



February 28, 2020

ENGROSSED HOUSE BILL No. 1111

DIGEST OF HB 1111 (Updated February 27, 2020 4:50 pm - DI 135)

Citations Affected: IC 22-4.

Synopsis: Unemployment. Provides a new schedule of rates for calendar years after December 31, 2020. Specifies that Schedule C applies for calendar years 2021 through 2025. Provides new contribution rates for calendar years after 2020.

Effective: July 1, 2020.

Leonard, Miller D

(SENATE SPONSORS — RUCKELSHAUS, BOOTS, DORIOT, TALLIAN)

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

January 14, 2020, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

January 27, 2020, reported — Do Pass.

January 29, 2020, read second time, ordered engrossed. Engrossed.

January 30, 2020, read third time, passed. Yeas 90, nays 3.

SENATE ACTION

February 5, 2020, read first time and referred to Committee on Pensions and Labor.

February 20, 2020, amended, reported favorably — Do Pass; reassigned to Committee on Appropriations.

February 27, 2020, reported favorably — Do Pass.

EH 1111—LS 6388/DI 128



February 28, 2020

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.

ENGROSSED HOUSE BILL No. 1111

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.

EH 1111—LS 6388/DI 128



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:**

	As Much As	But Less Than	Applicable Schedule
14			
15		0.6%	A
16	0.6%	0.9%	B
17	0.9%	1.2%	C
18	1.2%	1.5%	D
19	1.5%		E

20
 21 **(e) For calendar years 2021 through 2025, Schedule C applies in**
 22 **determining and assigning each employer's contribution rate.**

23 ~~(d)~~ **(f)** Any adjustment in the amount charged to any employer's
 24 experience account made subsequent to the assignment of rates of
 25 contributions for any calendar year shall not operate to alter the amount
 26 charged to the experience accounts of any other base-period employers.

27 SECTION 2. IC 22-4-11-3.5, AS AMENDED BY P.L.110-2010,
 28 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2020]: Sec. 3.5. (a) For calendar years after 2010 **and before**
 30 **2021**, if the conditions of section 2 of this chapter are met, the rate of
 31 contributions shall be determined and assigned, with respect to each
 32 calendar year, to employers whose accounts have a credit balance and
 33 who are therefore eligible according to each employer's credit reserve
 34 ratio. Each employer shall be assigned the contribution rate appearing
 35 in the applicable schedule A through I on the line opposite the
 36 employer's credit reserve ratio as set forth in the rate schedule below:

37 **RATE SCHEDULE FOR ACCOUNTS**
 38 **WITH CREDIT BALANCES**

39 **When the Credit Reserve Ratio Is:**

	As	But	Rate Schedules				
	Much	Less	(%)				
	As	Than	A	B	C	D	E



1	3.00		0.75	0.70	0.70	0.60	0.50
2	2.80	3.00	1.00	0.90	0.90	0.80	0.70
3	2.60	2.80	1.30	1.20	1.10	1.00	0.90
4	2.40	2.60	1.60	1.50	1.40	1.30	1.20
5	2.20	2.40	1.90	1.80	1.70	1.50	1.40
6	2.00	2.20	2.20	2.00	1.90	1.80	1.60
7	1.80	2.00	2.50	2.30	2.20	2.00	1.80
8	1.60	1.80	2.80	2.60	2.40	2.20	2.00
9	1.40	1.60	3.10	2.90	2.70	2.50	2.30
10	1.20	1.40	3.40	3.20	3.00	2.70	2.50
11	1.00	1.20	3.70	3.40	3.20	3.00	2.70
12	0.80	1.00	4.00	3.70	3.50	3.20	2.90
13	0.60	0.80	4.30	4.00	3.70	3.40	3.10
14	0.40	0.60	4.60	4.30	4.00	3.70	3.40
15	0.20	0.40	4.90	4.60	4.30	3.90	3.60
16	0.00	0.20	5.20	4.80	4.50	4.20	3.80

RATE SCHEDULE FOR ACCOUNTS
WITH CREDIT BALANCES

When the Credit Reserve Ratio Is:

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



1 eligible according to each employer's debit reserve ratio. Each
 2 employer shall be assigned the contribution rate appearing in the
 3 applicable schedule A through I on the line opposite the employer's
 4 debit reserve ratio as set forth in the rate schedule below:

5 RATE SCHEDULE FOR ACCOUNTS
 6 WITH DEBIT BALANCES

7 When the Debit Reserve Ratio Is:

8	As	But	Rate Schedules				
9	Much	Less	(%)				
10	As	Than	A	B	C	D	E
11	0.00	1.50	6.75	6.30	5.90	5.40	4.90
12	1.50	3.00	7.00	6.50	6.10	5.60	5.10
13	3.00	4.50	7.25	6.70	6.30	5.80	5.30
14	4.50	6.00	7.50	7.00	6.50	6.00	5.50
15	6.00	8.00	7.75	7.20	6.70	6.20	5.70
16	8.00	10.00	8.25	7.70	7.20	6.60	6.00
17	10.00	12.00	8.75	8.10	7.60	7.00	6.40
18	12.00	14.00	9.25	8.60	8.00	7.40	6.80
19	14.00	16.00	9.75	9.10	8.50	7.80	7.10
20	16.00		10.20	9.50	8.90	8.20	7.40

21 RATE SCHEDULE FOR ACCOUNTS
 22 WITH DEBIT BALANCES

23 When the Debit Reserve Ratio Is:

24	As	But	Rate Schedules			
25	Much	Less	(%)			
26	As	Than	F	G	H	I
27	0.00	1.50	4.40	3.90	3.40	0.40
28	1.50	3.00	4.60	4.10	3.60	0.40
29	3.00	4.50	4.80	4.30	3.80	0.40
30	4.50	6.00	4.90	4.40	3.80	0.40
31	6.00	8.00	5.10	4.50	3.90	0.40
32	8.00	10.00	5.40	4.80	4.20	0.50
33	10.00	12.00	5.80	5.20	4.50	0.50
34	12.00	14.00	6.10	5.40	4.70	0.50
35	14.00	16.00	6.40	5.70	5.00	0.50
36	16.00		6.70	6.00	5.40	5.40

37 SECTION 3. IC 22-4-11-3.7 IS ADDED TO THE INDIANA CODE
 38 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 39 1, 2020]: **Sec. 3.7. (a) For calendar years after 2020, if the
 40 conditions of section 2 of this chapter are met, the rate of
 41 contributions shall be determined and assigned, with respect to
 42 each calendar year, to employers whose accounts have a credit**



1 balance and who are therefore eligible according to each
 2 employer's credit reserve ratio. Each employer shall be assigned
 3 the contribution rate appearing in the applicable Schedule A
 4 through E on the line opposite the employer's credit reserve ratio
 5 as set forth in the rate schedule below:

6 **RATE SCHEDULE FOR ACCOUNTS**
 7 **WITH CREDIT BALANCES**

8 **When the Credit Reserve Ratio Is:**

9	As	But	Rate Schedules				
10	Much	Less	(%)				
11	As	Than	A	B	C	D	E
12	3.00		0.75	0.70	0.50	0.40	0.20
13	2.80	3.00	1.00	0.90	0.70	0.50	0.30
14	2.60	2.80	1.30	1.10	0.90	0.70	0.30
15	2.40	2.60	1.60	1.40	1.20	1.00	0.50
16	2.20	2.40	1.90	1.70	1.40	1.20	0.60
17	2.00	2.20	2.20	1.90	1.60	1.20	0.60
18	1.80	2.00	2.50	2.20	1.80	1.40	0.80
19	1.60	1.80	2.80	2.40	2.00	1.60	1.00
20	1.40	1.60	3.10	2.70	2.30	1.90	1.30
21	1.20	1.40	3.40	3.00	2.50	2.00	1.40
22	1.00	1.20	3.70	3.20	2.70	2.10	1.50
23	0.80	1.00	4.00	3.50	2.90	2.30	1.70
24	0.60	0.80	4.30	3.70	3.10	2.50	1.90
25	0.40	0.60	4.60	4.00	3.40	2.80	2.00
26	0.20	0.40	4.90	4.30	3.60	2.80	2.00
27	0.00	0.20	5.20	4.50	3.80	3.00	2.20

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

37 **RATE SCHEDULE FOR ACCOUNTS**
 38 **WITH DEBIT BALANCES**

39 **When the Debit Reserve Ratio Is:**

40	As	But	Rate Schedules				
41	Much	Less	(%)				
42	As	Than	A	B	C	D	E



1	0.00	1.50	6.75	5.90	4.90	3.90	3.20
2	1.50	3.00	7.00	6.10	5.10	4.10	3.40
3	3.00	4.50	7.25	6.30	5.30	4.30	3.60
4	4.50	6.00	7.50	6.50	5.50	4.40	3.80
5	6.00	8.00	7.75	6.70	5.70	4.50	3.90
6	8.00	10.00	8.25	7.20	6.00	4.80	4.10
7	10.00	12.00	8.75	7.60	6.40	5.20	4.40
8	12.00	14.00	9.25	8.00	6.80	5.40	4.60
9	14.00	16.00	9.75	8.50	7.10	5.70	5.00
10	16.00		10.20	8.90	7.40	6.00	5.40



COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment, Labor and Pensions, to which was referred House Bill 1111, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1111 as introduced.)

VANNATTER

Committee Vote: Yeas 12, Nays 1

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1111, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1111 as printed January 14, 2020.)

BROWN T

Committee Vote: Yeas 19, Nays 1

COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred House Bill No. 1111, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 3, delete lines 13 through 20, begin a new line blocked left and insert:

"When the Fund Ratio Is:

As Much As	But Less Than	Applicable Schedule
	0.6%	A
0.6%	0.9%	B
0.9%	1.2%	C
1.2%	1.5%	D
1.5%		E"

Page 3, delete lines 23 through 26.

Page 6, delete lines 14 through 33, begin a new line blocked left and



insert:

"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	0.20
2.80	3.00	1.00	0.90	0.70	0.50	0.30
2.60	2.80	1.30	1.10	0.90	0.70	0.30
2.40	2.60	1.60	1.40	1.20	1.00	0.50
2.20	2.40	1.90	1.70	1.40	1.20	0.60
2.00	2.20	2.20	1.90	1.60	1.20	0.60
1.80	2.00	2.50	2.20	1.80	1.40	0.80
1.60	1.80	2.80	2.40	2.00	1.60	1.00
1.40	1.60	3.10	2.70	2.30	1.90	1.30
1.20	1.40	3.40	3.00	2.50	2.00	1.40
1.00	1.20	3.70	3.20	2.70	2.10	1.50
0.80	1.00	4.00	3.50	2.90	2.30	1.70
0.60	0.80	4.30	3.70	3.10	2.50	1.90
0.40	0.60	4.60	4.00	3.40	2.80	2.00
0.20	0.40	4.90	4.30	3.60	2.80	2.00
0.00	0.20	5.20	4.50	3.80	3.00	2.20" .

Page 7, delete lines 3 through 16, begin a new line blocked left and insert:

"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	5.90	4.90	3.90	3.20
1.50	3.00	7.00	6.10	5.10	4.10	3.40
3.00	4.50	7.25	6.30	5.30	4.30	3.60
4.50	6.00	7.50	6.50	5.50	4.40	3.80
6.00	8.00	7.75	6.70	5.70	4.50	3.90
8.00	10.00	8.25	7.20	6.00	4.80	4.10
10.00	12.00	8.75	7.60	6.40	5.20	4.40
12.00	14.00	9.25	8.00	6.80	5.40	4.60
14.00	16.00	9.75	8.50	7.10	5.70	5.00
16.00		10.20	8.90	7.40	6.00	5.40" .

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

(Reference is to HB 1111 as printed January 27, 2020.)

EH 1111—LS 6388/DI 128



BOOTS, Chairperson

Committee Vote: Yeas 9, Nays 0.

COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Engrossed House Bill No. 1111, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to EHB 1111 as printed February 21, 2020.)

MISHLER, Chairperson

Committee Vote: Yeas 11, Nays 0

