

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 HOUSE BILL 3096

By: Osburn

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6 AS INTRODUCED

7 An Act relating to labor; amending 40 O.S. 2011,
8 Sections 1-221 and 3-109.1, which relates to the
9 Employment Security Act of 1980; modifying
10 definition; providing for definition; providing for
limits on duration of benefits; modifying rate
reduction; providing for codification; and providing
an effective date.

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13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14 SECTION 1. AMENDATORY 40 O.S. 2011, Section 1-221, is
15 amended to read as follows:

16 Section 1-221. BENEFIT WAGES.

17 "Benefit wages" means the taxable wages earned by a claimant
18 during the claimant's baseperiod which are not in excess of the
19 current maximum weekly benefit amount, as determined under Section
20 2-104 of this title, multiplied by the maximum number of weeks for
21 which benefits could be paid to any individual ~~(now twenty-six (26)~~
22 ~~weeks)~~ pursuant to Section 2-110 of this title multiplied by three
23 (3); provided, however, no wages shall be included as "benefit
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1 wages" unless and until the claimant has been paid benefits for five
2 (5) weeks in one (1) benefit year.

3 SECTION 2. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 1-230 of Title 40, unless there
5 is created a duplication in numbering, reads as follows:

6 "State average unemployment rate" shall mean the average of the
7 three (3) months for the most recent third calendar year quarter or
8 the seasonally adjusted unemployment rates as published by the state
9 department or agency responsible for collecting and publishing
10 unemployment rate data.

11 SECTION 3. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 2-110 of Title 40, unless there
13 is created a duplication in numbering, reads as follows:

14 For unemployment compensation claims submitted during a calendar
15 year, the duration of benefits is limited to:

16 1. Twelve (12) weeks if the state's average unemployment rate
17 is at or below five and one-half percent (5.5%);

18 2. An additional week in addition to the twelve (12) weeks for
19 each one-half percent (0.5%) increment in the state's average
20 unemployment rate above five and one-half percent (5.5%); and

21 3. Up to a maximum of twenty (20) weeks if the state's average
22 unemployment rate exceeds nine percent (9%).

23 SECTION 4. AMENDATORY 40 O.S. 2011, Section 3-109.1, is
24 amended to read as follows:

1 Section 3-109.1 RATE REDUCTION. ~~Notwithstanding the provisions~~
2 ~~of Sections 3-103, 3-109, 3-110 and 3-113 of this title, for the~~
3 ~~time period beginning July 1, 1998, and ending December 31, 2001,~~
4 ~~the contribution rate assigned to an employer shall be reduced by~~
5 ~~fifty percent (50%); provided: the tax rate of employers assigned a~~
6 ~~tax rate pursuant to Sections 3-103 and 3-110 of this title shall~~
7 ~~not be reduced to less than one percent (1%); employers who qualify~~
8 ~~for an earned rate calculated pursuant to Section 3-109 of this~~
9 ~~title, and are given a rate of five and one-half percent (5.5%)~~
10 ~~shall be reduced to no less than five and four-tenths percent~~
11 ~~(5.4%); and employers who qualify for an earned rate calculated~~
12 ~~pursuant to Section 3-109 of this title, and are given a rate of~~
13 ~~one-tenth of one percent (0.1%), shall be reduced to a rate of zero~~
14 ~~percent (0.0%).~~

15 At the end of the Oklahoma Employment Security Commission's
16 fiscal year, the solvency of the unemployment insurance trust fund
17 balance shall be evaluated using the United States Department of
18 Labor's Average High Cost Multiple (AHCM), the recommended test for
19 assessing state trust fund solvency. Any amount in the unemployment
20 insurance trust fund over the minimum AHCM shall be credited to
21 employers for the next fiscal year in proportion to the amount the
22 employer paid into the fund in the previous fiscal year.

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1 SECTION 5. This act shall become effective November 1, 2020.

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