

State of South Dakota

NINETY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2016

400X0310

JOINT APPROPRIATIONS ENGROSSED NO. **SB 47** - 02/25/2016

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: The Committee on Appropriations at the request of the Department of Labor and Regulation

1 FOR AN ACT ENTITLED, An Act to reduce the unemployment contribution rates for certain
2 employers and to provide for an unemployment insurance administrative fee.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 61-5-25.3 be amended to read:

5 61-5-25.3. The employer's reserve ratio for calendar year 2015 and thereafter is the result
6 obtained by dividing the balance of credits existing in the employer's experience-rating account
7 as of June thirtieth preceding the year for which the rate is to be computed by the total taxable
8 payroll of the employer for the preceding three fiscal years. The employer's experience-rating
9 account balance for the purpose of this section is the balance on July thirty-first of the year
10 preceding the year for which rates are computed and is the difference between the contributions
11 paid through July thirty-first and the benefits paid through the preceding June thirtieth.

12	Column "A"	Column "B"
13	Contribution Rate	Reserve Ratio
14	9.50%	Less than -7.00%



1	9.00%	-7.00% and Less than -6.50%
2	8.50%	-6.50% and Less than -6.00%
3	8.00%	-6.00% and Less than -5.50%
4	7.50%	-5.50% and Less than -5.00%
5	7.00%	-5.00% and Less than -4.50%
6	6.50%	-4.50% and Less than -4.00%
7	6.00%	-4.00% and Less than -3.50%
8	5.50%	-3.50% and Less than -3.00%
9	5.00%	-3.00% and Less than -2.50%
10	4.50%	-2.50% and Less than -2.00%
11	4.00%	-2.00% and Less than -1.50%
12	3.50%	-1.50% and Less than -1.00%
13	3.00%	-1.00% and Less than -0.75%
14	2.50%	-0.75% and Less than -0.50%
15	2.00%	-0.50% and Less than -0.25%
16	1.50%	-0.25% and Less than 0.00%
17	1.00%	0.00% and Less than 0.50%
18	0.75%	0.50% and Less than 0.75%
19	0.60%	0.75% and Less than 1.00%
20	0.40%	1.00% and Less than 1.25%
21	0.30%	1.25% and Less than 1.50%
22	0.20%	1.50% and Less than 1.75%
23	0.10%	1.75% and Less than 2.25%
24	0.00%	2.25% and Over

25 The contribution rates provided in this section apply to taxable wages paid on and after
26 January 1, 2015.

27 An employer who qualifies for experience rating per § 61-5-24 on the computation date for
28 the year shall have the employer's contribution rate appearing in Column A reduced by two

1 hundredths percent beginning January 1, 2017. The employer shall pay an administrative fee
2 contribution of two hundredths percent beginning January 1, 2017, if the employer's
3 contribution rate in Column A is greater than zero percent. Any administrative fee contribution
4 collected pursuant to this section shall be paid into the employment security administration fund
5 provided by § 61-3-24. The administrative fee contribution may not be credited to the
6 experience rating account of the employer.

7 Section 2. That § 61-5-37 be amended to read:

8 61-5-37. The Department of Labor and Regulation shall credit to the experience-rating
9 account of each employer all contributions paid by the employer or the employer's predecessor
10 whose experience-rating the employer acquired. However, the increased contributions required
11 pursuant to § 61-5-28 and the administrative fee contribution pursuant to § 61-5-25.3 may not
12 be credited to the employers' experience-rating account.