



ARIZONA STATE SENATE
Fiftieth Legislature, Second Regular Session

AMENDED
FACT SHEET FOR S.B. 1388

[return to work program](#)

Purpose

Establishes the Return to Work Program.

Background

Arizona's Unemployment Insurance (UI) program is administered by the Department of Economic Security (DES) and provides a measure of economic security to the individual worker and the community when unemployment occurs beyond the worker's control. When an employee is eligible for benefits, the state pays those benefits out of the Unemployment Insurance Trust Fund (Trust Fund). Funding for the Trust Fund comes from Arizona's unemployment tax paid by employers; workers in Arizona do not make any payments into the Trust Fund. Employers also pay the federal unemployment tax, known as FUTA, which is collected by the federal government and is used to administer the program at the federal and state levels.

Section 23-771.01, Arizona Revised Statutes, prohibits eligible individuals from being denied benefits for any week because the individual is in training either approved by the U.S. Secretary of Labor or DES, or because of an application to any training related to the availability for work and active search for work. Benefit payments are prohibited from being made to any individual receiving a training allowance if the allowance equals or exceeds the benefits the individual would otherwise be entitled. If the training allowance is less than the benefit amount, the individual's training allowance is subtracted from that benefit amount.

The fiscal impact of this legislation is unknown.

Provisions

1. Establishes the Return to Work Program (Program).
2. Requires DES to establish the Program to provide a structured, supervised training opportunity to individuals through designated employers.
3. Requires an individual in the Program to be at least 18 years of age and register with DES.
4. Allows individuals to participate in the Program on a voluntary basis and for up to 24 hours per week, not to exceed six weeks.

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5. Requires Program participants to continue to receive unemployment compensation benefits.
6. Prescribes that Program participants must be able to work and accept any available, suitable work.
7. Requires DES to provide workers' compensation coverage to Program participants.
8. Requires employers who are participating in the Program to:
 - a. be located in Arizona;
 - b. have available full-time positions;
 - c. provide training opportunities that benefit the individual and notify DES when the employer offers a training opportunity to a participant under the Program;
 - d. certify to DES that the employer will not pay any wages to the participant;
 - e. train only one individual for each available full-time position;
 - f. agree that the employer's current employees will not be displaced or lose any promotion rights due to a Program participant; and
 - g. provide any information that is requested by DES.
9. Requires an individual who participates in the Program to:
 - a. be eligible to receive unemployment compensation benefits;
 - b. be willing to develop new strengths, skills and experiences;
 - c. continue to seek work unless otherwise exempt;
 - d. certify to DES that the individual understands that participating in the Program does not guarantee the individual any future employment or expectations of being hired by the employer;
 - e. attend a mandatory Program orientation that is conducted by DES; and
 - f. provide any information that is requested by DES.
10. Terminates the Program on July 1, 2022.
11. Becomes effective on the general effective date.

Amendments Adopted by Committee

- Outlines requirements for employers and individuals participating in the Program.

Senate Action

APPROP 2/21/12 DPA 10-2-1-0

Prepared by Senate Research

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JT/tf