

HB 1561-FN-LOCAL – AS INTRODUCED

2014 SESSION

14-2041
08/03

HOUSE BILL ***1561-FN-LOCAL***

AN ACT relative to the classification of temporary emergency workers under unemployment compensation laws.

SPONSORS: Rep. G. Chandler, Carr 1; Rep. Butler, Carr 7; Rep. Umberger, Carr 2; Rep. J. Belanger, Hills 27; Sen. Bradley, Dist 3; Sen. Rausch, Dist 19

COMMITTEE: Labor, Industrial and Rehabilitative Services

ANALYSIS

This bill clarifies that the service of volunteer firefighters responding to general fire calls does not constitute employment for the purposes of calculating unemployment compensation.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears [~~in brackets and struck through.~~]
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fourteen

AN ACT relative to the classification of temporary emergency workers under
unemployment compensation laws.

Be it Enacted by the Senate and House of Representatives in General Court convened:

- 1 1 Classification of Temporary Workers; Volunteer Fire Fighters. Amend RSA 282-A:9, IV(o)(4)
2 to read as follows:
3 (4) As an employee serving on a temporary basis in case of fire, storm, snow,
4 earthquake, flood, or similar emergency ***including volunteer firefighters responding to the***
5 ***general fire call;***
6 2 Effective Date. This act shall take effect 60 days after its passage.

LBAO
14-2041
12/10/13

HB 1561-FN-LOCAL - FISCAL NOTE

AN ACT relative to the classification of temporary emergency workers under unemployment compensation laws.

FISCAL IMPACT:

The Department of Employment Security states this bill, **as introduced**, may decrease state expenditures, and have an indeterminable fiscal impact on county and local expenditures in FY 2014 and each year thereafter. There is no impact on state, county, and local revenue.

METHODOLOGY:

The Department of Employment Security states this bill amends RSA 282-A:9, IV (o)(4) to include the service of volunteer firefighters responding to a call as not constituting employment for the purposes of calculating unemployment compensation. By exempting this type of employment from the unemployment compensation calculation, employers that reimburse the unemployment compensation trust fund may experience a decrease in expenditures. The state and 32 county and local entities reimburse the unemployment compensation trust fund in an amount equivalent to the amount of benefits paid to claimants. The Department states for those county and local employers that pay quarterly taxes to the fund, they may experience an increase in expenditures. The Department states this bill has the potential to cause the Department to be out of conformity with federal requirements which may lead to sanctions by the US Department of Labor. Being out of compliance with federal regulations may result in employers no longer benefiting from the Federal Unemployment Tax Act (FUTA) tax credit, which would increase the tax from 0.6 percent to 6.0 percent. If all New Hampshire employers lost FUTA tax credit they would pay approximately \$178,000,000 per year more in FUTA taxes.