

SENATE CHAMBER

STATE OF OKLAHOMA

DISPOSITION

FLOOR AMENDMENT

No. _____

COMMITTEE AMENDMENT

(Date)

I move to amend Senate Bill No. 789 as follows:

1. By inserting a new Section 1;
2. By renumbering subsequent sections; and
3. By amending the title to conform.

Submitted by:

Senator Leewright

Leewright-CT-FA-SB789
3/3/2021 2:53 PM

(Floor Amendments Only) Date and Time Filed: _____

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Secondary Amendment

1 SECTION 1. AMENDATORY 40 O.S. 2011, Section 3-113, is
2 amended to read as follows:

3 Section 3-113. CONDITIONAL FACTORS.

4 For each calendar year commencing after December 31, 2006,
5 except for those employers with a benefit wage ratio of zero (0)
6 and as otherwise provided in this section, the contribution rate
7 for each employer for the calendar year shall be increased, in the
8 circumstances and in the amounts as follows:

9 (1) - Condition "a" - If the balance of the unemployment
10 compensation fund is less than three and one-half (3 1/2) times,
11 but not less than three (3) times, the net benefits paid for the
12 most recent twenty (20) consecutive completed calendar quarters
13 divided by five (5), on July 1 of any given year, the contribution
14 rate for the next calendar year for each employer whose benefit
15 wage ratio with respect to that year is zero percent (0%) shall be
16 increased by one-tenth of one percent (1/10 of 1%) of wages paid by
17 the employer during the year; the contribution rate for each
18 employer whose benefit rate wage ratio with respect to that year is
19 more than zero percent (0%), but not more than one-tenth of one
20 percent (1/10 of 1%), shall be increased by two-tenths of one
21 percent (2/10 of 1%) of wages paid by the employer during the year
22 and the contribution rate for each employer whose benefit wage
23 ratio with respect to that year is more than one-tenth of one
24 percent (1/10 of 1%), shall be increased by three-tenths of one

(Floor Amendments Only) Date and Time Filed: _____

Untimely Amendment Cycle Extended Secondary Amendment

1 percent (3/10 of 1%) of wages paid by the employer during that
2 year.

3 (2) - Condition "b" - If the balance of the unemployment
4 compensation fund is less than three (3) times, but not less than
5 two and one-half (2 1/2) times, the net benefits paid for the most
6 recent twenty (20) consecutive completed calendar quarters divided
7 by five (5), as of July 1 of any given year, the contribution rate
8 for the next calendar year for each employer shall be increased by
9 thirty-three and one-third percent (33 1/3%) of the rate; provided
10 that the total rate, if not a multiple of one-tenth of one percent
11 (1/10 of 1%), shall be computed to the next higher multiple of one-
12 tenth of one percent (1/10 of 1%) of wages paid by the employer
13 during that year; provided, further, that the contribution rate for
14 each employer whose benefit wage ratio with respect to that year is
15 zero percent (0%) shall be increased by two-tenths of one percent
16 (2/10 of 1%) of wages paid by the employer during that year; the
17 contribution rate for each employer whose benefit wage ratio with
18 respect to that year is more than zero percent (0%), but not more
19 than one-tenth of one percent (1/10 of 1%), shall be increased by
20 three-tenths of one percent (3/10 of 1%) of wages paid by the
21 employer during that year; and the contribution rate for each
22 employer whose benefit wage ratio with respect to that year is more
23 than one-tenth of one percent (1/10 of 1%), shall be increased by
24 at least four-tenths of one percent (4/10 of 1%) of wages paid by
25 the employer during that year.

(Floor Amendments Only) Date and Time Filed: _____

Untimely

Amendment Cycle Extended

Secondary Amendment

1 (3) - Condition "c" - If the balance of the unemployment
2 compensation fund is less than two and one-half (2 1/2) times, but
3 not less than two (2) times, the net benefits paid for the most
4 recent twenty (20) consecutive completed calendar quarters divided
5 by five (5), as of July 1 of any given year, the contribution rate
6 for the next calendar year for each employer shall be increased by
7 one-half (1/2) of that rate; provided that the total rate, if not a
8 multiple of one-tenth of one percent (1/10 of 1%), shall be
9 computed to the next higher multiple of one-tenth of one percent
10 (1/10 of 1%) of wages paid by the employer during that year;
11 provided, further, that the contribution rate for each employer
12 whose benefit wage ratio with respect to that year is zero percent
13 (0%) shall be increased by three-tenths of one percent (3/10 of 1%)
14 of wages paid by the employer during that year; the contribution
15 rate for each employer whose benefit wage ratio with respect to
16 that year is more than zero percent (0%), but not more than one-
17 tenth of one percent (1/10 of 1%), shall be increased by four-
18 tenths of one percent (4/10 of 1%) of wages paid by the employer
19 during that year; and the contribution rate for each employer whose
20 benefit wage ratio with respect to that year is more than one-tenth
21 of one percent (1/10 of 1%), shall be increased by at least five-
22 tenths of one percent (5/10 of 1%) of wages paid by the employer
23 during that year.

24 (4) - Condition "d" - If the balance of the unemployment
25 compensation fund is less than two (2) times the net benefits paid

(Floor Amendments Only) Date and Time Filed: _____

Untimely

Amendment Cycle Extended

Secondary Amendment

1 for the most recent twenty (20) consecutive completed calendar
2 quarters divided by five (5), as of July 1 of any given year, the
3 contribution rate for the next calendar year for each employer
4 shall be increased by sixty-six and two-thirds percent (66 2/3 %)
5 of the rate; provided that the total rate, if not a multiple of
6 one-tenth of one percent (1/10 of 1%) shall be computed to the next
7 higher multiple of one-tenth of one percent (1/10 of 1%) of wages
8 paid by the employer during that year; provided, further, that the
9 contribution rate for each employer whose benefit wage ratio with
10 respect to that year is zero percent (0%) shall be increased by
11 four-tenths of one percent (4/10 of 1%) of wages paid by the
12 employer during that year; the contribution rate for each employer
13 whose benefit wage ratio with respect to that year is more than
14 zero percent (0%), but not more than one-tenth of one percent (1/10
15 of 1%), shall be increased by five-tenths of one percent (5/10 of
16 1%) of wages paid by the employer during that year; the
17 contribution rate for each employer whose benefit wage ratio with
18 respect to that year is more than one-tenth of one percent (1/10 of
19 1%), shall be increased by at least six-tenths of one percent (6/10
20 of 1%) of wages paid by the employer during that year.

21 (5) The contribution rate, excluding any surcharge, for an
22 employer whose contribution rate is three and four-tenths percent
23 (3.4%) or more shall not be increased by more than two (2)
24 percentage points in any ~~one (1) year~~ two (2) consecutive years.
25 The contribution rate, excluding any surcharge, for an employer

(Floor Amendments Only) Date and Time Filed: _____

Untimely

Amendment Cycle Extended

Secondary Amendment

1 whose contribution rate is less than three and four-tenths percent
2 (3.4%) shall not be increased to more than five and four-tenths
3 percent (5.4%) in one (1) year.

4 For the purposes of this section "net benefits paid for the
5 most recent twenty (20) consecutive completed calendar quarters"
6 means the total amount of monies withdrawn from this state's
7 account in the unemployment trust fund in the United States
8 Treasury for each of the most recent twenty (20) consecutive
9 completed calendar quarters, plus the balance in the benefit
10 account at the start of the period, less the balance in the benefit
11 account at the end of the period. The contribution rate for those
12 employers with a benefit wage ratio of zero (0) shall be two-tenths
13 of one percent (2/10 of 1%) during those years when the fund is in
14 conditions "a", "b", and "c", and shall be three-tenths of one
15 percent (3/10 of 1%) during those years when the fund is in
16 condition "d".

17 (6) Beginning January 1, 1996, except for this paragraph and
18 paragraph (7) of this section, the provisions of this section shall
19 be suspended until the Unemployment Trust Fund reaches a High Cost
20 Multiple of one and one-fourth (1 1/4). The Oklahoma Employment
21 Security Commission shall determine the High Cost Multiple at the
22 end of each calendar year and shall include the result of its
23 computation in a regularly published periodical together with other
24 employment-related data. As used in this section, "High Cost
25 Multiple" shall be a figure computed as follows:

(Floor Amendments Only) Date and Time Filed: _____

Untimely

Amendment Cycle Extended

Secondary Amendment

- 1 (a) first, net fund reserves in the Unemployment
2 Compensation Fund as of the date of each computation
3 required by this section shall be divided by total
4 wages earned in insured employment for the twelve
5 (12) months preceding the date of the quarterly High
6 Cost Multiple computation,
- 7 (b) second, the result of the computation from
8 subparagraph (a) of this paragraph shall be divided
9 by a figure which is a quotient derived from the
10 computation of the High-Cost Rate contained in
11 subparagraph (c) of this paragraph, and
- 12 (c) third, the highest ratio of total state benefit
13 payments experienced previously in any twelve (12)
14 consecutive months to total wages earned in insured
15 employment for the same period shall be the High-Cost
16 Rate.

17 The result of all computations contained in subparagraphs (a)
18 through (c) of this paragraph, performed in the sequence as
19 specified in this section, shall be known as the High Cost
20 Multiple;

21 (7) Prior to the beginning of each calendar year, the
22 Commission shall prepare an estimate of the financial condition of
23 the trust fund. If the estimate for the year shows the balance, at
24 any time during the year, will fall below the High Cost Multiple as

(Floor Amendments Only) Date and Time Filed: _____

Untimely

Amendment Cycle Extended

Secondary Amendment

1 defined in paragraph (6) of this section, then the Commission shall
2 reinstate the suspended provisions of this section.

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(Floor Amendments Only) Date and Time Filed: _____

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Amendment Cycle Extended

Secondary Amendment