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HOUSE OF REPRESENTATIVES
151st GENERAL ASSEMBLY

HOUSE BILL NO. 65

AN ACT TO AMEND TITLES 19, 29 AND 30 OF THE DELAWARE CODE RELATING TO COVID-19 RELATED UNEMPLOYMENT BENEFITS, ASSESSMENTS AND RULEMAKING AUTHORITY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend § 3326, Title 19 of the Delaware Code by making deletions as shown by strike through and
2 insertions as shown by underline as follows:

3 § 3326 Extended Benefits.

4 (n) With respect to determining whether the State is in an extended benefit period beginning on November 1,
5 2020, through December 31, 2021, the State shall disregard the requirement in subsection (a)(1) of this section that no
6 extended benefit period may begin before the fourteenth week following the end of a prior extended benefit period which
7 was in effect with respect to this State.

8 Section 2. Amend § 3348, Title 19 of the Delaware Code by making deletions as shown by strike through and
9 insertions as shown by underline as follows:

10 § 3348 Average employer assessment rate; average industry assessment rate; average construction industry
11 assessment rate; new employer rate; standard rate of assessment.

12 (j) Notwithstanding the required computation of the average employer assessment rate, the average industry
13 assessment rate or the average construction industry assessment rate to be established by the Secretary of Labor on or
14 before December 31, 2020 for the next succeeding calendar year pursuant to subsections (a) through (c) of this section, for
15 calendar year 2021, all employers assigned an assessment rate under subsections (d) or (e) of this section shall have the
16 same rate as established by the Secretary of Labor for the calendar year 2020.

17 Section 3. Amend Title 29, Chapter 85 of the Delaware Code by making deletions as shown by strike through and
18 additions as shown by underline as follows:

19 Departments of Government
20 Chapter 85. Department of Labor
21 § 8503 Powers, duties and functions of the Secretary.

22 (7) To establish and to promulgate such rules and regulations governing the operation of the Department as
23 may be deemed necessary by the Secretary and which are not inconsistent with the laws of this State. The Secretary is
24 authorized to develop emergency rules amending the Delaware Unemployment Insurance Code which enhance the
25 flexibility of the unemployment insurance program in response to COVID-19 and alleviate some of the burden of
26 temporary layoffs, isolation and quarantine by ensuring unemployment benefits are available to individuals whose
27 employment has been impacted directly by COVID-19.

28 Section 4. Amend § 1106(b), Title 30 of the Delaware Code by making deletions as shown by strike through and
29 insertions as shown by underline as follows:

30 § 1106 Modifications.

31 (b) *Subtractions.* – There shall be subtracted from federal adjusted gross income:

32 (10) The amount of any unemployment benefits received in calendar year 2020, to the extent included in
33 federal adjusted gross income.

34 Section 5. Section 3 of this Act expires on March 31, 2022.

SYNOPSIS

This bill provides COVID-19 related relief to both claimants receiving unemployment benefits and employers who are assessed unemployment taxes, and extends the end date of the Secretary of Labor's COVID-19 related rulemaking authority. Section 1 waives the 13-week waiting period for the state to "trigger on" to pay extended unemployment benefits in periods of high unemployment. Section 2 establishes the 2021 new employer assessment rate, average industry assessment rate, and average construction industry assessment rate at the same rate as 2020 in order to avoid an increase in these rates as a result of the increase in unemployment claims due to COVID-19. Section 3 extends the provisions in H.B. 352 from the 150th General Assembly authorizing the Delaware Secretary of Labor to issue emergency rules amending the Delaware Unemployment Insurance Code to deal with the effects of COVID-19 and implement federal programs providing unemployment benefits to respond to COVID-19. Section 4 exempts unemployment compensation benefits received in 2020 from the calculation of Delaware adjusted gross income so that unemployment claimants will not have to pay state taxes on the benefits they received during the pandemic.