

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 shall be the
27 greater of 0.2% or the product obtained by multiplying
28 0.2% by the adjusted state experience factor for the
29 applicable calendar year. An employer's minimum
30 contribution rate shall be 0.1% for calendar year 1996.

31 2. An employer's maximum contribution rate shall be
32 the greater of 6.4% or the product of 6.4% and the
33 adjusted state experience factor for the applicable
34 calendar year.

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

8 4. Intermediate rates between such minimum and
9 maximum rates shall be at one-tenth of one percent
10 intervals.

11 The contribution rate of each employer for whom wages
12 became benefit wages during the applicable period specified
13 in Section 1503 or for whom benefit payments became benefit
14 charges during the applicable period specified in Section
15 1503.1, but who did not report wages for insured work during
16 such period, shall be the maximum contribution rate as
17 determined by paragraph 2 of this subsection. The
18 contribution rate for each employer for whom no wages became
19 benefit wages during the applicable period specified in
20 Section 1503 or for whom no benefit payments became benefit
21 charges during the applicable period specified in Section
22 1503.1, and who did not report wages for insured work during
23 such period, shall be the greater of 2.7% or 2.7% times the
24 then current adjusted state experience factor as determined
25 by the Director in accordance with the provisions of Sections
26 1504 and 1505.

27 F. Notwithstanding the other provisions of this Section,
28 and pursuant to Section 271 of the Tax Equity and Fiscal
29 Responsibility Act of 1982, as amended, no employer's
30 contribution rate with respect to calendar years 1985, 1986,
31 1987 and 1988 shall, for any calendar quarter during which
32 the wages paid by that employer are less than \$50,000, exceed
33 the following: with respect to calendar year 1985, 3.7%; with
34 respect to calendar year 1986, 4.1%; with respect to calendar

1 year 1987, 4.5%; and with respect to calendar year 1988,
2 5.0%.

3 G. Notwithstanding the other provisions of this Section,
4 no employer's contribution rate with respect to calendar
5 years year 1989 through 2002 and--each--calendar--year
6 thereafter shall exceed 5.4% of the wages for insured work
7 paid by him during any calendar quarter, if such wages paid
8 during such calendar quarter total less than \$50,000.

9 H. Notwithstanding the other provisions of this Section,
10 no employer's contribution rate with respect to calendar year
11 2003 and each calendar year thereafter shall exceed 5.4% of
12 the wages for insured work paid by him or her during any
13 calendar quarter, if such wages paid during such calendar
14 quarter total less than \$100,000.

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

16 (820 ILCS 405/1506.3) (from Ch. 48, par. 576.3)

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

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

22 For each employer whose contribution rate for 1988, 1989,
23 1990, the first, third, and fourth quarters of 1991, 1992,
24 1993, 1994, 1995, and 1997 and any calendar year thereafter
25 would, in the absence of this Section, be 0.2% or higher, a
26 contribution rate which is the sum of such rate and 0.4%;

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

31 For each employer whose contribution rate for 1996 would,
32 in the absence of this Section, be 0.1% or higher, a
33 contribution rate which is the sum of such rate and 0.4%;

1 Notwithstanding the preceding paragraphs of this Section
2 or any other provision of this Act, except for the provisions
3 contained in Section 1500 pertaining to rates applicable to
4 employers classified under the Standard Industrial Code, or
5 another classification system sanctioned by the United States
6 Department of Labor and prescribed by the Director by rule,
7 no employer whose total wages for insured work paid by him
8 during any calendar quarter in 1988 through 2002 and any
9 calendar-year-thereafter are less than \$50,000 shall pay
10 contributions at a rate with respect to such quarter which
11 exceeds the following: with respect to calendar year 1988,
12 5%; with respect to 1989 and any calendar year thereafter,
13 5.4%.

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

33 Notwithstanding the preceding paragraphs of this Section
34 or any other provision of this Act, except for the provisions

1 contained in Section 1500 pertaining to rates applicable to
2 employers classified under the Standard Industrial Code, or
3 another classification system sanctioned by the United States
4 Department of Labor and prescribed by the Director by rule,
5 no employer whose total wages for insured work paid by him or
6 her during any calendar quarter in 2003 and any calendar year
7 thereafter are less than \$100,000 shall pay contributions at
8 a rate with respect to such quarter which exceeds 5.4%.

9 B. Notwithstanding any other provision of this Act, for
10 the second quarter of 1991, the contribution rate of each
11 employer as determined in accordance with Sections 1500,
12 1506.1, and subsection A of this Section shall be equal to
13 the sum of such rate and 0.1%; provided that this subsection
14 shall not apply to any employer whose rate computed under
15 Section 1506.1 for such quarter is between 5.1% and 5.3%,
16 inclusive, and who qualifies for the 5.4% rate ceiling
17 imposed by the third from the last paragraph of subsection A
18 for such quarter. All payments made pursuant to this
19 subsection shall be deposited in the Employment Security
20 Administrative Fund established under Section 2103.1 and used
21 for the administration of this Act.

22 C. Payments received by the Director which are
23 insufficient to pay the total contributions due under the Act
24 shall be first applied to satisfy the amount due pursuant to
25 subsection B.

26 D. All provisions of this Act applicable to the
27 collection or refund of any contribution due under this Act
28 shall be applicable to the collection or refund of amounts
29 due pursuant to subsection B.

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