

HB3404



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB3404

by Rep. Dwight Kay

SYNOPSIS AS INTRODUCED:

820 ILCS 405/1506.7 new

Amends the Unemployment Insurance Act. Provides that an employer that has been assigned a contribution rate based upon an experience rating, and has no amounts past due under the Act, may, upon the payment of an amount equivalent to any portion or all of the unemployment benefits used in computing the experience rating, obtain a cancellation of unemployment benefits used equal to the payment made. Contains provisions regarding: application of payments; computation of a new experience rating and contribution rate; and the method and time for making payments.

LRB098 10158 JLS 40317 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning employment.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Unemployment Insurance Act is amended by
5 adding Section 1506.7 as follows:

6 (820 ILCS 405/1506.7 new)

7 Sec. 1506.7. Contribution rate buydown.

8 (a) An employer that has been assigned a contribution rate
9 based upon an experience rating, and has no amounts past due
10 under this Act, may, upon the payment of an amount equivalent
11 to any portion or all of the unemployment benefits used in
12 computing the experience rating, obtain a cancellation of
13 unemployment benefits used equal to the payment made. The
14 payment is applied to the most recent unemployment benefits
15 paid that are used in computing the experience rating. Upon the
16 payment, the Department must compute a new experience rating
17 for the employer, and compute a new contribution rate.

18 (b) Payments for a contribution rate buydown may be made
19 only by electronic payment and must be received within 120
20 calendar days from the beginning of the calendar year for which
21 the contribution rate is effective.