

Missouri House of Representatives

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Missouri House Passes HB 2098: Enhancing Employment Security for Workers

JEFFERSON CITY, Mo. – The Missouri House of Representatives is looking to bolster employment security for workers across the state with the passage of HB 2098. Sponsored by State Rep. Terry Thompson, HB 2098 would align Missouri with 35 other states that have passed similar measures, aiming to modify the definition of "wages" to include additional forms of compensation and ensure fair evaluation of eligibility for unemployment benefits.

Under this proposed change, wages would encompass components such as vacation pay, termination pay, severance pay, and holiday pay. With this broadened scope, workers will now have these forms of compensation considered as part of their overall wages for the week in which they are received. This inclusive approach recognizes the diverse ways in which workers are compensated, providing them with a more comprehensive safety net during times of transition or need.

Furthermore, the bill addresses scenarios where individuals receive their wages in a lump sum, such as severance or termination pay. In such cases, HB 2098 mandates that these payments be prorated on a weekly basis to reduce the amount unemployment benefits an eligible party would receive. By ensuring a fair and accurate distribution of lump sum payments over relevant weeks, the bill enhances the integrity of the unemployment benefits system, safeguarding workers' rights and financial stability.

"This bill fixes a loophole in the Missouri unemployment law that currently allows people receiving severance pay and other termination payments to also collect unemployment benefits at the same time," Thompson, R-Lexington, said. "The unemployment fund exists to assist those who are unemployed through no fault of their own and to provide a short bridge to their next job. When an employer has already provided that bridge, unemployment benefits should not be received until those payments have been exhausted."

"This legislation represents a vital stride towards fortifying employment security for Missouri's workforce," House Speaker Dean Plocher, R-Des Peres, said. "By recognizing a broader range of

compensation and implementing fair evaluation practices for lump sum payments, we are advancing policies that prioritize the well-being and economic resilience of our workers."

The bill now heads to the Missouri Senate for further consideration.

Representative Terry Thompson, a Republican, represents Lafayette and parts of Lafayette and Ray Counties (District 53) in the Missouri House of Representatives. He was elected to his first two-year term in November 2020. For more information, please contact Rep. Thompson at 573-751-1462 or by email at Terry.Thompson@House.Mo.Gov.