

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 340

SENATE BILL 1398

AN ACT

AMENDING TITLE 23, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, BY
ADDING SECTION 23-771.02; AMENDING SECTION 23-776, ARIZONA REVISED
STATUTES; RELATING TO EMPLOYMENT SECURITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 23, chapter 4, article 6, Arizona Revised
3 Statutes, is amended by adding section 23-771.02, to read:

4 23-771.02. Training program

5 A. THE DEPARTMENT SHALL ESTABLISH A TRAINING PROGRAM TO PROVIDE A
6 STRUCTURED, SUPERVISED TRAINING OPPORTUNITY TO INDIVIDUALS THROUGH
7 EMPLOYERS THAT VOLUNTEER TO PARTICIPATE IN THE PROGRAM. THE TRAINING
8 PROGRAM MAY BE A DEPARTMENT-APPROVED OR A UNITED STATES DEPARTMENT OF
9 LABOR-APPROVED APPRENTICESHIP PROGRAM. THE PROGRAM MAY OFFER COMPENSATED
10 AND NONCOMPENSATED TRAINING OPPORTUNITIES TO INDIVIDUALS PARTICIPATING IN
11 THE PROGRAM. AN INDIVIDUAL IN THE PROGRAM SHALL BE AT LEAST EIGHTEEN
12 YEARS OF AGE AND SHALL REGISTER WITH THE DEPARTMENT.

13 B. INDIVIDUALS MAY PARTICIPATE IN THE PROGRAM ON A VOLUNTARY BASIS.
14 INDIVIDUALS WHO PARTICIPATE IN THE PROGRAM AND WHO ARE NOT RECEIVING
15 COMPENSATION MAY CONTINUE TO RECEIVE UNEMPLOYMENT COMPENSATION BENEFITS,
16 IF ELIGIBLE, PURSUANT TO SECTION 23-771.01, SUBSECTION A, PARAGRAPH 2.

17 C. AN EMPLOYER THAT PARTICIPATES IN THE PROGRAM MUST:

18 1. HAVE EMPLOYEES IN THIS STATE.

19 2. HAVE AT LEAST ONE FULL-TIME EMPLOYMENT POSITION AVAILABLE IN
20 THIS STATE.

21 3. PROVIDE TRAINING OPPORTUNITIES THAT BENEFIT AN INDIVIDUAL WHO
22 PARTICIPATES IN THE PROGRAM AND NOTIFY THE DEPARTMENT WHEN THE EMPLOYER
23 OFFERS AN INDIVIDUAL A TRAINING OPPORTUNITY UNDER THE PROGRAM.

24 4. SIGN A WRITTEN AGREEMENT WITH EACH INDIVIDUAL WHO PARTICIPATES
25 IN THE PROGRAM THAT SETS FORTH THE TERMS OF THE TRAINING.

26 5. AGREE THAT THE EMPLOYER'S CURRENT EMPLOYEES WILL NOT BE
27 DISPLACED OR LOSE ANY PROMOTION RIGHTS DUE TO AN INDIVIDUAL'S
28 PARTICIPATION IN THE PROGRAM.

29 6. PROVIDE ANY ADDITIONAL INFORMATION THAT RELATES TO THE JOB
30 TRAINING THAT THE DEPARTMENT REQUESTS.

31 D. AN INDIVIDUAL WHO PARTICIPATES IN THE PROGRAM MUST:

32 1. BE CURRENTLY RECEIVING OR BE ELIGIBLE TO RECEIVE UNEMPLOYMENT
33 COMPENSATION BENEFITS, PURSUANT TO SECTION 23-771.01, SUBSECTION A,
34 PARAGRAPH 2.

35 2. BE WILLING TO DEVELOP NEW SKILLS OR WORK EXPERIENCE.

36 3. CONTINUE TO SEEK WORK UNLESS OTHERWISE EXEMPT, PURSUANT TO
37 SECTION 23-771.01, SUBSECTION A, PARAGRAPH 2.

38 4. CERTIFY TO THE DEPARTMENT THAT THE INDIVIDUAL UNDERSTANDS THAT
39 PARTICIPATING IN THE PROGRAM DOES NOT GUARANTEE THE INDIVIDUAL ANY FUTURE
40 EMPLOYMENT OR EXPECTATIONS OF BEING HIRED BY THE EMPLOYER.

41 5. ATTEND A MANDATORY PROGRAM ORIENTATION THAT THE DEPARTMENT
42 CONDUCTS.

43 6. PROVIDE ANY INFORMATION THAT THE DEPARTMENT REQUESTS.

1 Sec. 2. Section 23-776, Arizona Revised Statutes, is amended to
2 read:

3 23-776. Disqualification from benefits for failure to accept
4 suitable work or actively seek work; exceptions

5 A. An individual shall be disqualified for benefits if the
6 department finds the individual has failed without cause either to apply
7 for available, suitable work, when so directed by the employment office or
8 the department, to actively engage in seeking work, to accept suitable
9 work when offered, ~~or~~ or to return to the individual's customary
10 self-employment when so directed by the department. The disqualification
11 shall begin with the week in which the failure occurred and shall continue
12 for the duration of the individual's unemployment and until the individual
13 has earned wages in an amount equivalent to eight times the individual's
14 weekly benefit amount otherwise payable.

15 B. In determining whether or not work is suitable for an
16 individual: ~~or~~

17 1. DURING THE FIRST FOUR WEEKS OF A BENEFIT PERIOD, the department
18 shall consider the degree of risk involved to the individual's health,
19 safety and morals, the individual's physical fitness and prior training,
20 the individual's experience and prior earnings, the individual's length of
21 unemployment and prospects for securing local work in the individual's
22 customary occupation and the distance of the available work from the
23 individual's residence.

24 2. AFTER THE FIRST FOUR WEEKS OF A BENEFIT PERIOD, THE DEPARTMENT
25 SHALL CONSIDER ANY EMPLOYMENT OFFER THAT PAYS ONE HUNDRED TWENTY PERCENT
26 OF THE INDIVIDUAL'S WEEKLY BENEFIT AMOUNT TO BE SUITABLE WORK.

27 C. Notwithstanding any other provisions of this chapter, work shall
28 not be deemed suitable and benefits shall not be denied under this chapter
29 to an otherwise eligible individual for refusing to accept new work under
30 any of the following conditions:

31 1. The position offered is vacant due directly to a strike, lockout
32 or other labor dispute.

33 2. The wages, hours or other conditions of the work offered are
34 substantially less favorable to the individual than those prevailing for
35 similar work in the locality.

36 3. As a condition of being employed the individual would be
37 required to join a company union or to resign from or refrain from joining
38 a bona fide labor organization.

39 D. An individual is considered to have refused an offer of suitable
40 work under subsection A of this section if an offer of work is withdrawn
41 by an employer after an individual either:

42 1. Tests positive for drugs after a drug test given pursuant to
43 chapter 2, article 14 of this title by or on behalf of a prospective
44 employer as a condition of an offer of employment.

1 2. Refuses, without good cause, to submit to a drug test that is
2 required by a prospective employer as a condition of an offer of
3 employment.

4 Sec. 3. Department of economic security: exemption from
5 rulemaking

6 For the purposes of implementing section 23-771.02, Arizona Revised
7 Statutes, as added by this act, the department of economic security is
8 exempt from the rulemaking requirements of title 41, chapter 6, Arizona
9 Revised Statutes, for one year after the effective date of this act.

APPROVED BY THE GOVERNOR MAY 16, 2018.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 16, 2018.