

LEGISLATIVE COMMITTEE MINUTES

HB1337

Bill as Introduced

HB 1337 - AS AMENDED BY THE HOUSE

17Mar2022... 0732h

2022 SESSION

22-2295

04/08

HOUSE BILL **1337**

AN ACT relative to the duration of unemployment benefits.

SPONSORS: Rep. Turcotte, Straf. 4; Rep. Doucette, Rock. 8; Rep. Notter, Hills. 21; Rep. Renzullo, Hills. 37

COMMITTEE: Labor, Industrial and Rehabilitative Services

ANALYSIS

This bill specifies the duration of unemployment benefits based on the state's average unemployment rate.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Two

AN ACT relative to the duration of unemployment benefits.

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

1 1 New Paragraph; Unemployment Compensation; Weekly Benefit Amount. Amend RSA 282-
2 A:25 by inserting after paragraph III the following new paragraph:

3 IV.(a) Notwithstanding RSA 4:45 and the maximum benefit amounts in paragraph I, for
4 unemployment compensation claims submitted during a calendar year, the duration of benefits
5 under this chapter shall be limited to 16 weeks, if the state's average unemployment rate is at or
6 below 3 percent, plus one additional week for each 0.5 percent increment in the state's average
7 unemployment rate above 3 percent, up to a maximum of 26 weeks if the state's average
8 unemployment rate exceeds 8 percent.

9 (b) In this paragraph, "state average unemployment rate" shall mean the average of the
10 3 months for the most recent fourth calendar year quarter of the seasonally adjusted total
11 unemployment rates as determined and benchmarked by the department of labor.

12 2 Effective Date. This act shall take effect 120 days after its passage.

**HB 1337 FISCAL NOTE
AS AMENDED BY THE HOUSE (AMENDMENT #2022-0732h)**

AN ACT relative to the duration of unemployment benefits.

FISCAL IMPACT: State County Local None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable
<i>Funding Source:</i>	<input checked="" type="checkbox"/> General Various Government Funds	<input type="checkbox"/> Education	<input checked="" type="checkbox"/> Highway	<input checked="" type="checkbox"/> Other

COUNTY:

Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable

LOCAL:

Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable

METHODOLOGY:

The Department of Employment Security offers the following information concerning the fiscal impact of this bill:

- State Unemployment Compensation (UC) benefits are paid from the Unemployment Compensation Trust Fund ("Trust Fund"). A new provision at RSA 282-A:25 which could shorten the number of State UC benefit weeks would potentially have an impact on the Trust Fund. However, forecasting the economic impact to the Trust Fund would be speculative.
- Under current law, RSA 282-A:25, each Claimant receives a specific maximum benefit amount based on their annual earnings. The benefit duration period is determined by dividing the maximum benefit amount payable by the individual's weekly benefit amount. In New Hampshire, the maximum number of weeks available is currently 26

weeks and has been since 1951. Additionally, the maximum benefit amount may be used for weeks of total or partial unemployment.

- Department statistics show the average duration of benefits claimed in NH has historically been less than 13 weeks despite 26 weeks being available. Currently, the average duration is less than 15 weeks despite the experience of the pandemic when over 175,000 citizens utilized and depended upon the unemployment program. In addition to New Hampshire's low average duration, the state also has fewer people exhaust all of the benefits that are available with less than 16% of claim filers exhausting benefits prior to the pandemic.
- The maximum weekly benefit amount in NH is \$427, and because that amount equates to only a 31% wage replacement rate for the person earning the average private sector weekly wage, it tends to act as a control for the length of time someone claims benefits.
- As a result of the historically low benefit duration, low claim exhaustion and low weekly benefit amount, New Hampshire also has one of the lowest Unemployment Insurance tax burdens in the country. Prior to the pandemic, New Hampshire had the 2nd lowest average tax burden in the country with 0.14% of total wages paid. Florida had the lowest at 0.12%.
- Prior to the pandemic during 2018 and 2019, nearly 50% of claimants filed for less than 10 weeks of unemployment benefits. However, New Hampshire had over 7,600 individuals during this two-year time period file benefits for more than 16 weeks. This bill would set the number of weeks available at 16 weeks. Of those 7,600 individuals that filed for more than 16 weeks, over 2,000 of them reported working part-time employment thus had a reduced weekly benefit amount. New Hampshire allows an individual to have part-time employment while collecting benefits thus promoting a faster attachment to the labor market which often translates to part-time employment in the hospitality and retail sectors. The wages earned from part-time employment reduce the individual's weekly benefit amount when the earnings exceed 30% of that benefit amount. However, because the weekly benefit amount is reduced by these part-time earnings, this can cause a higher number of weeks, albeit at a lower weekly benefit amount, being paid from the trust fund. Based on current law, an individual can collect partial benefits if otherwise eligible until they've reached their maximum benefit amount. Thus, part-time workers collecting partial benefits could collect for longer than 26 weeks. It is not possible to predict the behavior of individuals should this bill become law but, if we assume individuals behave reasonably, then an individual would have less incentive to seek part-time employment while filing for benefits due to the proposed cap of 16 weeks. There would be no incentive for someone to reduce their weekly benefit

amount with part-time earnings when the benefit is limited to 16 weeks. This would result in less part-time employment amongst people filing for unemployment benefits and more people simply exhausting their 16 weeks of full benefits.

- Attempting to calculate any impact to the Trust fund based on limiting part-time earners from filing for partial benefits to 16 weeks during periods of low unemployment would require hypothetical analyses including whether there would be an effect on an individual's decision to pursue part-time employment while filing for benefits. Thus, any attempt to predict the impact on the trust fund would be entirely speculative.

The Department has indicated the impact on state, county and local expenditures are "indeterminable". The proposed limit on the duration of State UC benefits and linkage to unemployment rates may result in increased costs to governmental entities through an increase in the need for welfare, SNAP benefits, and Medicaid. It is unknown how this would affect the tax rates of governmental entities as employers and the reimbursement charges to the state, county, and local governments.

It is assumed that any fiscal impact would occur after FY 2022.

AGENCIES CONTACTED:

Department of Employment Security

Committee Minutes

SENATE CALENDAR NOTICE
Executive Departments and Administration

Sen Sharon Carson, Chair
Sen John Reagan, Vice Chair
Sen Denise Ricciardi, Member
Sen Kevin Cavanaugh, Member
Sen Suzanne Prentiss, Member

Date: March 31, 2022

HEARINGS

Wednesday (Day)	04/06/2022 (Date)	
Executive Departments and Administration	State House 103	8:30 a.m.
(Name of Committee)	(Place)	(Time)
8:30 a.m.	CACR 21^a	relating to registers of probate. Providing that eliminating the office of register of probate and all references to such office.
9:00 am	HB 275	relative to the declaration of a state of emergency.
9:30 a.m.	HB 1037	relative to the governor's duties during a state of emergency.
9:45 a.m.	HB 1045	relative to the composition of the ethics oversight advisory committee.
10:00 a.m.	HB 1337	relative to the duration of unemployment benefits.
10:15 a.m.	HB 1344	relative to the authority of real estate brokers.
10:30 a.m.	HB 1375	relative to the definition of veteran.

Sponsors:

CACR 21

Rep. Silber Rep. Ankarberg

HB 275

Rep. Binford Rep. Verville Rep. Hough Rep. Yokela
Rep. Aldrich Rep. Abramson Rep. Seaworth Rep. Harley
Rep. Greeson Rep. Testerman

HB 1037

Rep. Horrigan

HB 1045

Rep. M. Pearson

HB 1337

Rep. Turcotte Rep. Doucette Rep. Notter Rep. Renzullo

HB 1344

Rep. Bernardy Rep. Silber

HB 1375

Rep. Roy

Chantell Wheeler 271-1403

Sharon M Carson
Chairman

Senate Executive Departments and Administration Committee

Chantell Wheeler 271-1403

HB 1337, relative to the duration of unemployment benefits.

Hearing Date: April 6, 2022

Members of the Committee Present: Senators Carson, Reagan, Ricciardi, Cavanaugh and Prentiss

Members of the Committee Absent: None

Bill Analysis: This bill specifies the duration of unemployment benefits based on the state's average unemployment rate.

Sponsors:

Rep. Turcotte
Rep. Renzullo

Rep. Doucette

Rep. Notter

Who supports the bill: Rep. Turcotte, Rep. Layon, Clarence Skidmore, Brian Sikma, Opportunity Solutions Project

Who opposes the bill: Rep. Cahill, Dawn McKinney and Raymond Burke from New Hampshire Legal Assistance (NHLA), Richard Lavers from New Hampshire Employment Security (NHES), Martha McLeod, Susan Moore, Rosemary D'Arcy, Jennifer Smith, Diane Yeo, Diane Root, Alan Hodsdon, Janet Lucas, Arnold Newman, Barbara Spike,

Who is neutral on the bill: Henry Veilleux from New Hampshire Lodging & Retirement Association, Roy Schweiter

Summary of testimony presented in support:

Rep. Turcotte introduced the bill.

- This bill will index unemployment compensation by tying the duration to the unemployment rate.
- This is successful in at least 10 other states, most notably, Florida.
- This is a commonsense tool that will strengthen the state's trust fund, reduce the employer's tax and incentivize work ethic.
- When the unemployment rate is high, the benefit length will be longer.
- The maximum length will remain 26 weeks when unemployment is 8% or higher.

- The duration will be reduced to 16 weeks when the unemployment rate is below 3%.
- During the financial crisis in 2008 and during COVID the federal government stepped in to extend benefits.
- The governor would be able to alter this in a state of emergency.
- The effective date is 120 days after passage to give NHES and the public notice to adjust to the changes.
- Receiving benefits for an extended period causes workers to stay unemployed.
- At one point a person out of work could collect \$3600 per month in benefits.
- There are no financial downsides to this bill.

Senator Prentiss asked Rep. Turcotte to clarify that 10 or 11 other states also do this successfully.

Rep. Turcotte has data that shows that workers will go back to work when the duration of benefits are limited. There are people who continue to collect benefits because the benefit is available. People who need the money go back to work.

Summary of testimony presented in opposition:

Deputy Commissioner Lavers, New Hampshire Employment Security (NHES)

- NHES opposes this bill and views it as unnecessary.
- N.H. is at historic unemployment lows and is 40% lower than this same week in 2019.
- N.H. has 2000-2500 weekly individual claim filers compared to Maine which has 7000 weekly filers and Vermont with 3500 weekly filers.
- The private sector is at 99% of pre-pandemic job numbers. N.H. is short 5600 private sector jobs as compared to pre-pandemic and expects to close that gap by the end of the year.
- During the pandemic, just under 176,000 people (25% of the state's labor force), relied on unemployment. Compared to the Great Recession in 2009-2010 when less than 100,000 relied on benefits. In 2019, just over 14,000 workers filed unemployment claims.
- N.H. had greater job growth than the nation in 2021.
- The peak employer tax rate was 2.33%. During the Great Recession the peak was 3.67%. The trust fund forecast is that employers will see the tax rate lower.
- In March of 2020, N.H. was able to expand eligibility ahead of other states and the federal government. This was possible because of a solvent trust fund and the 26-week benefit duration. This was important because the CARES Act had not yet passed.

- In 2018-2019 50% of claims were filed for 10 weeks or less. 7000 people filed claims for more than 16 weeks, but many of those people had part-time employment that reduced the weekly unemployment benefit amount, stretching their maximum benefit over a longer period.
- There is no incentive to get part time work when there is a limit of 16 weeks of benefits.
- The lack of workers is not caused by the unemployment program. It is an after effect of the pandemic. Workers aged 60–64- have been slow to return to work. The 25–29-year-olds are slow to return to work because there was a lot of federal benefits and forgiveness of debt.

Senator Cavanaugh asked about gender patterns.

Mr. Lavers stated there is no gender patterns in the 60-64 year olds. But notably, most filers in the 25–29-year-olds demographic are men. The 35-39 year old group comprised mostly of women. This group made a great rebound (probably due to child care).

Raymond Burke, New Hampshire Legal Assistance (NHLA)

- NHLA has seen an increase with people seeking help to access unemployment benefits.
- This bill is a solution in search of a problem.
- There is not an automatic 26 weeks of benefit eligibility. There are requirements to search for work and accept suitable work. The temporary modifications in effect during the pandemic ended in May 2021.
- The federal pandemic relief ended in June 2021.
- Older workers face bias in hiring and can be perceived as less capable. Older clients often access retirement savings early.
- N.H. has the lowest weekly benefit amount in the region at \$427/week which is unchanged since 2007.
- The average benefit in 2021 was roughly \$1200/month. This is not an amount that someone can live off.

Neutral Information Presented:

Henry Veilleux, N.H. Lodging and Restaurant Association

- Supports the concept of the bill.
- The hospitality sector struggles to find employees, but it is unclear if this bill will help.

Roy Schweiter, Concord

- The unemployment rate is based on the 4th quarter but should be based on the 1st quarter.
- The age break-down of 60-64 and should be 62 because the age of eligibility for Social Security is 62.
- It is very hard to get help from NHES to get a job. The door was locked at 11:45 a.m. The website states NHES is open 8:00 a.m. -4:30 p.m.
- There is a 30-minute limit to use the computers at NHES. online applications can take an hour to complete. NHES does not allow thumb-drives to be used on their computers.
- CraigsList and FaceBook are blocked sites that cannot be accessed by state employees, even though jobs are posted there.
- Mr. Schweiter knows someone who gave up working as a legal secretary to work as a grocery clerk.
- Workers need help to be matched with jobs they are good at.

cbw

Date Hearing Report completed: April 6, 2022

Speakers

Senate Executive Departments and Administration Committee

Date: 04/06/2022

Time: 10:00 a.m.

Public Hearing on: HB 1337

Please check box(es) that apply.

SPEAKING FAVOR OPPOSED

NAME (Please print)

REPRESENTING

Raymond Burke

NHLA

Senate Remote Testify

Executive Departments and Administration Committee Testify List for Bill HB1337 on 2022-04-06

Support: 1 Oppose: 8

<u>Name</u>	<u>Title</u>	<u>Representing</u>	<u>Position</u>
McLeod, Martha	A Member of the Public	Myself	Oppose
D'Arcy, Rosemary	A Member of the Public	Myself	Oppose
Smith, Jennifer	A Member of the Public	Myself	Oppose
SKIDMORE, CLARENCE	A Member of the Public	Myself	Support
Moore, Susan	A Member of the Public	Myself	Oppose
Yeo, Diane	A Member of the Public	Myself	Oppose
Root, Diane	A Member of the Public	Myself	Oppose
Hodsdon, Alan	A Member of the Public	Myself	Oppose
Lucas, Janet	A Member of the Public	Myself	Oppose

Testimony



Senate Executive Departments & Administration

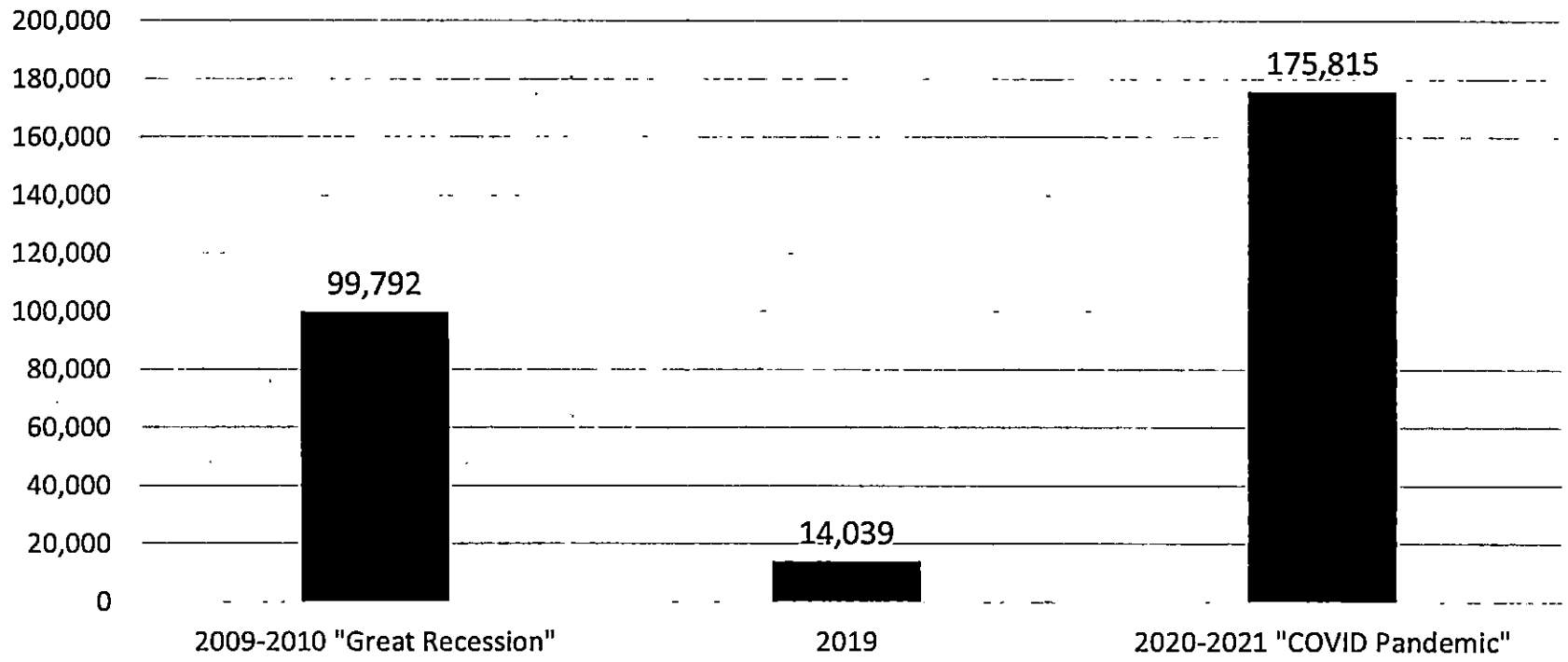
HB 1337 Indexing Unemployment

New Hampshire Employment Security

April 6, 2022

Nearly 25% of the Labor Force Collected Benefits at Some Point During the COVID-19 Pandemic compared to about 13% of New Hampshire's Labor Force Collecting Unemployment Benefits at Some Point During the "Great Recession."

Total Number of Individuals Paid Unemployment Benefits

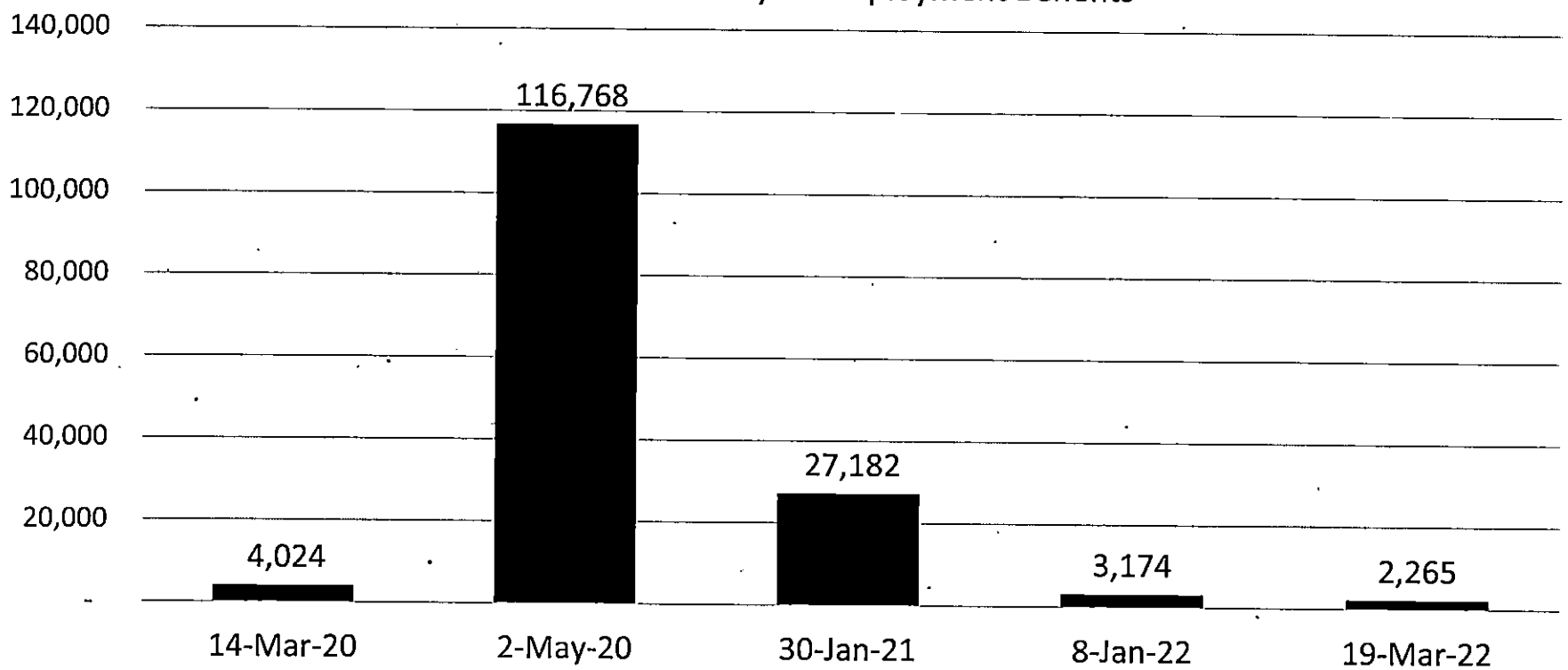


Source: NHES



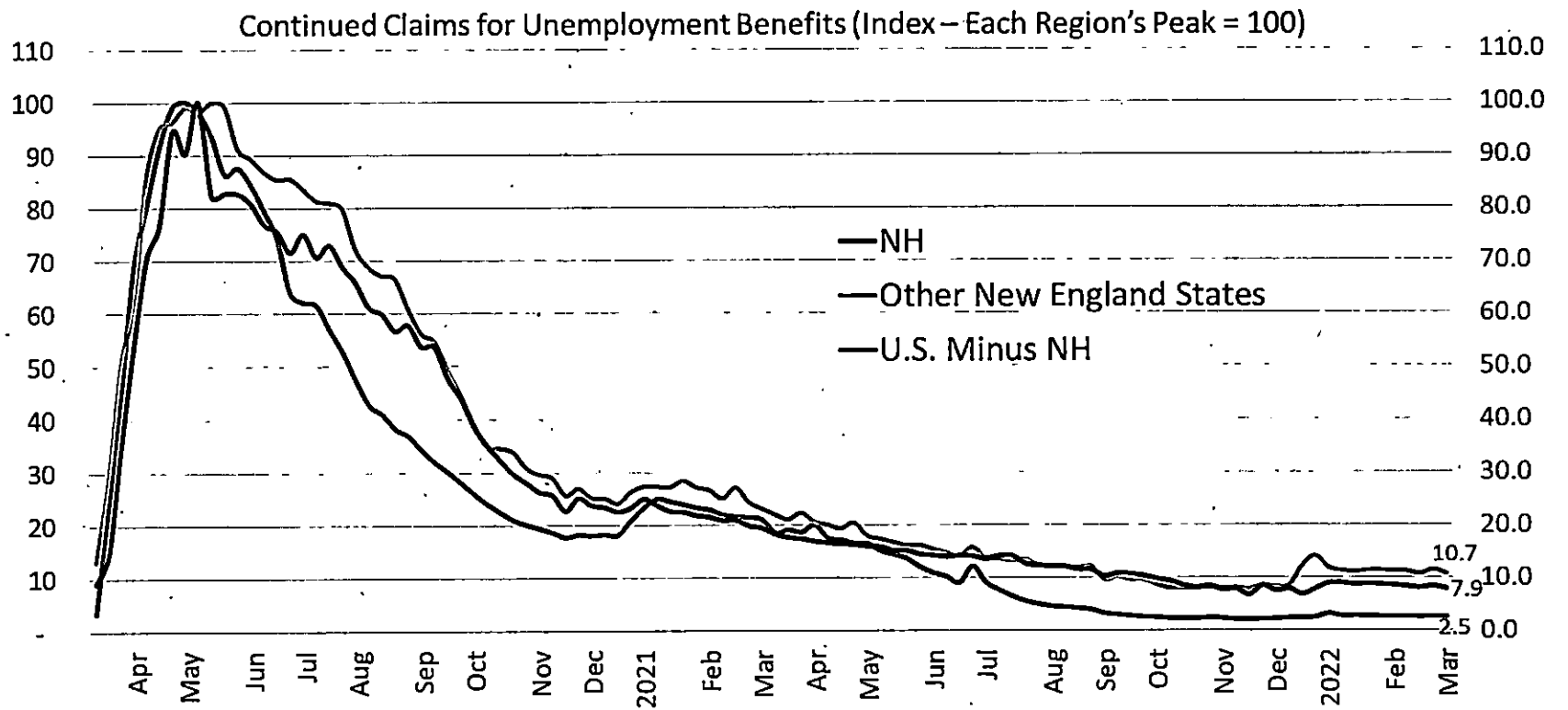
At Their Peak, Paid Benefit Claims Were Nearly 30 Times Pre-Pandemic Levels, Now They are Below Pre-Pandemic and as Low as They Have Been in 30 Years

Paid Claims For Weekly Unemployment Benefits



Source: NHES

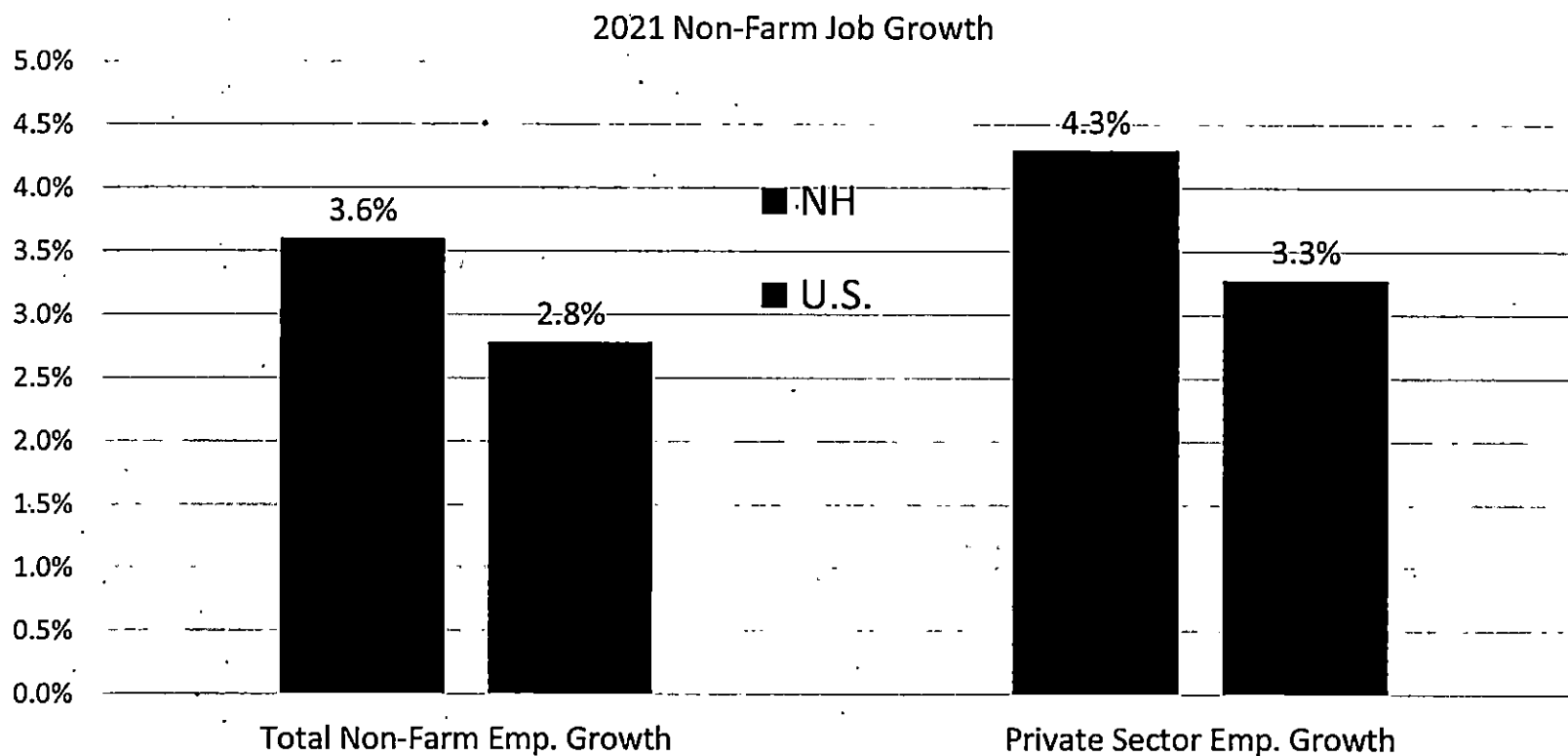
Continued (Weekly) Claims for Unemployment Benefits Have Declined Faster and Further in New Hampshire and are Now Just 2.5% of Their Pandemic Peak



Source: NHES, U.S. Dept. of Labor

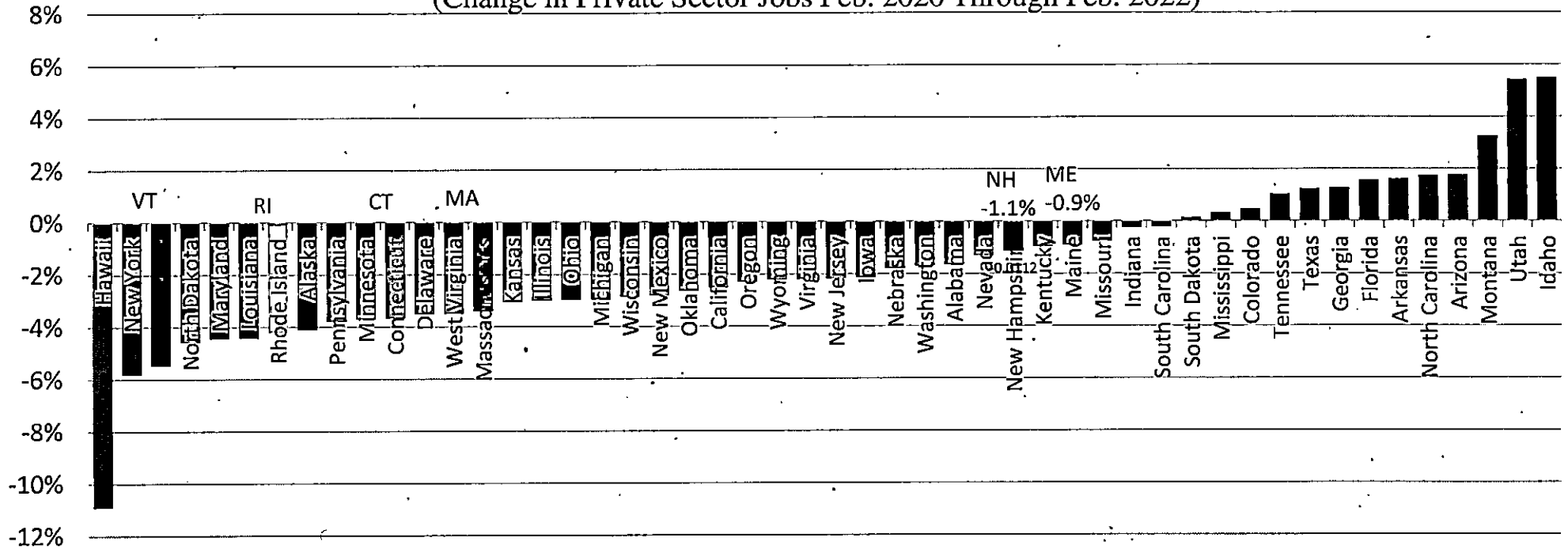


New Hampshire Had Greater Job Growth Than the Nation in 2021 – Contrary to Reports That the State's Growth Rate Lagged



Benchmarked Employment Numbers Show New Hampshire is Even Closer Than Previously Estimated to Recovering all the Private Sector Jobs it Lost Since the Pandemic

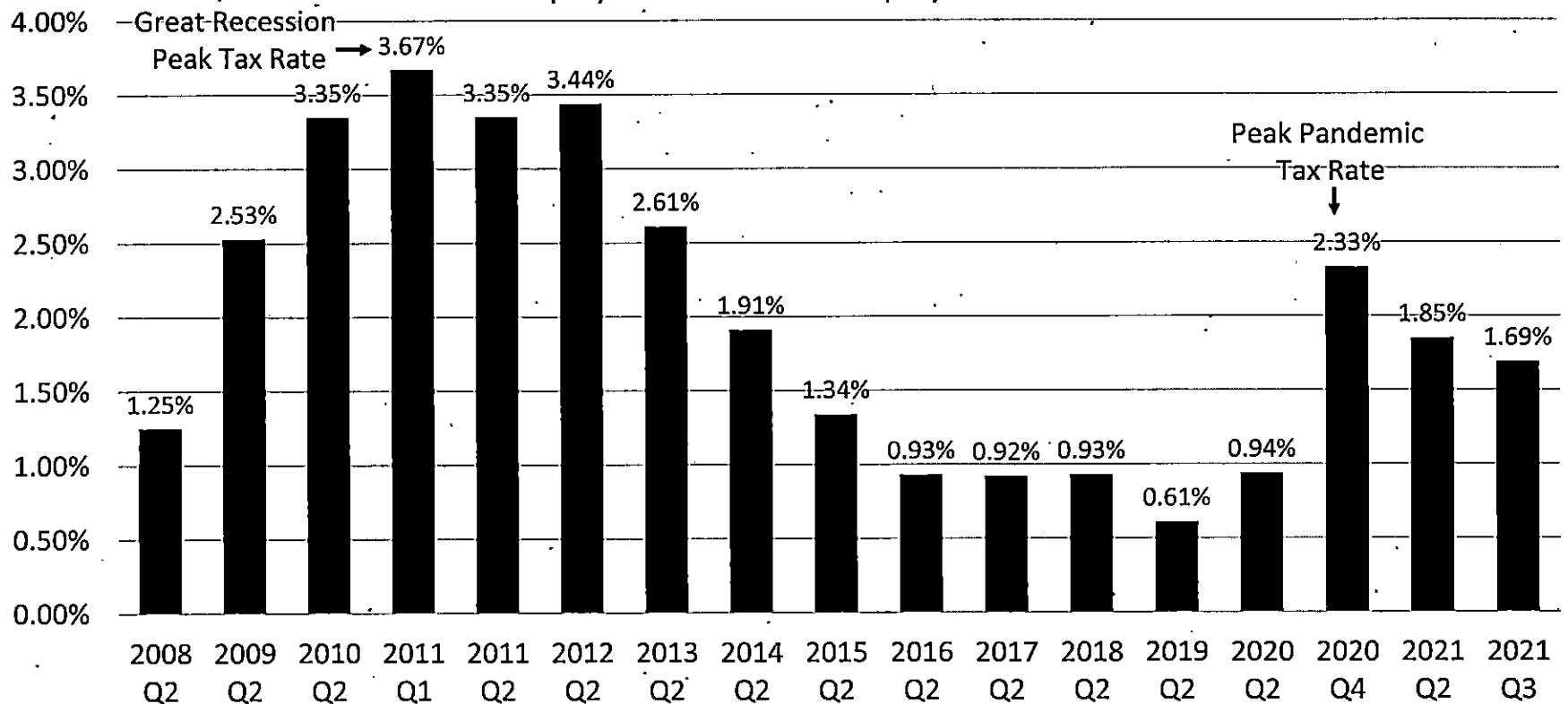
How Close Each State is to Recovering its Pre-Covid Level of Private Sector Jobs
(Change in Private Sector Jobs Feb. 2020 Through Feb. 2022)



Source: U.S. Bureau of Labor Statistics, ELMI

Despite an Unemployment Rate That Was Twice as High as During the "Great Recession," UI Taxes on Employers Were Kept Below Great Recession Levels and the Trust Fund Remained Solvent

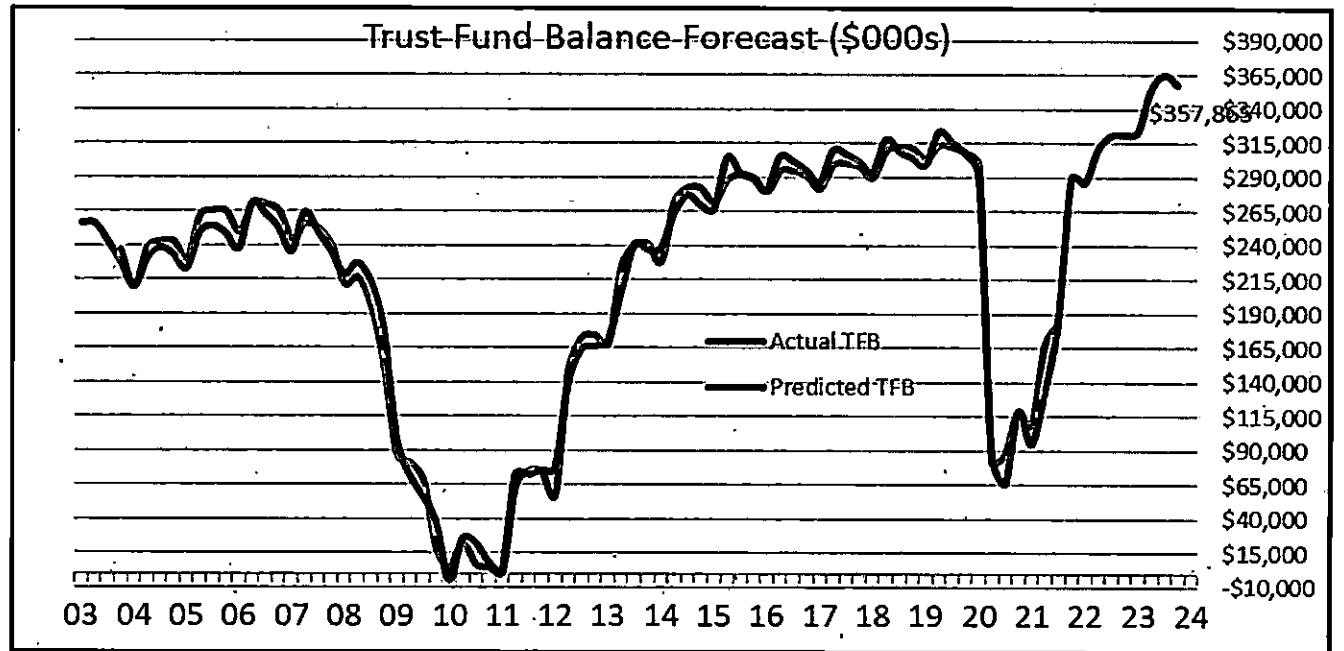
Unemployment Insurance Employer Tax Rates



Source: NHES

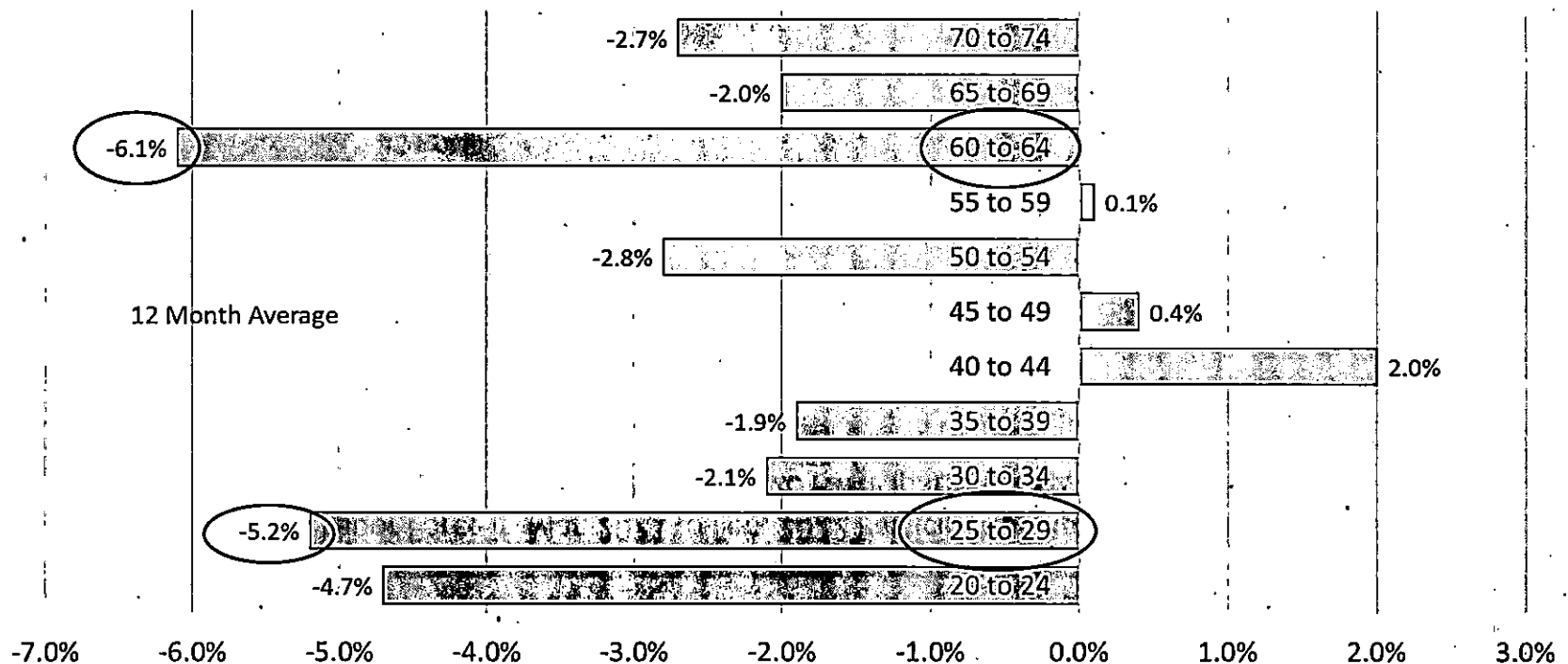
Our Current Forecast Has a "Fund Balance Reduction" in Employer Tax Rates Taking Effect Q1 2023 and a Second in Q4 2024 (Q1 2025 if International Events Further Disrupt the Economy)

Year	QTR.	FBR	Balance
2022	1	0.0%	\$199,272,268
2022	2	0.0%	\$239,209,197
2022	3	0.0%	\$256,239,371
2022	4	0.0%	\$289,969,974
2023	1	0.5%	\$285,614,088
2023	2	0.5%	\$310,725,758
2023	3	0.5%	\$320,904,299
2023	4	0.5%	\$321,526,179
2024	1	0.5%	\$323,619,140
2024	2	0.5%	\$354,720,115
2024	3	0.5%	\$365,232,495
2024	4	1.0%	\$357,864,754



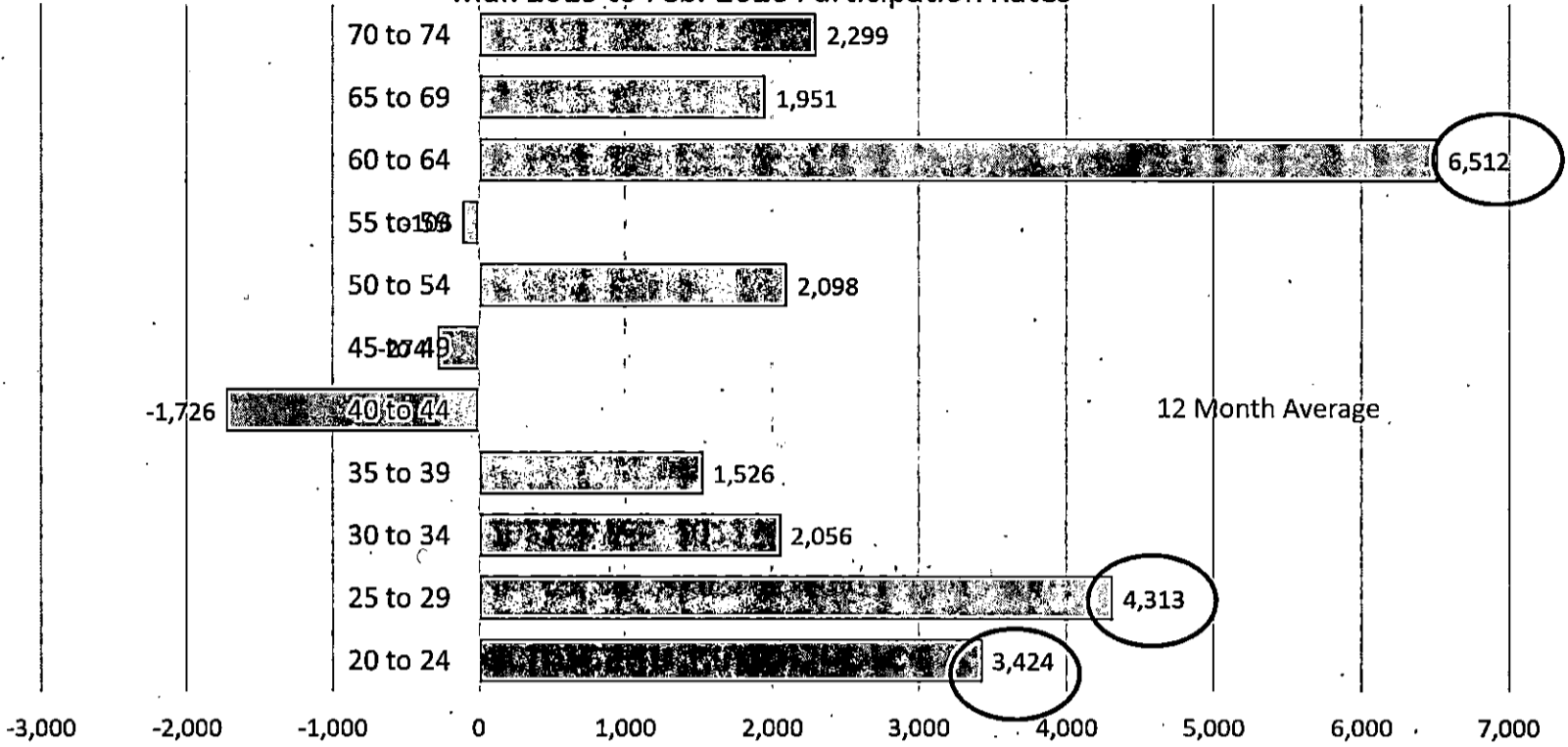
Getting More Individuals Back Into the Labor Force is Key – New Hampshire's Labor Force Has Not Recovered – Older and Younger Workers Have Had the Largest Declines in Labor Force Participation Post-Pandemic

% Change in Labor Force Participation in NH
(Mar. 2021 to Feb. 2022 vs Mar. 2019 to Feb. 2020)



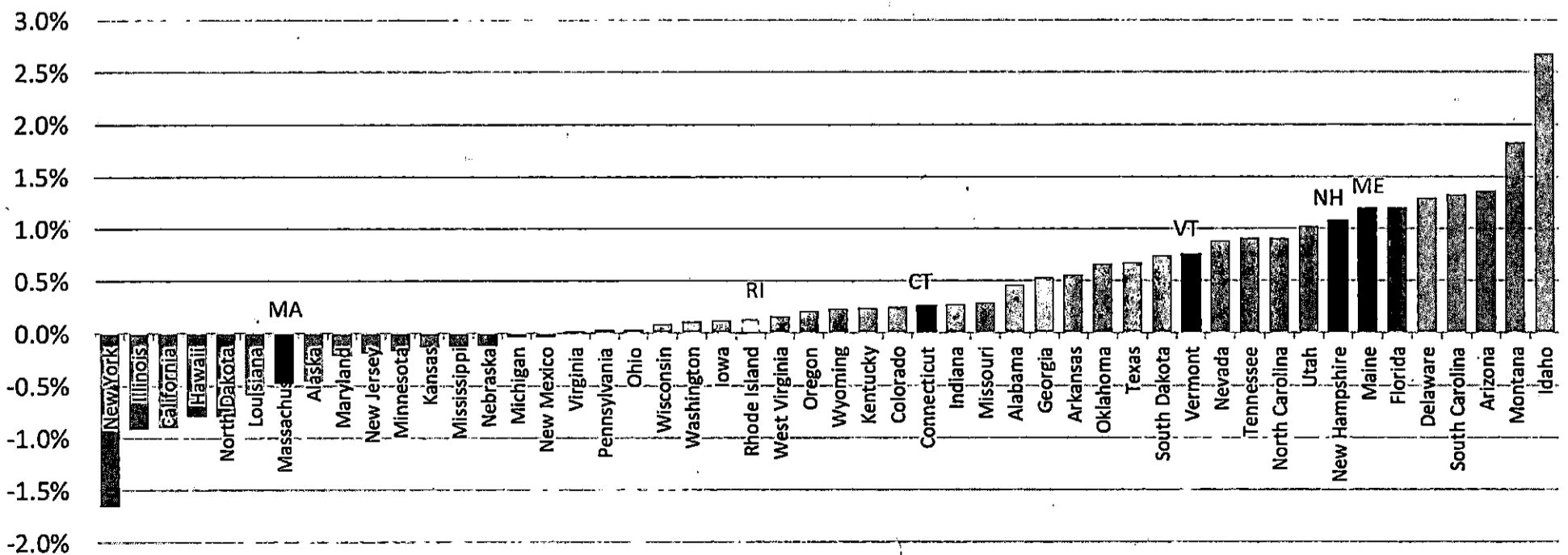
NH Would Have 22,000 More Individuals in its Labor Force if Participation Rates Were the Same Over the Past 12 Months as Participation Rates in 2019

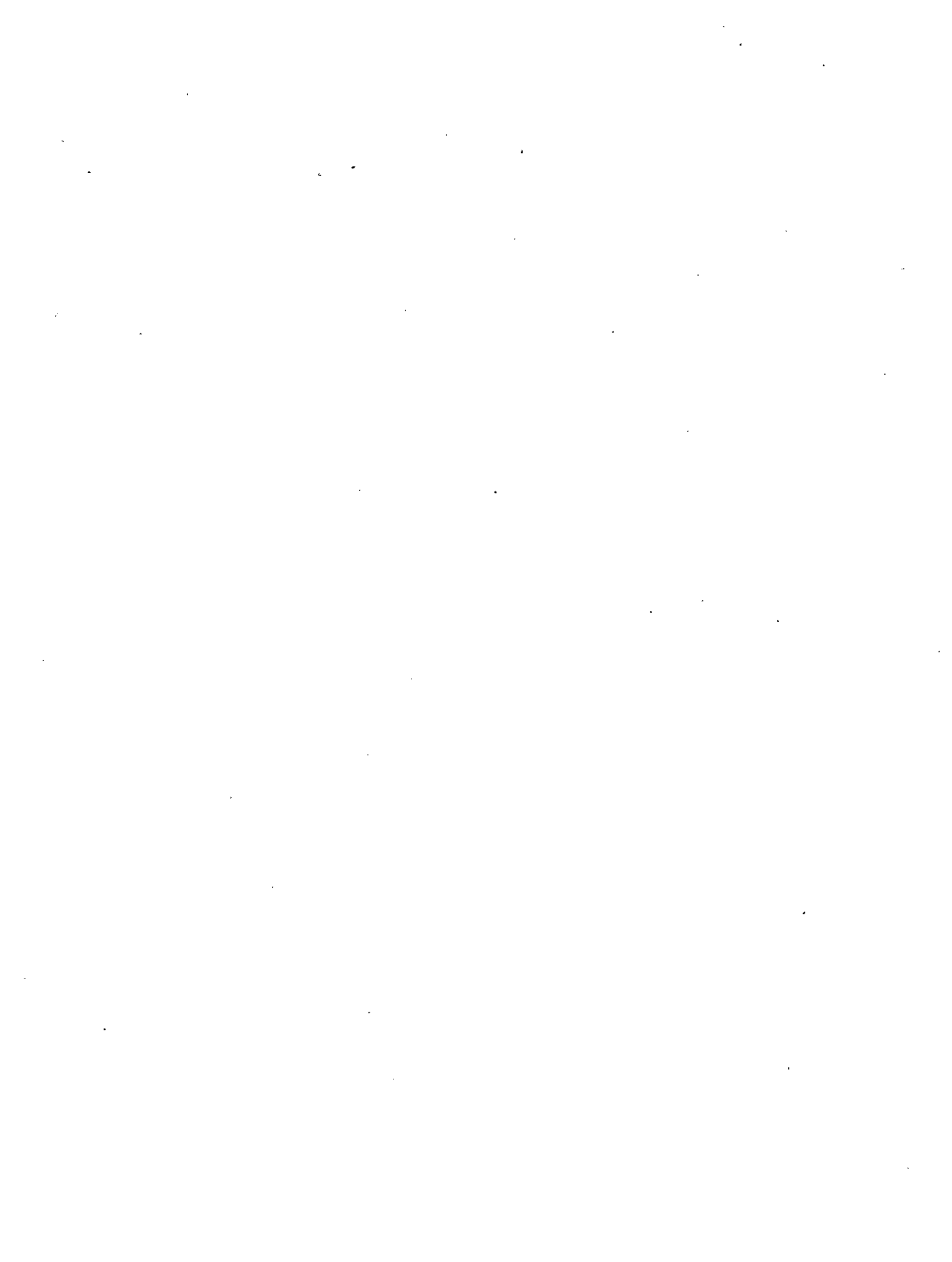
Change in Labor Force if Mar. 2021 to Feb. 2022 Participation Rates Were the Same as Mar. 2019 to Feb. 2020 Participation Rates



Northern New England, New Hampshire (13,608 Net In-Migration From Other States), Have Benefited From a Desire for Less Density and Remote Work Opportunities Since the Pandemic

Net State-to-State Migration (July 2020 to July 2021) as a % of 2020 Population







New Hampshire HB 1337

**Senate Committee on Executive Departments and
Administration**

April 6, 2022

Brian Sikma

Visiting Fellow

Opportunity Solutions Project

Chair Carson, Vice Chair Reagan, Members of the Executive Departments and Administration Committee,

My name is Brian Sikma, and I am a Visiting Fellow at the Opportunity Solutions Project, a non-profit, non-partisan advocacy organization that seeks to improve lives by advocating for public policies based on the principles of free enterprise, individual liberty, and a limited, accountable government.

New Hampshire is a great state. Its can-do attitude, rugged individualism, and commitment to liberty and personal responsibility are hallmarks of the very best attributes of the American story.

There is a strong work ethic here—a quiet pride in the ability to produce and do things that create value for others. The drama of the big coastal cities doesn't cloud the practical determination that you have to simply get things done.

Now this attitude, as you well know, is fragile. The transformation from personal independence to dependence on government can take place fairly quickly when government programs incentivize less work, less productivity, and less personal responsibility. We saw that happen with unemployment insurance during the COVID-19 pandemic. Millions of Americans lost their jobs in the early months of 2020 and failed to quickly return to work as the federal government expanded eligibility for unemployment insurance (UI) benefits, poured hundreds of billions of dollars into increased UI payments, and extended the duration of those benefits.

States like New Hampshire weren't immune from the effects of these policy choices. Federal dollars may have made up a large percentage of the new UI spending, but state trust funds also saw their resources heavily taxed as unemployed individuals lingered on the unemployment rolls and applied for regular as well as enhanced benefits. The New Hampshire UI trust fund decreased by 38 percent from January 2020 to November 2021.¹

Fortunately, despite questionable federal policy choices, there is one reform that New Hampshire can adopt that will protect the solvency of the state's UI trust fund and ensure that workers remain on unemployment just long enough to find their next job. HB 1337, as amended before you today, is a step in the right direction.

¹ Dublois, Ingram, "How Indexing State Unemployment Can Restore State Trust Funds, Cut Taxes, and Grow the Workforce in the Wake of COVID-19," Foundation for Government Accountability, (December 21, 2021), <https://thefga.org/paper/indexing-unemployment-in-the-wake-of-covid19/>.

Indexing unemployment benefits to state economic conditions makes the program more flexible and dynamic while protecting its original purpose: To provide temporary assistance to individuals out of work through no fault of their own.

The concept is straightforward: When economic conditions are good and the unemployment rate is low because employers need employees, the amount of time a worker can collect weekly benefits is scaled down. When economic conditions are poor, however, and the unemployment rate rises, unemployed workers can collect weekly benefits for a slightly longer period.

Here's how this could work for New Hampshire:

First, indexing the benefit duration gets workers back to work nearly twice as fast as they would have otherwise. In states like North Carolina and Florida, which index down to 12 weeks during periods of low unemployment, people go back to work twice as fast as states that do not index at all.

Second, indexing like Florida and North Carolina did would help New Hampshire bolster its UI trust fund without raising taxes on employers. According to a report by the Foundation for Government Accountability, New Hampshire's UI trust fund would add up to \$217 million just by implementing this simple reform.²

Third, indexing reduces the tax burden on employers who pay into the trust fund. Currently, New Hampshire employers pay \$2.40 per \$1,000 of base wages in UI taxes. Indexing could reduce that to \$1.50 per \$1,000 of base wages, a 37.5 percent tax cut for employers, without jeopardizing the health of the trust fund.³

HB 1337 as amended will not yield the results we have seen in Florida and North Carolina, but it is a strong step in the right direction. It will get people back to work more quickly while bolstering the trust fund and lowering UI taxes on businesses. I urge you to support HB 1337.

² Ibid.

³ Ibid.

Chantell Wheeler

From: Chantell Wheeler
Sent: Monday, March 28, 2022 8:25 AM
To: ~Senate Executive Departments and Administration
Cc: Aaron Jones; Marie Marston; Kathryn Cummings; Jessica Bourque; Michael Cahill
Subject: HB1337

From: Michael Cahill <Michael.Cahill@leg.state.nh.us>
Sent: Sunday, March 27, 2022 10:02 PM
To: ~Senate Commerce Committee <SenateCommerce@leg.state.nh.us>
Subject: Do we need HB 1337?

Senators,

Thanks to a recovering economy, employers can expect a cut in their unemployment taxes in early 2023 and again in late 2024.

Department of Employment Security Commissioner George Copadis and Deputy Rich Lavers gave that optimistic report during a comprehensive briefing to the Executive Council last week.

These taxes finance unemployment benefits, and claims are now at a 30-year low.

The trust fund balance was under \$90 million in 2020, but it's now forecast to reach \$239 million by June, Lavers said. By the end of 2024, the fund should have a \$357 million surplus.

The DES report offered these stunning examples of how quickly the jobless picture went bad during COVID — and how fast it bounced back:

- More unemployment benefits were paid during the pandemic than in the entire 15 years before that;
- At its peak, 23% of the work force was collecting unemployment — nearly double the 13% who were getting jobless checks during the Great Recession;
- At COVID's worst, paid claims were nearly 30 times what they were before the pandemic;
- Weekly benefit claims now are only 2.5% of what they were at their peak, which is much lower than in the rest of New England (10.7%) or the other 49 states combined (7.9%).

All of the above is good news but some people will find it difficult when they're out of work. Age, education, skill set, transportation can be impediments to finding a new job. As in real estate, location matters; there are not as many opportunities in the rural parts of our state so a reduction in the number of weeks based on the state unemployment rate is a one size fits all approach which will hurt people who are trying to get back to work.

New Hampshire's weekly benefits are a deterrent to prolonged unemployment. This table indicates these benefits amounts have been in effect since 2007. [DES- 1049.indd \(nh.gov\)](#)

The maximum is \$427 and someone receiving that amount would be accustomed to earning \$798.08 per week. Their housing and other expenses would be in line with those wages so they're not going to sit back and miss car payments etc. or become too comfortable collecting unemployment.

At least 37 states require three or fewer work-search or contact activities per week, with Iowa requiring two. The highest work-search requirements are found in Colorado, Florida, Nebraska, **New Hampshire** and Oregon, all of which require five activities or contacts per week.

<https://www.forbes.com/advisor/personal-finance/best-and-worst-states-for-unemployment/>

This Document did
not include Page 3

HB 1337 is a solution is search of a problem and if enacted, will punish people who are already struggling.

Regards,

Michael Cahill

State Representative

Labor, Industrial and Rehabilitative Services

Rockingham 17

Newfields, Newmarket

Chantell Wheeler

Legislative Aide, New Hampshire State Senate

Office of Senator Sharon Carson, District 14

Executive Departments and Administration Committee

(603) 271-1403

Chantell Wheeler

From: Barbara Spike <spikeba09@gmail.com>
Sent: Monday, April 4, 2022 9:34 AM
To: Sharon Carson; John Reagan; Kevin Cavanaugh; Denise Ricciardi; Suzanne Prentiss; Chantell Wheeler
Subject: Oppose HB1337 on April 6, 2022

Dear Senate Standing Committee:

As a voter in New Hampshire, I **oppose** passage of **HB1337** - the bill that will reduce the number of weeks that someone can receive unemployment benefits. I oppose this bill because older adults/seniors have more difficulty re-entering the workforce. The potential is that when unemployment is low (5% or below) unemployment insurance would only be available for 12 weeks. This would adversely impact older adults who are usually unemployed for longer periods of time, and sadly, many seniors who cannot live on social security benefits alone, have to work just to cover rent!

NH benefits have been the same since 2007 (\$427/week) and this replaces only 31% of wages. The goal of our unemployment program should be to provide enough weeks for a worker to find a new job. HB1337 would punish older workers through no fault of their own.

PLEASE DO NOT PASS HB1337. Thank you for your immediate attention to this matter.

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Kind regards,
Barbara Spike

"Happiness doesn't make us grateful; Gratitude Make Us Happy." - Miya Goodrich

Chantell Wheeler

From: Arnold Newman <mallard202@gmail.com>
Sent: Monday, April 4, 2022 1:02 PM
To: Sharon Carson
Subject: Fwd: HB1337 relative to unemployment benefits length of time allowed

Sent from my iPhone

Begin forwarded message:

hi

From: Arnold Newman <mallard202@gmail.com>
Date: April 4, 2022 at 12:53:16 PM EDT
To: Kevin.Avard@leg.state.nh.us, Denise.Ricard@leg.state.nh.us, Suzanne.Prentiss@leg.state.nh.us
Subject: HB1337 relative to unemployment benefits length of time allowed

Dear Senators,

My name is Arnold Newman. I reside in Marlborough.

I am writing to urge you to vote AGAINST the passage of HB1337.

Older and disabled people in NH traditionally have had a hard time finding work at any skill level. They are for the most part looked at as being "old school" not having the skills or ability needed in today's job descriptions.

I would be naïve in believing that that is not the case in some instances and that none of those on the program are malingerers.

There are those who believe that collecting government assistance

is their "job" and will probably never face reality. There are also those that don't have the skills needed today.

The vast majority of those collecting unemployment benefits do deserve the assistance. We don't hear much about them.

We do hear the complaints and miss information regarding those who are actually in need of the help placing them in same category as the hangers on and cheats.

I strongly urge you to vote against the passing of NB 1337.

Don't let the many be punished for the actions of the few.

Stay Safe...Be Well

Arnold Newman
603(876)5084
mallard202@gmail.com

Sent from my iPhone

Chantell Wheeler

From: Michael Cahill
Sent: Tuesday, April 5, 2022 7:14 AM
To: Chantell Wheeler
Subject: More on HB 1337
Attachments: Why we don't need HB 1337.pdf

Ms. Wheeler,

Please distribute the attached to the committee members.

Regards,

*Michael Cahill
State Representative
Labor, Industrial and Rehabilitative Services
Rockingham 17
Newfields, Newmarket*

Where did workers go? Seacoast restaurateur Jay McSharry sees signs they're coming back

Megan Fernandes

Fosters Daily Democrat

For business owners across the Seacoast, the pandemic in New Hampshire and southern Maine felt like an earthquake, shaking their foundation, leaving industries feeling aftershocks.

The nationwide labor shortage was one of the largest of those challenges locally, most noticeable by the abundance of help wanted signs in the windows of restaurants, retail businesses and other service-related industries.

At least one prominent Seacoast restaurateur, however, is now feeling optimistic, saying the hiring challenges are starting to ease.

Jay McSharry said he recently filled seven key positions in his restaurants. McSharry currently has over a dozen dining concepts in his portfolio, with business partners, including Jumpin' Jays Fish Cafe, Moxy and Vida Cantina of Portsmouth.

While kitchen staff are still hard to find, McSharry said the trend is headed in the right direction. He believes it's driven by the competitive wages he increased by 15% over the last two years across businesses owned by his company JGroup. The company offers growth for employees to move up or move on to other restaurants under the umbrella, he said.

Now that McSharry is more confident in staffing, he's hoping to bring his restaurants back to operating seven days a week by May 1. A few of them are still operating five days per week.

"It's an exciting time for us to get back to normal," McSharry said. "The people of Portsmouth have really embraced outdoor seating, so with Portsmouth moving full speed ahead with supporting that, we're looking forward to offering that again, and expanding our hours back to where they were. It's a step in the right direction."

Seacoast labor market outlook

Brian Gottlob, principal of Dover-based economic research firm PolEcon Research, said it has always been a matter of when, not if, the labor market would see a large number of people returning. He said there are positive signs for recovery.

“Clearly, there's a lot of job openings, but at the same time there's been a lot of hiring and a lot of workers we've gained back,” Gottlob said. “Quit rates create job openings as workers shift between industries, but the other side of the story is that the labor force hasn't fully gotten back to what it was prior to the pandemic, particularly in frontline industries like restaurants, hospitality, retail and recreation. That will take time.”

The New Hampshire Department of Labor reported at the peak of the pandemic in April 2020, unemployment rates in the Seacoast reached as high as 14.3%. This year started with unemployment hovering above 3% for Strafford and Rockingham counties, which are now at 2.3% and 2.6% respectively. The unemployment rate continues to drop, and the pressure to find employees continues to be a challenge for businesses across the board, especially restaurants.

Where did the workforce go, exactly?

Gottlob said the labor shortage has less to do with pandemic-related layoffs or unemployment benefits now that those programs have ended, and it has more to do with shrinkage and shifting within the workforce.

Many of the younger people who left the workforce temporarily for reasons like child care, health concerns or to focus on schooling are returning, he said. Others have just shifted within the workforce by a change of career in another industry, and some people in the older age groups have chosen to permanently leave the labor market by choosing to retire and apply for Social Security.

The 60-64 age group had the sharpest declines in labor force participation, Gottlob said, and these are the workers least likely to return to the workforce.

“This group likely had retirement accounts and home values that went up tremendously over the last decade, so there’s a good chance that individuals in this age range felt confident enough to step out of the workforce for good because they could retire comfortably,” Gottlob said.

He said the biggest gains in the labor market include high school students and college-age adults, as well as women in the age 25 to 45 group who stepped out of the labor force due to childcare challenges.

Gottlob said quit rates rose in many service-related industries, signifying people felt comfortable leaving jobs for better opportunities in a highly competitive hiring market.

“Industries are rethinking their hiring requirements to reach an untapped labor pool, by using workers from other industries with qualifications in customer service that can transfer and be built upon,” Gottlob said. “There’s enough of a demand for labor and it’s having an impact on what companies are having to pay. The companies most successful in attracting workers are ones that may have raised their wages and compensation more than any others. It could be incentives in the form of higher pay, a sign-on bonus, help with student debt repayment, more hours or better insurance.”

McSharry has found departing workers aren't leaving for pandemic-driven reasons anymore or to go to other restaurants. He said it's often because they want to advance their career in another industry entirely.

“COVID made everyone reevaluate things, what their end goal or purpose was, what they were doing or what they were working toward,” McSharry said. “I had one staff member who was a great worker, but when she left she told me, ‘I went into the restaurant business because it was great money, and after college I wanted to travel, but I’ve been here six years and I think it’s time to pursue my career.’ On the flip side of that, there are people who took other jobs, like a warehouse job, during COVID and now they’re back in the restaurant business.”

Every restaurant has responded to the pandemic in their own way. Some closed for offseason "hibernations" in the winter, while others by reduced days and hours of operation. Some have found it necessary to take additional steps.

Congdon’s Doughnuts Family Restaurant and Bakery in Wells, Maine, has been operating its drive-through service and offering takeout, Thursdays through Sundays, from 6 a.m. to 2 p.m. While the beloved Route 1 restaurant will reopen its indoor seating soon, owners Gary and Diane Leech had to make a big change in the way it operates, no longer offering table service. Instead, diners will place their order at the front counter from a revised menu (the doughnuts and other favorites remain) and find their own seat in the dining room or on the patio, or at one of the many picnic tables outside.

Moving to the quick-service model was a decision that “didn't come without a lot of scrutiny and painstaking debate,” the owners wrote on the restaurant’s Facebook page.

According to the Leeches, restaurants throughout the region were having major staffing issues even before the COVID-19 pandemic started and created labor shortages.

“The pandemic only exacerbated this, and we strongly believe this is a necessary change at this time,” the Leeches said of their dining-room decision. “We have adapted and evolved many times over our 67 years, and this current situation could very well change again.”

Congdon’s isn’t alone in having to make tough decisions. Gottlob said many restaurants are reevaluating pandemic pivots, especially services like takeout when they don’t have the staff to handle dine-in and takeout orders.

“Some have cut back on takeout on busy nights, while others have continued to expand it,” Gottlob said. “Others are automating ordering by setting up an app or QR code that guests can scan to order their food at their convenience at the table, cutting down on demands of servers.”

Tourism is another service-related industry that is also expected to struggle with hiring this season. Hampton Beach is one of the tourist destinations grappling with this challenge.

John Nyhan, president of the Hampton Area Chamber of Commerce, is addressing the labor shortage by looking to bring a group of young Native Americans to Hampton Beach this summer to work as part of a new pilot program in the tourist community. A dozen 18- to 25-year-old Oglala Lakota tribe members from the Pine Ridge Reservation in South Dakota could be coming to Hampton starting in May, which is on top of the roughly 250 to 300 foreign students expected to arrive this summer to work in the beach's shops, hotels, restaurants and state parks.

Jonathan Blakeslee, owner of White Heron Tea in Portsmouth and White Heron Maine in Eliot, said he has found success with workforce retention by focusing on company and workplace culture.

“I once heard the motto ‘give the very best that you have and the best will come back to you’ and that’s the mindset we embody here,” Blakeslee said. “We’re a small, independent restaurant so I’ve looked at White Heron as a little family. We’ve had some people that

were ready to come back, and other that have gradually pick shifts back up. We've tried to be flexible, understanding and supportive."

One of the biggest challenges White Heron faces isn't staffing. It's balancing the rising cost of doing business as inflation drives up food and supply prices.

"The challenge for us right now is managing all the costs that are changing, daily, weekly," Blakeslee said. "It's so hard to plan ahead, to guess, while trying to juggle keeping prices fair for customers."

There's no easy answer for that, but Blakeslee works with the New Hampshire Small Business Development Center, seeking advice.

McSharry said he's confident that the restaurant industry will get back on its feet, refocusing on the experience of dining.

"What makes a restaurant? It's the food, the service, the lighting, the music, the atmosphere. All those things matter in creating an experience," McSharry said.

Reporting by Shawn Sullivan and Patrick Cronin contributed to this report.

Voting Sheets

**Senate Executive Departments and
Administration Committee
EXECUTIVE SESSION RECORD
2022 Session**

Bill # **HB 1337**

Hearing date: **4.6.2022**

Executive Session date: **4.6.2022**

Motion of: **ITL** Vote: **5-0**

Committee Member	Present	Made by	Second	Yes	No
Sen. Carson, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Reagan, Vice Chair	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Ricciardi	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Cavanaugh	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Prentiss	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Motion of: **Consent** Vote: **5-0**

Committee Member	Present	Made by	Second	Yes	No
Sen. Carson, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Reagan, Vice Chair	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Ricciardi	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Cavanaugh	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Prentiss	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Motion of: _____ Vote: _____

Committee Member	Present	Made by	Second	Yes	No
Sen. Carson, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Reagan, Vice Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Ricciardi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Cavanaugh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Prentiss	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reported out by: **Sen. Carson**

Notes: _____

Committee Report

STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE
FOR THE CONSENT CALENDAR

Wednesday, April 6, 2022

THE COMMITTEE ON Executive Departments and Administration

to which was referred **HB 1337**

AN ACT relative to the duration of unemployment benefits.

Having considered the same, the committee recommends that the Bill

IS INEXPEDIENT TO LEGISLATE

BY A VOTE OF: 5-0

Senator Sharon Carson
For the Committee

The system currently in place effectively discourages excessive reliance on unemployment compensation benefits. New Hampshire is at historically low unemployment rates that are below the national and regional averages. New Hampshire Employment Security testified that this bill is unnecessary and is a problem in search of a solution. For these reasons, the committee recommends this bill is inexpedient to legislate.

Chantell Wheeler 271-1403

General Court of New Hampshire - Bill Status System

Docket of HB1337

Docket Abbreviations

Bill Title: relative to the duration of unemployment benefits.*Official Docket of HB1337.:*

Date	Body	Description
11/20/2021	H	Introduced 01/05/2022 and referred to Labor, Industrial and Rehabilitative Services
2/3/2022	H	Public Hearing: 02/03/2022 1:00 p.m. LOB305-307
3/9/2022	H	Executive Session: 03/09/2022 10:00 a.m. LOB305-307
2/28/2022	H	Executive Session: 03/09/2022 10:00 AM LOB 305-307
3/10/2022	H	Majority Committee Report: Ought to Pass with Amendment #2022-0732h (Vote 11-10; RC)
3/10/2022	H	Minority Committee Report: Inexpedient to Legislate
3/17/2022	H	Amendment #2022-0732h : AA VV 03/17/2022 HJ 8
3/17/2022	H	Ought to Pass with Amendment 2022-0732h: MA RC 179-153 03/17/2022 HJ 8
3/22/2022	S	Introduced 03/17/2022 and Referred to Executive Departments and Administration; SJ 6
3/31/2022	S	Hearing: 04/06/2022, Room 103, SH, 10:00 am; SC 14
4/6/2022	S	Committee Report: Inexpedient to Legislate; Vote 5-0; CC; 04/14/2022; SC 15
4/14/2022	S	Inexpedient to Legislate, MA, VV === BILL KILLED ===; 04/14/2022; SJ 8

NH House

NH Senate

Other Referrals

Senate Inventory Checklist for Archives

Bill Number: HB 1337

Senate Committee: ED.TA

Please include all documents in the order listed below and indicate the documents which have been included with an "X" beside

Final docket found on Bill Status

Bill Hearing Documents: (Legislative Aides)

- Bill version as it came to the committee
- All Calendar Notices
- Hearing Sign-up sheet(s)
- Prepared testimony, presentations, & other submissions handed in at the public hearing
- Hearing Report
- Revised/Amended Fiscal Notes provided by the Senate Clerk's Office

Committee Action Documents: (Legislative Aides)

All amendments considered in committee (including those not adopted):

___ - amendment # _____ ___ - amendment # _____

___ - amendment # _____ ___ - amendment # _____

- Executive Session Sheet
- Committee Report

Floor Action Documents: (Clerk's Office)

All floor amendments considered by the body during session (only if they are offered to the senate):

___ - amendment # _____ ___ - amendment # _____

___ - amendment # _____ ___ - amendment # _____

Post Floor Action: (if applicable) (Clerk's Office)

- Committee of Conference Report (if signed off by all members. Include any new language proposed by the committee of conference):
- Enrolled Bill Amendment(s)
- Governor's Veto Message

All available versions of the bill: (Clerk's Office)

___ as amended by the senate ___ as amended by the house

___ final version

Completed Committee Report File Delivered to the Senate Clerk's Office By:

OBWZ
Committee Aide

5 13 2022
Date

Senate Clerk's Office AK