

FILED MAR 3 1999

SENATE FILE 290  
BY SCHUERER

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to unemployment compensation employer  
2 contribution rates.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 290  
STATE GOVERNMENT

1 Section 1. Section 96.7, subsection 2, paragraph d,  
 2 unnumbered paragraph 2, Code 1999, is amended to read as  
 3 follows:

4 If the current reserve fund ratio, divided by the highest  
 5 benefit cost ratio:

6	Equals or	But is	The contribution rate
7	<u>exceeds</u>	<u>less than</u>	<u>table in effect shall be</u>
8	--	0.3	1
9	0.3	0.5	2
10	0.5	0.7	3
11	0.7	0.85	4
12	0.85	1.0	5
13	1.0	1.15	6
14	1.15	1.30	7
15	1.30	-- <u>1.40</u>	8
16	<u>1.40</u>	--	<u>9</u>

17 Sec. 2. Section 96.7, subsection 2, paragraph d, the table  
 18 following unnumbered paragraph 4, Code 1999, is amended to  
 19 read as follows:

20	Approximate	Contribution Rate Tables									
21	Benefit Cumulative										
22	Ratio Taxable Pay-										
23	Rank roll Limit	1	2	3	4	5	6	7	8	<u>9</u>	
24	-----										
25	1 4.8%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	<u>0.0</u>	
26	2 9.5%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	<u>0.0</u>	
27	3 14.3%	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	<u>0.0</u>	
28	4 19.0%	0.4	0.3	0.3	0.2	0.1	0.1	0.1	0.1	<u>0.0</u>	
29	5 23.8%	0.6	0.5	0.4	0.3	0.3	0.2	0.1	0.1	<u>0.1</u>	
30	6 28.6%	0.9	0.8	0.6	0.5	0.4	0.3	0.2	0.1	<u>0.1</u>	
31	7 33.3%	1.2	1.0	0.8	0.6	0.5	0.4	0.3	0.2	<u>0.1</u>	
32	8 38.1%	1.5	1.3	1.0	0.8	0.6	0.5	0.3	0.2	<u>0.1</u>	
33	9 42.8%	1.9	1.5	1.2	0.9	0.7	0.6	0.4	0.3	<u>0.1</u>	
34	10 47.6%	2.1	1.8	1.4	1.1	0.8	0.6	0.5	0.3	<u>0.2</u>	
35	11 52.4%	2.5	2.0	1.6	1.3	1.0	0.7	0.5	0.3	<u>0.2</u>	

1	12	57.1%	3.0	2.4	1.9	1.5	1.1	0.9	0.6	0.4	<u>0.2</u>
2	13	61.9%	3.6	2.9	2.4	1.8	1.4	1.1	0.8	0.5	<u>0.3</u>
3	14	66.6%	4.4	3.6	2.9	2.2	1.7	1.3	1.0	0.6	<u>0.4</u>
4	15	71.4%	5.3	4.3	3.5	2.7	2.0	1.6	1.1	0.7	<u>0.4</u>
5	16	76.2%	6.3	5.2	4.1	3.2	2.4	1.9	1.4	0.9	<u>0.5</u>
6	17	80.9%	7.0	6.4	5.2	4.0	3.0	2.3	1.7	1.1	<u>0.6</u>
7	18	85.7%	7.5	7.5	7.0	5.4	4.1	3.1	2.3	1.5	<u>0.8</u>
8	19	90.4%	8.0	8.0	8.0	7.3	5.6	4.2	3.1	2.0	<u>1.1</u>
9	20	95.2%	8.5	8.5	8.5	8.0	7.6	5.8	4.3	2.8	<u>1.6</u>
10	21	100.0%	9.0	9.0	9.0	9.0	8.5	8.0	7.5	7.0	<u>5.4</u>

EXPLANATION

12 The bill adds an additional employer contribution rate  
 13 table to the current eight tables that are used to calculate  
 14 an employer's liability for unemployment compensation  
 15 contributions. The bill also modifies the table used to  
 16 calculate which rate table is to be used by the department of  
 17 workforce development in calculating an employer's liability  
 18 by providing for the use of the ninth table. The bill then  
 19 establishes the contribution rates for the ninth contribution  
 20 rate table. The ninth table provides for a lower employer  
 21 contribution rate and would be triggered when the current  
 22 reserve funds for paying benefits are comparatively the  
 23 greatest.

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