unemployed vets spouse.doc\January 26, 2010\3:53 PM