

**House File 2104 - Introduced**

HOUSE FILE 2104

BY COMMITTEE ON LABOR

(SUCCESSOR TO HF 2012)

**A BILL FOR**

1 An Act reducing the years of experience used to calculate an  
2 employer's contribution rate for unemployment insurance.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 96.7, subsection 2, paragraph c,  
2 subparagraph (3), Code 2011, is amended to read as follows:

3 (3) Thereafter, the employer's contribution rate shall be  
4 determined in accordance with paragraph "d", except that the  
5 employer's average annual taxable payroll and benefit ratio  
6 may be computed, as determined by the department, for less  
7 than ~~five~~ three periods of four consecutive calendar quarters  
8 immediately preceding the computation date.

9 Sec. 2. Section 96.7, subsection 2, paragraph d,  
10 subparagraph (2), unnumbered paragraph 3, Code 2011, is amended  
11 to read as follows:

12 "*Benefit ratio*" means a number computed to six decimal places  
13 on July 1 of each year obtained by dividing the average of all  
14 benefits charged to an employer during the ~~five~~ three periods  
15 of four consecutive calendar quarters immediately preceding  
16 the computation date by the employer's average annual taxable  
17 payroll.

18 Sec. 3. Section 96.19, subsection 2, Code 2011, is amended  
19 to read as follows:

20 2. "*Average annual taxable payroll*" means the average of the  
21 total amount of taxable wages paid by an employer for insured  
22 work during the ~~five~~ three periods of four consecutive calendar  
23 quarters immediately preceding the computation date.

24 EXPLANATION

25 This bill reduces the years of experience used to calculate  
26 the benefit ratio for an employer's contribution rate for  
27 unemployment insurance from five to three.