

State of Arizona
Senate
Fifty-fourth Legislature
Second Regular Session
2020

SENATE BILL 1694

AN ACT

AUTHORIZING THE DEPARTMENT OF ECONOMIC SECURITY TO IMPLEMENT ALTERNATIVE BENEFIT ELIGIBILITY AND EMPLOYER CONTRIBUTION REQUIREMENTS FOR THE FEDERAL-STATE UNEMPLOYMENT INSURANCE PROGRAM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Unemployment compensation; coronavirus disease
3 2019; alternative requirements; rulemaking
4 exemption

5 A. Notwithstanding title 23, chapter 4, Arizona Revised Statutes,
6 the department of economic security may implement alternative benefit
7 eligibility and employer contribution requirements for the federal-state
8 unemployment insurance program established pursuant to title 23, chapter
9 4, Arizona Revised Statutes, consistent with federal guidance issued by
10 the United States department of labor, including the unemployment
11 insurance program letter number 10-20, for individuals and employers who
12 are affected by a federal declaration of emergency related to the
13 coronavirus disease 2019. In fixing employer contribution rates for the
14 unemployment compensation fund established by section 23-701, Arizona
15 Revised Statutes, the department may not consider increased benefits
16 charged against an employer's account that resulted from alternative
17 benefit eligibility for individuals affected by coronavirus disease 2019.
18 The department may adopt rules necessary to administer this section.

19 B. For employers and employees who opt to participate in the shared
20 work plan established pursuant to title 23, chapter 4, article 5.1,
21 Arizona Revised Statutes, the department of economic security may adjust
22 eligibility requirements during the federal emergency declaration period
23 related to coronavirus disease 2019, except that the department may not
24 approve shared work benefits for an individual who has the individual's
25 normal weekly hours reduced by more than eighty percent.

26 C. For the purposes of this section, the department of economic
27 security is exempt from the requirements of title 41, chapter 6, Arizona
28 Revised Statutes, during the federal emergency declaration period.

29 Sec. 2. Intent

30 In response to the federal declaration of emergency and guidance
31 issued by the United States department of labor in unemployment insurance
32 program letter number 10-20, the legislature intends that the authority
33 granted to the department of economic security in section 1 of this act
34 provide additional resources and flexibility for the unemployment
35 insurance program for individuals and businesses affected by coronavirus
36 disease 2019. For affected individuals and businesses during the federal
37 declaration of emergency, the legislature further intends that this state
38 ease eligibility requirements and strengthen access to the unemployment
39 insurance program, including waiving work search requirements and the
40 waiting week and not charging employers that are directly impacted by
41 coronavirus disease 2019 due to an illness in the workplace or direction
42 from a public health official to isolate or quarantine workers.

1 Sec. 3. Retroactivity

2 This act applies retroactively to from and after March 10, 2020.

3 Sec. 4. Emergency

4 This act is an emergency measure that is necessary to preserve the
5 public peace, health or safety and is operative immediately as provided by
6 law.