



AGENCY FOR WORKFORCE INNOVATION Overview of HB 7005

Legislation signed into law June 27, 2011, amends the Unemployment Compensation Law, Chapter 443, Florida Statutes, in several ways that impact an individual's entitlement to benefits.

Effective Upon Becoming Law

Misconduct – The definition of misconduct was amended. Misconduct can be found to have occurred in connection with a job whether or not it occurs at the workplace or during working hours and can result in the denial of benefits on an unemployment compensation claim.

Misconduct is now defined as demonstrating conscious disregard of a reasonable standard of behavior, and can include:

- Chronic absenteeism or tardiness;
- Willful and deliberate violation of a state standard or regulation which would jeopardize the employer's Florida license or certification;
- Violation of an employer's rule under certain circumstances.

The definition still provides that carelessness or negligence to a degree or recurrence that manifests culpability or wrongful intent is misconduct. However, "evil design" is no longer a characteristic equated with misconduct.

If the claimant is discharged **on or after** the date the Governor signs the bill, the new definition of misconduct will be used to determine whether a claimant is disqualified from receiving benefits

Effective July 1, 2011

Benefit payments – Individuals receiving their benefits by a paper check as of July 1, 2011 may continue to do so until the end of their claims. However, after July 1, individuals filing new claims will have the option of selecting payment by the Florida Unemployment Compensation Debit Card or by a direct deposit to their bank account.

Individuals who have established a benefit year prior to July 1, 2011, but are not receiving benefits as of July 1 will not be permitted to receive benefits by paper check if they reopen their claims or file an additional claim prior to the expiration date of their claim.

Effective August 1, 2011

Online filing and certification – Initial and continued claims must be made via the [Internet](#). Claims can no longer be filed through the IVR or by paper applications.

Work Search – Claimants are required on a weekly basis to make contact with five potential employers or make one in-person visit to their local One-Stop Career Center and meet with a representative to access reemployment services. Claimants will be required to provide this information via the Internet during their bi-weekly certification for benefits.

Skills Review – Claimants must participate in an online initial skills review in order to be eligible to receive benefits. The initial skills review is provided by Florida Ready to Work. Claimants will be notified of this requirement when filing for benefits. Failure to complete the review will result in the denial of benefits until the review is completed. The Agency will be notified by Florida Ready to Work when the claimant has completed the review. This will authorize the removal of the claim flag associated with the review. The results of the review will be used to develop a plan for referring the claimant to training and employment opportunities by the individual's One-Stop Career Center. In responding to claimant inquiries relating to the review, staff should NOT refer to it as a test. The results of the assessment do not affect benefit eligibility.

Severance Pay – Severance pay is now considered disqualifying income. If a claimant's severance pay for a particular week is equal to or greater than the claimant's weekly benefit amount, the claimant is not entitled to benefits for that week. However, there is no reduction in the amount of the total benefits (available credits) that can be paid on the claim.

Severance pay will be deducted from benefit payments if the severance is paid to the claimant on or after August 1, 2011. When an individual is separated from work prior to August 1, 2011, severance payments from the claimant's employer will not affect the individual's benefits regardless of when the severance payment is made.

Incarceration – Although the Agency has denied benefits to incarcerated individuals because they are not able and available for work, the law now provides a disqualification specifically applicable to any week that the individual is incarcerated. This disqualification is only applied to the period of incarceration and does not include an earnings requirement to re-establish eligibility.

Individuals whose date of incarceration is **prior to** August 1, 2011 will continue to be held **ineligible**. However, when the date of incarceration is **on or after** August 1, the claimant will be **disqualified** during the period of incarceration. The effect on the claim is the same in either case.

Effective January 1, 2012

Duration of Benefits –

- The duration of benefits adjusts from the current maximum of 26 weeks to a range of 12 to 23 weeks, based upon the average unemployment rate in Florida for the three months ending September 30 of the prior year. For example, the maximum amount of benefits that will be paid for any new claim filed in 2012 will be based on the average unemployment in Florida for the months of July, August, and September 2011.
- When the average unemployment rate is 5 percent or less, the maximum duration of benefits will be 12 weeks.
- For each half-percent increase in the average unemployment rate, an additional week is added to the total available weeks beginning January 1 of the following calendar year.

- If the average unemployment rate reaches at least 10.5 percent, a maximum of 23 weeks would be payable during a claim year established during the following calendar year.
- Because of the decrease on the maximum number of weeks benefits can be paid, the available credits cannot exceed \$6,325. However, the maximum weekly benefit amount remains at \$275.
- The average unemployment rate for the third quarter of each year will be determined by Labor Market Statistics in November of each year to allow time for computer programming changes that may be required for the new monetary determinations made the following year.