SENATE BILL 286

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

INTRODUCED BY

LEONARD LEE RAWSON

AN ACT

RELATING TO UNEMPLOYMENT COMPENSATION; RAISING UNEMPLOYMENT BENEFITS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 51-1-4 NMSA 1978 (being Laws 1969, Chapter 213, Section 1, as amended) is amended to read:

"51-1-4. MONETARY COMPUTATION OF BENEFITS--PAYMENT GENERALLY.--

A. All benefits provided herein are payable from the unemployment compensation fund. All benefits shall be paid in accordance with such regulations as the secretary may prescribe through employment offices or other agencies as the secretary may by general rule approve.

- B. Weekly benefits shall be as follows:
 - (1) an individual's "weekly benefit amount"

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is an amount equal to one twenty-sixth of the total wages for insured work paid to him in that quarter of his base period in which total wages were highest. No benefit as so computed may be less than [ten] twenty percent or more than [fifty] fiftytwo and one-half percent of the [state's] individual's average weekly wage for all insured work. [The state's average weekly wage shall be computed from all wages reported to the department from employing units in accordance with regulationsof the secretary for the period ending June 30 of each calendar year divided by the total number of covered employees divided by fifty-two, effective for the benefit years commencing on or after the first Sunday of the following calendar year. Any such individual is not eligible to receive benefits unless his total base-period wages equal at least one and one-fourth times the wages for insured work in that quarter of his base period in which such wages are For purposes of this subsection, "total wages" means all remuneration for insured work, including commissions and bonuses and the cash value of all remuneration in a medium other than cash;

(2) each eligible individual who is unemployed in any week during which he is in a continued claims status shall be paid, with respect to such week, a benefit in an amount equal to his weekly benefit amount, less that part of the wages, if any, or earnings from self-

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employment, payable to him with respect to such week which is in excess of one-fifth of his weekly benefit amount. For purposes of this subsection only, "wages" includes all remuneration for services actually performed in any week for which benefits are claimed, vacation pay for any period for which the individual has a definite return-to-work date, wages in lieu of notice and back pay for loss of employment but does not include payments through a court for time spent in jury service;

notwithstanding any other provision of **(3)** this section, each eligible individual who, pursuant to a plan financed in whole or in part by a base-period employer of such individual, is receiving a governmental or other pension, retirement pay, annuity or any other similar periodic payment that is based on the previous work of such individual and who is unemployed with respect to any week ending subsequent to April 9, 1981 shall be paid with respect to such week, in accordance with regulations prescribed by the secretary, compensation equal to his weekly benefit amount reduced, but not below zero, by the prorated amount of such pension, retirement pay, annuity or other similar periodic payment that exceeds the percentage contributed to the plan by the eligible i ndi vi dual. The maximum benefit amount payable to such eligible individual shall be an amount not more than twentysix times his reduced weekly benefit amount. If payments

referred to in this section are being received by any individual under the federal Social Security Act, the division shall take into account the individual's contribution and make no reduction in the weekly benefit amount;

- (4) in the case of a lump-sum payment of a pension, retirement or retired pay, annuity or other similar payment by a base-period employer that is based on the previous work of such individual, such payment shall be allocated, in accordance with regulations prescribed by the secretary, and shall reduce the amount of unemployment compensation paid, but not below zero, in accordance with Paragraph (3) of this subsection; and
- (5) the retroactive payment of a pension, retirement or retired pay, annuity or any other similar periodic payment as provided in Paragraphs (3) and (4) of this subsection attributable to weeks during which an individual has claimed or has been paid unemployment compensation shall be allocated to such weeks and shall reduce the amount of unemployment compensation for such weeks, but not below zero, by an amount equal to the prorated amount of such pension. Any overpayment of unemployment compensation benefits resulting from the application of the provisions of this paragraph shall be recovered from the claimant in accordance with the provisions of Section 51-1-38 NMSA 1978.
- C. Any otherwise eligible individual is entitled . 122688. 1ms

during any benefit year to a total amount of benefits equal to whichever is the lesser of twenty-six times his weekly benefit amount or sixty percent of his wages for insured work paid during his base period.

- D. Any benefit as determined in Subsection B or C of this section, if not a multiple of one dollar (\$1.00), shall be rounded to the next lower multiple of one dollar (\$1.00).
- E. The secretary may prescribe regulations to provide for the payment of benefits that are due and payable to the legal representative, dependents, relatives or next of kin of claimants since deceased. These regulations need not conform with the laws governing successions, and the payment shall be deemed a valid payment to the same extent as if made under a formal administration of the succession of the claimant.
- F. The division, on its own initiative, may reconsider a monetary determination whenever it is determined that an error in computation or identity has occurred or that wages of the claimant pertinent to such determination but not considered have been newly discovered or that the benefits have been allowed or denied on the basis of misrepresentation of fact, but no redetermination shall be made after one year from the date of the original monetary determination. Notice of a redetermination shall be given to all interested parties

and shall be subject to an appeal in the same manner as the original determination. In the event that an appeal involving an original monetary determination is pending at the time a redetermination is issued, the appeal, unless withdrawn, shall be treated as an appeal from such redetermination."

Section 2. EFFECTIVE DATE. -- The effective date of the provisions of this act is July 1, 1998.

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FORTY-THIRD LEGISLATURE

SECOND SESSION, 1998

February 4, 1998

Mr. President:

Your **COMMITTEES' COMMITTEE**, to whom has been referred

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has had it under consideration and finds same to be **GERMANE**, in accordance with constitutional provisions, and thence referred to the **PUBLIC AFFAIRS COMMITTEE**.

Respectfully submitted,

Manny M Aragon, Chairman

<u>Underscored material = new</u>
[bracketed_material] = delete

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