S.F. No. 2114: A bill for an act relating to unemployment compensation; providing that benefits resulting from acts of God are nonchargeable to an employer’s account; amending Minnesota Statutes 1984, section 268.06, subdivisions 5 and 24.

Referred to the Committee on Employment.

The Honorable Jerome M. Hughes
President of the Senate

Dear Senator Hughes:

I am returning without my signature Senate File 2114, a bill relating to unemployment compensation. This is an unfair and unbalanced bill which will impose hardship on those Minnesotans who can least afford it.

Although the inclusion of permanent, part-time employees in the unemployment compensation system is an improvement, the benefit cuts mandated by this bill hurt those who work only part of a year. Yet, for many of our citizens, their choice is to work part of the year or not at all. Our weather patterns, federal policies and international trade factors work together to create only seasonal work opportunities in important Minnesota industries such as mining, forest products, agriprocessing and construction.

I strongly believe that there should be reform in our unemployment compensation system. That is why I created a special independent commission to provide a balanced view on this issue. We need to eliminate the debt that is burdensome to our employers, but we must do so in a way that shares the burden. That is what our commission recommended.

Unfortunately, the commission’s balanced recommendations were rejected by those who preferred a political solution rather than a responsible solution.

Reform of our system is needed, and it is desired by our businesses and our workers. The solution before me, however, does not meet the crucial test of balance and fairness. Therefore, I am vetoing the bill and returning it to you.

Sincerely,
Rudy Perpich, Governor

March 24, 1986