

1 AN ACT concerning unemployment insurance.

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 changing Sections 1506.1 and 1506.3 as follows:

6 (820 ILCS 405/1506.1) (from Ch. 48, par. 576.1)

7 Sec. 1506.1. Determination of Employer's Contribution
8 Rate.

9 A. The contribution rate for any calendar year prior to
10 1982 of each employer who has incurred liability for the
11 payment of contributions within each of the three calendar
12 years immediately preceding the calendar year for which a
13 rate is being determined shall be determined in accordance
14 with the provisions of this Act as amended and in effect on
15 October 5, 1980.

16 B. The contribution rate for calendar years 1982 and
17 1983 of each employer who has incurred liability for the
18 payment of contributions within each of the three calendar
19 years immediately preceding the calendar year for which a
20 rate is being determined shall be the product obtained by
21 multiplying the employer's benefit wage ratio for that
22 calendar year by the adjusted state experience factor for the
23 same year, provided that:

24 1. No employer's contribution rate shall be lower
25 than two-tenths of 1 percent or higher than 5.3%; and

26 2. Intermediate contribution rates between such
27 minimum and maximum rates shall be at one-tenth of 1
28 percent intervals.

29 3. If the product obtained as provided in this
30 subsection is not an exact multiple of one-tenth of 1
31 percent, it shall be increased or reduced, as the case

1 may be, to the nearer multiple of one-tenth of 1 percent.
2 If such product is equally near to two multiples of
3 one-tenth of 1 percent, it shall be increased to the
4 higher multiple of one-tenth of 1 percent. If such
5 product is less than two-tenths of one percent, it shall
6 be increased to two-tenths of 1 percent, and if greater
7 than 5.3%, it shall be reduced to 5.3%.

8 The contribution rate of each employer for whom wages
9 became benefit wages during the applicable period specified
10 in Section 1503, but who paid no contributions upon wages for
11 insured work during such period on or before the date
12 designated in Section 1503, shall be 5.3%.

13 The contribution rate of each employer for whom no wages
14 became benefit wages during the applicable period specified
15 in Section 1503, and who paid no contributions upon wages for
16 insured work during such period on or before the date
17 specified in Section 1503, shall be 2.7 percent.

18 Notwithstanding the other provisions of this Section, no
19 employer's contribution rate with respect to calendar years
20 1982 and 1983 shall exceed 2.7 percent of the wages for
21 insured work paid by him during any calendar quarter, if such
22 wages paid during such calendar quarter total less than
23 \$50,000.

24 C. The contribution rate for calendar years 1984, 1985
25 and 1986 of each employer who has incurred liability for the
26 payment of contributions within each of the two calendar
27 years immediately preceding the calendar year for which a
28 rate is being determined shall be the product obtained by
29 multiplying the employer's benefit wage ratio for that
30 calendar year by the adjusted state experience factor for the
31 same year, provided that:

32 1. An employer's minimum contribution rate shall be
33 the greater of: .2%; or, the product obtained by
34 multiplying .2% by the adjusted state experience factor

1 for the applicable calendar year.

2 2. An employer's maximum contribution rate shall be
3 the greater of 5.5% or the product of 5.5% and the
4 adjusted State experience factor for the applicable
5 calendar year except that such maximum contribution rate
6 shall not be higher than 6.3% for calendar year 1984, nor
7 be higher than 6.6% or lower than 6.4% for calendar year
8 1985, nor be higher than 6.7% or lower than 6.5% for
9 calendar year 1986.

10 3. If any product obtained in this subsection is
11 not an exact multiple of one-tenth of one percent, it
12 shall be increased or reduced, as the case may be to the
13 nearer multiple of one-tenth of one percent. If such
14 product is equally near to two multiples of one-tenth of
15 one percent, it shall be increased to the higher multiple
16 of one-tenth of one percent.

17 4. Intermediate rates between such minimum and
18 maximum rates shall be at one-tenth of one percent
19 intervals.

20 The contribution rate of each employer for whom wages
21 became benefit wages during the applicable period specified
22 in Section 1503, but who paid no contributions upon wages for
23 insured work during such period on or before the date
24 designated in Section 1503, shall be the maximum contribution
25 rate as determined by paragraph 2 of this subsection. The
26 contribution rate for each employer for whom no wages became
27 benefit wages during the applicable period on or before the
28 date specified in Section 1503, and who paid no contributions
29 upon wages for insured work during such period on or before
30 the date specified in Section 1503, shall be the greater of
31 2.7% or 2.7% times the then current adjusted state experience
32 factor as determined by the Director in accordance with the
33 provisions of Sections 1504 and 1505.

34 Notwithstanding, the other provisions of this Section, no

1 employer's contribution rate with respect to the calendar
2 year 1984 shall exceed 2.7 percent times the then current
3 adjusted state experience factor as determined by the
4 Director in accordance with the provisions of Sections 1504
5 and 1505 of the wages for insured work paid by him during any
6 calendar quarter, if such wages paid during such calendar
7 quarter total less than \$50,000.

8 D. The contribution rate for calendar years 1987, 1988,
9 1989 and 1990 of each employer who has incurred liability for
10 the payment of contributions within each of the three
11 calendar years immediately preceding the calendar year for
12 which a rate is being determined shall be the product
13 obtained by multiplying the employer's benefit wage ratio for
14 that calendar year by the adjusted state experience factor
15 for the same year, provided, that:

16 1. An employer's minimum contribution rate shall be
17 the greater of .2% or the product obtained by multiplying
18 .2% by the adjusted State experience factor for the
19 applicable calendar year.

20 2. An employer's maximum contribution rate shall be
21 the greater of 5.5% or the product of 5.5% and the
22 adjusted State experience factor for the calendar year
23 1987 except that such maximum contribution rate shall not
24 be higher than 6.7% or lower than 6.5% and an employer's
25 maximum contribution rate for 1988, 1989 and 1990 shall
26 be the greater of 6.4% or the product of 6.4% and the
27 adjusted State experience factor for the applicable
28 calendar year.

29 3. If any product obtained in this subsection is
30 not an exact multiple of one-tenth of one percent, it
31 shall be increased or reduced, as the case may be to the
32 nearer multiple of one-tenth of 1 percent. If such
33 product is equally near to two multiples of one-tenth of
34 1 percent, it shall be increased to the higher multiple

1 of one-tenth of 1 percent.

2 4. Intermediate rates between such minimum and
3 maximum rates shall be at one-tenth of 1 percent
4 intervals.

5 The contribution rate of each employer for whom wages
6 became benefit wages during the applicable period specified
7 in Section 1503, but who did not report wages for insured
8 work during such period, shall be the maximum contribution
9 rate as determined by paragraph 2 of this subsection. The
10 contribution rate for each employer for whom no wages became
11 benefit wages during the applicable period specified in
12 Section 1503, and who did not report wages for insured work
13 during such period, shall be the greater of 2.7% or 2.7%
14 times the then current adjusted State experience factor as
15 determined by the Director in accordance with the provisions
16 of Sections 1504 and 1505.

17 E. The contribution rate for calendar year 1991 and each
18 calendar year thereafter of each employer who has incurred
19 liability for the payment of contributions within each of the
20 three calendar years immediately preceding the calendar year
21 for which a rate is being determined shall be the product
22 obtained by multiplying the employer's benefit ratio defined
23 by Section 1503.1 for that calendar year by the adjusted
24 state experience factor for the same year, provided that:

25 1. ~~Except-as-otherwise-provided-in-this--paragraph,~~
26 An employer's minimum contribution rate for calendar
27 years prior to 2002 shall be the greater of 0.2% or the
28 product obtained by multiplying 0.2% by the adjusted
29 state experience factor for the applicable calendar year.
30 An employer's minimum contribution rate for calendar
31 years after 2001 shall be the greater of 0.1% or the
32 product obtained by multiplying 0.1% by the adjusted
33 state experience factor for the applicable calendar year.
34 ~~An-employer's-minimum-contribution-rate-shall-be-0.1%-for~~

1 ~~calendar-year-1996.~~

2 2. An employer's maximum contribution rate shall be
3 the greater of 6.4% or the product of 6.4% and the
4 adjusted state experience factor for the applicable
5 calendar year.

6 3. If any product obtained in this subsection is
7 not an exact multiple of one-tenth of one percent, it
8 shall be increased or reduced, as the case may be to the
9 nearer multiple of one-tenth of one percent. If such
10 product is equally near to two multiples of one-tenth of
11 one percent, it shall be increased to the higher multiple
12 of one-tenth of one percent.

13 4. Intermediate rates between such minimum and
14 maximum rates shall be at one-tenth of one percent
15 intervals.

16 The contribution rate of each employer for whom wages
17 became benefit wages during the applicable period specified
18 in Section 1503 or for whom benefit payments became benefit
19 charges during the applicable period specified in Section
20 1503.1, but who did not report wages for insured work during
21 such period, shall be the maximum contribution rate as
22 determined by paragraph 2 of this subsection. The
23 contribution rate for each employer for whom no wages became
24 benefit wages during the applicable period specified in
25 Section 1503 or for whom no benefit payments became benefit
26 charges during the applicable period specified in Section
27 1503.1, and who did not report wages for insured work during
28 such period, shall be the greater of 2.7% or 2.7% times the
29 then current adjusted state experience factor as determined
30 by the Director in accordance with the provisions of Sections
31 1504 and 1505.

32 F. Notwithstanding the other provisions of this Section,
33 and pursuant to Section 271 of the Tax Equity and Fiscal
34 Responsibility Act of 1982, as amended, no employer's

1 contribution rate with respect to calendar years 1985, 1986,
 2 1987 and 1988 shall, for any calendar quarter during which
 3 the wages paid by that employer are less than \$50,000, exceed
 4 the following: with respect to calendar year 1985, 3.7%; with
 5 respect to calendar year 1986, 4.1%; with respect to calendar
 6 year 1987, 4.5%; and with respect to calendar year 1988,
 7 5.0%.

8 G. Notwithstanding the other provisions of this Section,
 9 no employer's contribution rate with respect to calendar year
 10 1989 and each calendar year thereafter shall exceed 5.4% of
 11 the wages for insured work paid by him during any calendar
 12 quarter, if such wages paid during such calendar quarter
 13 total less than \$50,000.

14 (Source: P.A. 89-446, eff. 2-8-96.)

15 (820 ILCS 405/1506.3) (from Ch. 48, par. 576.3)

16 Sec. 1506.3. Fund building rates - Temporary
 17 Administrative Funding.

18 A. Notwithstanding any other provision of this Act, the
 19 following fund building rates shall be in effect for the
 20 following calendar years:

21 For each employer whose contribution rate for 1988, 1989,
 22 1990, the first, third, and fourth quarters of 1991, and 1992
 23 through 2001~~7-19937-19947-19957-and--1997--and--any--calendar~~
 24 ~~year--thereafter~~ would, in the absence of this Section, be
 25 0.2% or higher, or whose contribution rate for 2002 and any
 26 calendar year thereafter would, in the absence of this
 27 Section, be 0.1% or higher, a contribution rate which is the
 28 sum of such rate and 0.4%;

29 For each employer whose contribution rate for the second
 30 quarter of 1991 would, in the absence of this Section, be
 31 0.2% or higher, a contribution rate which is the sum of such
 32 rate and 0.3%;

33 ~~For each employer whose contribution rate for 1996 would,~~

1 in-the-absence-of-this-Section,--be--0.1%--or--higher,--a
2 contribution-rate-which-is-the-sum-of-such-rate-and-0.4%;

3 Notwithstanding the preceding paragraphs of this Section
4 or any other provision of this Act, except for the provisions
5 contained in Section 1500 pertaining to rates applicable to
6 employers classified under the Standard Industrial Code, or
7 another classification system sanctioned by the United States
8 Department of Labor and prescribed by the Director by rule,
9 no employer whose total wages for insured work paid by him
10 during any calendar quarter in 1988 and any calendar year
11 thereafter are less than \$50,000 shall pay contributions at a
12 rate with respect to such quarter which exceeds the
13 following: with respect to calendar year 1988, 5%; with
14 respect to 1989 and any calendar year thereafter, 5.4%.

15 Notwithstanding the preceding paragraph of this Section,
16 or any other provision of this Act, no employer's
17 contribution rate with respect to calendar years 1993 through
18 1995 shall exceed 5.4% if the employer ceased operations at
19 an Illinois manufacturing facility in 1991 and remained
20 closed at that facility during all of 1992, and the employer
21 in 1993 commits to invest at least \$5,000,000 for the purpose
22 of resuming operations at that facility, and the employer
23 rehires during 1993 at least 250 of the individuals employed
24 by it at that facility during the one year period prior to
25 the cessation of its operations, provided that, within 30
26 days after the effective date of this amendatory Act of 1993,
27 the employer makes application to the Department to have the
28 provisions of this paragraph apply to it. The immediately
29 preceding sentence shall be null and void with respect to an
30 employer which by December 31, 1993 has not satisfied the
31 rehiring requirement specified by this paragraph or which by
32 December 31, 1994 has not made the investment specified by
33 this paragraph.

34 B. Notwithstanding any other provision of this Act, for

1 the second quarter of 1991, the contribution rate of each
2 employer as determined in accordance with Sections 1500,
3 1506.1, and subsection A of this Section shall be equal to
4 the sum of such rate and 0.1%; provided that this subsection
5 shall not apply to any employer whose rate computed under
6 Section 1506.1 for such quarter is between 5.1% and 5.3%,
7 inclusive, and who qualifies for the 5.4% rate ceiling
8 imposed by the last paragraph of subsection A for such
9 quarter. All payments made pursuant to this subsection shall
10 be deposited in the Employment Security Administrative Fund
11 established under Section 2103.1 and used for the
12 administration of this Act.

13 C. Payments received by the Director which are
14 insufficient to pay the total contributions due under the Act
15 shall be first applied to satisfy the amount due pursuant to
16 subsection B.

17 D. All provisions of this Act applicable to the
18 collection or refund of any contribution due under this Act
19 shall be applicable to the collection or refund of amounts
20 due pursuant to subsection B.

21 (Source: P.A. 91-342, eff. 1-1-00.)