

# HOUSE BILL No. 1111

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 22-4-11.

**Synopsis:** Unemployment. Provides a new schedule of rates for calendar years after December 31, 2020. Provides new contribution rates for calendar years after 2020.

**Effective:** July 1, 2020.

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January 6, 2020, read first time and referred to Committee on Employment, Labor and Pensions.

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Second Regular Session of the 121st General Assembly (2020)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2019 Regular Session of the General Assembly.

## HOUSE BILL No. 1111

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A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 22-4-11-3, AS AMENDED BY P.L.6-2012,  
2 SECTION 154, IS AMENDED TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) The applicable schedule of  
4 rates for calendar years before January 1, 2011, shall be determined by  
5 the ratio resulting when the balance in the fund as of the determination  
6 date is divided by the total payroll of all subject employers for the  
7 immediately preceding calendar year. Schedule A, B, C, or D,  
8 appearing on the line opposite the fund ratio in the schedule below,  
9 shall be applicable in determining and assigning each employer's  
10 contribution rate for the calendar year immediately following the  
11 determination date. For the purposes of this subsection, "total payroll"  
12 means total remuneration reported by all contributing employers as  
13 required by this article and does not include the total payroll of any  
14 employer who elected to become liable for payments in lieu of  
15 contributions (as defined in IC 22-4-2-32). For the purposes of this  
16 subsection, "subject employers" means those employers who are  
17 subject to contribution.



## FUND RATIO SCHEDULE

When the Fund Ratio Is:

As Much As	But Less Than	Applicable Schedule
	1.0%	A
1.0%	1.5%	B
1.5%	2.25%	C
2.25%		D

(b) Except as provided in subsection (c), the applicable schedule of rates for calendar years after December 31, 2010, and before January 1, 2021, shall be determined by the ratio resulting when the balance in the fund as of the determination date is divided by the total payroll of all subject employers for the immediately preceding calendar year. Schedules A through I appearing on the line opposite the fund ratio in the schedule below are applicable in determining and assigning each employer's contribution rate for the calendar year immediately following the determination date. For purposes of this subsection, "total payroll" means total remuneration reported by all contributing employers as required by this article and does not include the total payroll of any employer who elected to become liable for payments in lieu of contributions (as defined in IC 22-4-2-32). For purposes of this subsection, "subject employers" means those employers who are subject to contribution.

## FUND RATIO SCHEDULE

When the Fund Ratio Is:

As Much As	But Less Than	Applicable Schedule
	0.2%	A
0.2%	0.4%	B
0.4%	0.6%	C
0.6%	0.8%	D
0.8%	1.0%	E
1.0%	1.2%	F
1.2%	1.4%	G
1.4%	1.6%	H
1.6%		I

(c) For calendar years 2011 through 2020, Schedule E applies in determining and assigning each employer's contribution rate.

(d) Except as provided in subsection (e), the applicable schedule of rates for calendar years after December 31, 2020, shall be determined by the ratio resulting when the balance in the fund as of the determination date is divided by the total payroll of all



1 subject employers for the immediately preceding calendar year.  
 2 Schedules A through E appearing on the line opposite the fund  
 3 ratio in the schedule below are applicable in determining and  
 4 assigning each employer's contribution rate for the calendar year  
 5 immediately following the determination date. For purposes of this  
 6 subsection, "total payroll" means total remuneration reported by  
 7 all contributing employers as required by this article and does not  
 8 include the total payroll of any employer who elected to become  
 9 liable for payments in lieu of contributions (as defined in  
 10 IC 22-4-2-32). For purposes of this subsection, "subject employers"  
 11 means those employers who are subject to contribution.

12 **FUND RATIO SCHEDULE**

13 **When the Fund Ratio Is:**

	<b>As Much As</b>	<b>But Less Than</b>	<b>Applicable Schedule</b>
		<b>0.7%</b>	<b>A</b>
	<b>0.7%</b>	<b>1.1%</b>	<b>B</b>
	<b>1.1%</b>	<b>1.5%</b>	<b>C</b>
	<b>1.5%</b>	<b>1.9%</b>	<b>D</b>
	<b>1.9%</b>		<b>E</b>

21 (e) For calendar years 2021 through 2025, Schedule C applies in  
 22 determining and assigning each employer's contribution rate.  
 23 However, should the balance in the fund exceed one billion eight  
 24 hundred million dollars (\$1,800,000,000), or fall below seven  
 25 hundred million dollars (\$700,000,000), this subsection shall not  
 26 apply, and the schedule provided in subsection (d) shall apply.

27 (f) Any adjustment in the amount charged to any employer's  
 28 experience account made subsequent to the assignment of rates of  
 29 contributions for any calendar year shall not operate to alter the amount  
 30 charged to the experience accounts of any other base-period employers.

31 SECTION 2. IC 22-4-11-3.5, AS AMENDED BY P.L.110-2010,  
 32 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 33 JULY 1, 2020]: Sec. 3.5. (a) For calendar years after 2010 **and before**  
 34 **2021**, if the conditions of section 2 of this chapter are met, the rate of  
 35 contributions shall be determined and assigned, with respect to each  
 36 calendar year, to employers whose accounts have a credit balance and  
 37 who are therefore eligible according to each employer's credit reserve  
 38 ratio. Each employer shall be assigned the contribution rate appearing  
 39 in the applicable schedule A through I on the line opposite the  
 40 employer's credit reserve ratio as set forth in the rate schedule below:

41 **RATE SCHEDULE FOR ACCOUNTS**  
 42 **WITH CREDIT BALANCES**



1	When the Credit Reserve Ratio Is:						
2	As	But	Rate Schedules				
3	Much	Less	(%)				
4	As	Than	A	B	C	D	E
5	3.00		0.75	0.70	0.70	0.60	0.50
6	2.80	3.00	1.00	0.90	0.90	0.80	0.70
7	2.60	2.80	1.30	1.20	1.10	1.00	0.90
8	2.40	2.60	1.60	1.50	1.40	1.30	1.20
9	2.20	2.40	1.90	1.80	1.70	1.50	1.40
10	2.00	2.20	2.20	2.00	1.90	1.80	1.60
11	1.80	2.00	2.50	2.30	2.20	2.00	1.80
12	1.60	1.80	2.80	2.60	2.40	2.20	2.00
13	1.40	1.60	3.10	2.90	2.70	2.50	2.30
14	1.20	1.40	3.40	3.20	3.00	2.70	2.50
15	1.00	1.20	3.70	3.40	3.20	3.00	2.70
16	0.80	1.00	4.00	3.70	3.50	3.20	2.90
17	0.60	0.80	4.30	4.00	3.70	3.40	3.10
18	0.40	0.60	4.60	4.30	4.00	3.70	3.40
19	0.20	0.40	4.90	4.60	4.30	3.90	3.60
20	0.00	0.20	5.20	4.80	4.50	4.20	3.80

RATE SCHEDULE FOR ACCOUNTS  
WITH CREDIT BALANCES

23	When the Credit Reserve Ratio Is:						
24	As	But	Rate Schedules				
25	Much	Less	(%)				
26	As	Than	F	G	H	I	
27	3.00		0.40	0.40	0.30	0.00	
28	2.80	3.00	0.60	0.50	0.40	0.00	
29	2.60	2.80	0.80	0.70	0.60	0.10	
30	2.40	2.60	1.10	1.00	0.90	0.10	
31	2.20	2.40	1.30	1.20	1.00	0.10	
32	2.00	2.20	1.40	1.20	1.00	0.10	
33	1.80	2.00	1.60	1.40	1.20	0.10	
34	1.60	1.80	1.80	1.60	1.40	0.20	
35	1.40	1.60	2.10	1.90	1.70	0.20	
36	1.20	1.40	2.20	2.00	1.70	0.20	
37	1.00	1.20	2.40	2.10	1.80	0.20	
38	0.80	1.00	2.60	2.30	2.00	0.20	
39	0.60	0.80	2.80	2.50	2.20	0.20	
40	0.40	0.60	3.10	2.80	2.40	0.30	
41	0.20	0.40	3.20	2.80	2.40	0.30	
42	0.00	0.20	3.40	3.00	2.60	0.30	



(b) For calendar years after 2010 **and before 2021**, if the conditions of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a debit balance and who are therefore eligible according to each employer's debit reserve ratio. Each employer shall be assigned the contribution rate appearing in the applicable schedule A through I on the line opposite the employer's debit reserve ratio as set forth in the rate schedule below:

RATE SCHEDULE FOR ACCOUNTS  
WITH DEBIT BALANCES

When the Debit Reserve Ratio Is:

As Much As	But Less Than	Rate Schedules (%)					
		A	B	C	D	E	
0.00	1.50	6.75	6.30	5.90	5.40	4.90	
1.50	3.00	7.00	6.50	6.10	5.60	5.10	
3.00	4.50	7.25	6.70	6.30	5.80	5.30	
4.50	6.00	7.50	7.00	6.50	6.00	5.50	
6.00	8.00	7.75	7.20	6.70	6.20	5.70	
8.00	10.00	8.25	7.70	7.20	6.60	6.00	
10.00	12.00	8.75	8.10	7.60	7.00	6.40	
12.00	14.00	9.25	8.60	8.00	7.40	6.80	
14.00	16.00	9.75	9.10	8.50	7.80	7.10	
16.00		10.20	9.50	8.90	8.20	7.40	

RATE SCHEDULE FOR ACCOUNTS  
WITH DEBIT BALANCES

When the Debit Reserve Ratio Is:

As Much As	But Less Than	Rate Schedules (%)				
		F	G	H	I	
0.00	1.50	4.40	3.90	3.40	0.40	
1.50	3.00	4.60	4.10	3.60	0.40	
3.00	4.50	4.80	4.30	3.80	0.40	
4.50	6.00	4.90	4.40	3.80	0.40	
6.00	8.00	5.10	4.50	3.90	0.40	
8.00	10.00	5.40	4.80	4.20	0.50	
10.00	12.00	5.80	5.20	4.50	0.50	
12.00	14.00	6.10	5.40	4.70	0.50	
14.00	16.00	6.40	5.70	5.00	0.50	
16.00		6.70	6.00	5.40	5.40	



SECTION 3. IC 22-4-11-3.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 3.7. (a) For calendar years after 2020, if the conditions of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a credit balance and who are therefore eligible according to each employer's credit reserve ratio. Each employer shall be assigned the contribution rate appearing in the applicable Schedule A through E on the line opposite the employer's credit reserve ratio as set forth in the rate schedule below:**

**RATE SCHEDULE FOR ACCOUNTS  
WITH CREDIT BALANCES**

**When the Credit Reserve Ratio Is:**

As Much As	But Less Than	Rate Schedules (%)				
		A	B	C	D	E
3.00		0.75	0.70	0.50	0.40	0.30
2.80	3.00	1.00	0.90	0.70	0.60	0.40
2.60	2.80	1.30	1.10	0.90	0.80	0.60
2.40	2.60	1.60	1.40	1.20	1.10	0.90
2.20	2.40	1.90	1.70	1.40	1.30	1.00
2.00	2.20	2.20	1.90	1.60	1.40	1.00
1.80	2.00	2.50	2.20	1.80	1.60	1.20
1.60	1.80	2.80	2.40	2.00	1.80	1.40
1.40	1.60	3.10	2.70	2.30	2.10	1.70
1.20	1.40	3.40	3.00	2.50	2.20	1.70
1.00	1.20	3.70	3.20	2.70	2.40	1.80
0.80	1.00	4.00	3.50	2.90	2.60	2.00
0.60	0.80	4.30	3.70	3.10	2.80	2.20
0.40	0.60	4.60	4.00	3.40	3.10	2.40
0.20	0.40	4.90	4.30	3.60	3.20	2.40
0.00	0.20	5.20	4.50	3.80	3.40	2.60

**(b) For calendar years after 2020, if the conditions of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a debit balance and who are therefore eligible according to each employer's debit reserve ratio. Each employer shall be assigned the contribution rate appearing in the applicable Schedule A through E on the line opposite the employer's debit reserve ratio as set forth in the rate schedule below:**



	<b>RATE SCHEDULE FOR ACCOUNTS WITH DEBIT BALANCES</b>						
	<b>When the Debit Reserve Ratio Is:</b>						
	<b>As</b>	<b>But</b>	<b>Rate Schedules</b>				
	<b>Much</b>	<b>Less</b>	<b>(%)</b>				
	<b>As</b>	<b>Than</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
1	<b>0.00</b>	<b>1.50</b>	<b>6.75</b>	<b>5.90</b>	<b>4.90</b>	<b>4.40</b>	<b>3.40</b>
2	<b>1.50</b>	<b>3.00</b>	<b>7.00</b>	<b>6.10</b>	<b>5.10</b>	<b>4.60</b>	<b>3.60</b>
3	<b>3.00</b>	<b>4.50</b>	<b>7.25</b>	<b>6.30</b>	<b>5.30</b>	<b>4.80</b>	<b>3.80</b>
4	<b>4.50</b>	<b>6.00</b>	<b>7.50</b>	<b>6.50</b>	<b>5.50</b>	<b>4.90</b>	<b>3.80</b>
5	<b>6.00</b>	<b>8.00</b>	<b>7.75</b>	<b>6.70</b>	<b>5.70</b>	<b>5.10</b>	<b>3.90</b>
6	<b>8.00</b>	<b>10.00</b>	<b>8.25</b>	<b>7.20</b>	<b>6.00</b>	<b>5.40</b>	<b>4.20</b>
7	<b>10.00</b>	<b>12.00</b>	<b>8.75</b>	<b>7.60</b>	<b>6.40</b>	<b>5.80</b>	<b>4.50</b>
8	<b>12.00</b>	<b>14.00</b>	<b>9.25</b>	<b>8.00</b>	<b>6.80</b>	<b>6.10</b>	<b>4.70</b>
9	<b>14.00</b>	<b>16.00</b>	<b>9.75</b>	<b>8.50</b>	<b>7.10</b>	<b>6.40</b>	<b>5.00</b>
10	<b>16.00</b>		<b>10.20</b>	<b>8.90</b>	<b>7.40</b>	<b>6.70</b>	<b>5.40</b>

