



[HF 2363](#) – Unemployment Insurance Program, Landscaping Contributory Employer (LSB5401HV.1)
Staff Contact: Ron Robinson (515.281.6256) ron.robinson@legis.iowa.gov
Fiscal Note Version – Final Action

Description

[House File 2363](#) relates to unemployment insurance under Iowa Code chapter [96](#) and provides that effective July 1, 2020, landscaping employers will contribute to the Unemployment Insurance Trust Fund at the same rate as construction employers.

Background

Under current law there are two rates for new employers. New construction employers are placed in the highest rank, Benefit Ratio Rank 21, of the [Unemployment Insurance Tax Rate Table](#), with a current tax rate of 7.5% of payroll. New nonconstruction employers are placed in Benefit Ratio Rank 12, with a current tax rate of 0.6% or 1.0% of payroll, whichever is higher.

Assumption

New landscaping employers will have approximately \$10.5 million in total annual payroll.

Fiscal Impact

Requiring landscaping employers to contribute to the Unemployment Insurance Trust Fund at the same rate as construction employers is estimated to increase contributions to the Trust Fund by approximately \$683,000 annually.

Source

Iowa Department of Workforce Development

/s/ Holly M. Lyons

June 25, 2020

Doc ID 11373601137360

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
