



February 18, 2000

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**ENGROSSED  
HOUSE BILL No. 1043**

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DIGEST OF HB 1043 (Updated February 17, 2000 11:19 AM - DI 73)

**Citations Affected:** IC 22-4.

**Synopsis:** Unemployment insurance. Increases the earnings base used to compute unemployment compensation over three years to a maximum of \$7,000 in a calendar quarter. For calendar years 2001 and 2002, decreases the unemployment compensation contribution rate schedules for certain employers with a credit balance. For calendar years 2001 and 2002, decreases the unemployment compensation contribution rate schedules for certain employers with a debit balance.

**Effective:** July 1, 2000.

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**Stilwell, Liggett**

(SENATE SPONSOR — HARRISON)

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November 23, 1999, read first time and referred to Committee on Labor and Employment.  
January 13, 2000, amended, reported — Do Pass.  
January 24, 2000, read second time, call withdrawn.  
January 25, 2000, reread second time, amended, ordered engrossed.  
January 26, 2000, engrossed. Read third time, passed. Yeas 94, nays 3.

SENATE ACTION

January 28, 2000, read first time and referred to Committee on Pensions and Labor.  
February 17, 2000, amended, reported favorably — Do Pass.

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EH 1043—LS 6514/DI 96+



February 18, 2000

Second Regular Session 111th General Assembly (2000)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1999 General Assembly.

## ENGROSSED HOUSE BILL No. 1043

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A BILL FOR AN ACT to amend the Indiana Code concerning labor and industrial safety.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 22-4-4-3 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JULY 1, 2000]: Sec. 3. (a) For calendar quarters  
3 beginning on and after April 1, 1979, and before April 1, 1984, "wage  
4 credits" means remuneration paid for employment by an employer to  
5 an individual. Wage credits may not exceed three thousand six hundred  
6 sixty-six dollars (\$3,666) and may not include payments specified in  
7 section 2(b) of this chapter.  
8 (b) For calendar quarters beginning on and after April 1, 1984, and  
9 before April 1, 1985, "wage credits" means remuneration paid for  
10 employment by an employer to an individual. Wage credits may not  
11 exceed three thousand nine hundred twenty-six dollars (\$3,926) and  
12 may not include payments specified in section 2(b) of this chapter.  
13 (c) For calendar quarters beginning on and after April 1, 1985, and  
14 before January 1, 1991, "wage credits" means remuneration paid for  
15 employment by an employer to an individual. Wage credits may not  
16 exceed four thousand one hundred eighty-six dollars (\$4,186) and may  
17 not include payments specified in section 2(b) of this chapter.

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1 (d) For calendar quarters beginning on and after January 1, 1991,  
2 and before July 1, 1995, "wage credits" means remuneration paid for  
3 employment by an employer to an individual. Wage credits may not  
4 exceed four thousand eight hundred ten dollars (\$4,810) and may not  
5 include payments specified in section 2(b) of this chapter.

6 (e) For calendar quarters beginning on and after July 1, 1995, and  
7 before July 1, 1997, "wage credits" means remuneration paid for  
8 employment by an employer to an individual and remuneration  
9 received as tips or gratuities in accordance with Sections ~~3301~~ and  
10 3102 **and 3301** et seq. of the Internal Revenue Code. Wage credits may  
11 not exceed five thousand dollars (\$5,000) and may not include  
12 payments specified in section 2(b) of this chapter.

13 (f) For calendar quarters beginning on and after July 1, 1997, and  
14 before July 1, 1998, "wage credits" means remuneration paid for  
15 employment by an employer to an individual and remuneration  
16 received as tips or gratuities in accordance with Sections ~~3301~~ and  
17 3102 **and 3301** et seq. of the Internal Revenue Code. Wage credits may  
18 not exceed five thousand four hundred dollars (\$5,400) and may not  
19 include payments specified in section 2(b) of this chapter.

20 (g) For calendar quarters beginning on and after July 1, 1998, and  
21 before July 1, 1999, "wage credits" means remuneration paid for  
22 employment by an employer to an individual and remuneration  
23 received as tips or gratuities in accordance with Sections ~~3301~~ and  
24 3102 **and 3301** et seq. of the Internal Revenue Code. Wage credits may  
25 not exceed five thousand six hundred dollars (\$5,600) and may not  
26 include payments that are excluded from the definition of wages under  
27 section 2(b) of this chapter.

28 (h) For calendar quarters beginning on and after July 1, 1999, **and**  
29 **before July 1, 2000**, "wage credits" means remuneration paid for  
30 employment by an employer to an individual and remuneration  
31 received as tips or gratuities in accordance with Sections ~~3301~~ and  
32 3102 **and 3301** et seq. of the Internal Revenue Code. Wage credits may  
33 not exceed five thousand eight hundred dollars (\$5,800) and may not  
34 include payments that are excluded from the definition of wages under  
35 section 2(b) of this chapter.

36 (i) **For calendar quarters beginning on and after July 1, 2000,**  
37 **and before July 1, 2001**, "wage credits" means remuneration paid  
38 **for employment by an employer to an individual and remuneration**  
39 **received as tips or gratuities in accordance with Sections 3102 and**  
40 **3301 et seq. of the Internal Revenue Code. Wage credits may not**  
41 **exceed six thousand two hundred dollars (\$6,200) and may not**  
42 **include payments that are excluded from the definition of wages**

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1 under section 2(b) of this chapter.

2 (j) For calendar quarters beginning on and after July 1, 2001,  
3 and before July 1, 2002, "wage credits" means remuneration paid  
4 for employment by an employer to an individual and remuneration  
5 received as tips or gratuities in accordance with Sections 3102 and  
6 3301 et seq. of the Internal Revenue Code. Wage credits may not  
7 exceed six thousand six hundred dollars (\$6,600) and may not  
8 include payments that are excluded from the definition of wages  
9 under section 2(b) of this chapter.

10 (k) For calendar quarters beginning on and after July 1, 2002,  
11 "wage credits" means remuneration paid for employment by an  
12 employer to an individual and remuneration received as tips or  
13 gratuities in accordance with Sections 3102 and 3301 et seq. of the  
14 Internal Revenue Code. Wage credits may not exceed seven  
15 thousand dollars (\$7,000) and may not include payments that are  
16 excluded from the definition of wages under section 2(b) of this  
17 chapter.

18 SECTION 2. IC 22-4-11-3 IS AMENDED TO READ AS  
19 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 3. (a) Except as  
20 provided in ~~section 3.1~~ **section 3.2** of this chapter, the applicable  
21 schedule of rates for the calendar year 1983 and thereafter shall be  
22 determined by the ratio resulting when the balance in the fund as of the  
23 determination date is divided by the total payroll of all subject  
24 employers for the immediately preceding calendar year. Schedule A,  
25 B, C, or D, appearing on the line opposite the fund ratio in the schedule  
26 below, shall be applicable in determining and assigning each  
27 employer's contribution rate for the calendar year immediately  
28 following the determination date. For the purposes of this subsection,  
29 "total payroll" means total remuneration reported by all contributing  
30 employers as required by this article and does not include the total  
31 payroll of any employer who elected to become liable for payments in  
32 lieu of contributions (as defined in IC 22-4-2-32). For the purposes of  
33 this subsection, "subject employers" means those employers who are  
34 subject to contribution.

#### 35 FUND RATIO SCHEDULE

36 When the Fund Ratio Is:

37	38	39	40	41	42
	As Much As	But Less Than		Applicable	Schedule
		1.0%		A	
	1.0%	1.5%		B	
	1.5%	2.25%		C	
	2.25%			D	

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(b) If the conditions and requirements of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a credit balance and who are eligible therefor according to each employer's credit reserve ratio. Each employer shall be assigned the contribution rate appearing in the applicable schedule A, B, C, or D on the line opposite his credit reserve ratio as set forth in the rate schedule below:

**RATE SCHEDULE FOR ACCOUNTS  
WITH CREDIT BALANCES**

When the Credit Reserve Ratio Is:

	As But		Rate Schedules				
	Much	Less	(%)				
	As	Than	A	B	C	D	E
	3.0		1.2	0.2	0.2	0.2	<b>0.15</b>
	2.8	3.0	1.4	0.4	0.2	0.2	<b>0.15</b>
	2.6	2.8	1.6	0.6	0.2	0.2	<b>0.15</b>
	2.4	2.6	1.8	0.8	0.4	0.2	<b>0.2</b>
	2.2	2.4	2.0	1.0	0.6	0.2	<b>0.2</b>
	2.0	2.2	2.2	1.2	0.8	0.4	<b>0.4</b>
	1.8	2.0	2.4	1.4	1.0	0.6	<b>0.6</b>
	1.6	1.8	2.6	1.6	1.2	0.8	<b>0.8</b>
	1.4	1.6	2.8	1.8	1.4	1.0	<b>1.0</b>
	1.2	1.4	3.0	2.0	1.6	1.2	<b>1.2</b>
	1.0	1.2	3.2	2.2	1.8	1.4	<b>1.4</b>
	0.8	1.0	3.4	2.4	2.0	1.6	<b>1.6</b>
	0.6	0.8	3.6	2.6	2.2	1.8	<b>1.8</b>
	0.4	0.6	3.8	2.8	2.4	2.0	<b>2.0</b>
	0.2	0.4	4.0	3.0	2.6	2.2	<b>2.2</b>
	0	0.2	4.2	3.2	2.8	2.4	<b>2.4</b>

(c) Each employer whose account as of any computation date occurring on and after June 30, 1984, shows a debit balance shall be assigned the rate of contributions appearing on the line opposite his debit ratio as set forth in the following rate schedule for accounts with debit balances:

**RATE SCHEDULE FOR ACCOUNTS  
WITH DEBIT BALANCES**

When the Debit Reserve Ratio Is:

	As But		Rate Schedules				
	Much	Less	(%)				
	As	Than	A	B	C	D	E
		1.5	4.5	4.4	4.3	4.2	<b>3.6</b>

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1	1.5	3.0	4.8	4.7	4.6	4.5	<b>3.8</b>
2	3.0	4.5	5.1	5.0	4.9	4.8	<b>4.1</b>
3	4.5	6.0	5.4	5.3	5.2	5.1	<b>4.4</b>
4	6.0		5.7	5.6	5.5	5.4	<b>5.4</b>

(d) Any adjustment in the amount charged to any employer's experience account made subsequent to the assignment of rates of contributions for any calendar year shall not operate to alter the amount charged to the experience accounts of any other base-period employers.

SECTION 3. IC 22-4-11-3.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: **Sec. 3.2. (a) For calendar years 2001 and 2002, all employers shall have a contribution rate as set forth in rate schedule E in section 3 of this chapter.**

**(b) This section expires January 1, 2003.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred House Bill 1043, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 16, reset in roman "first four (4) of the".

Page 2, line 16, reset in roman "five (5)".

Page 2, line 16, delete "four (4)".

and when so amended that said bill do pass.

(Reference is to HB 1043 as introduced.)

LIGGETT, Chair

Committee Vote: yeas 8, nays 6.

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## HOUSE MOTION

Mr. Speaker: I move that House Bill 1043 be amended to read as follows:

Page 2, line 19, reset in roman "IC".

Page 2, line 26, reset in roman "a waiting period or".

Page 2, delete lines 28 through 34.

Page 6, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 5. IC 22-4-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 1. (a) For the purpose of charging employers' experience or reimbursable accounts with regular benefits paid subsequent to July 3, 1971, to any eligible individual but except as provided in IC 22-4-22 and subsection (f), such benefits paid shall be charged proportionately against the experience or reimbursable accounts of his employers in his base period (on the basis of total wage credits established in such base period) against whose accounts the maximum charges specified in this section shall not have been previously made. Such charges shall be made in the inverse chronological order in which the wage credits of such individuals were established. However, when an individual's claim has been computed for the purpose of determining his regular benefit rights, maximum regular benefit amount, and the proportion of such maximum amount to be charged to the experience or reimbursable accounts of respective chargeable employers in the base period, the experience or reimbursable account of any employer charged with regular benefits paid shall not be credited or recredited with any portion of such maximum amount because of any portion of such individual's wage credits remaining uncharged at the expiration of his benefit period. The maximum so charged against the account of any employer shall not exceed twenty-eight percent (28%) of the total wage credits of such individual with each such employer with which wage credits were established during such individual's base period. Benefits paid under provisions of IC 22-4-22-3 in excess of the amount that the claimant would have been monetarily eligible for under other provisions of this article shall be paid from the fund and not charged to the experience account of any employer; however, this exception shall not apply to those employers electing to make payments in lieu of contributions who shall be charged for all benefit payments which are attributable to service in their employ. Irrespective of the twenty-eight percent (28%) maximum limitation provided for in this section, any extended benefits paid to an eligible individual based on service with a governmental entity of this state or its political subdivisions shall be charged to the experience or reimbursable accounts of the employers,

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and fifty percent (50%) of any extended benefits paid to an eligible individual shall be charged to the experience or reimbursable accounts of his employers in his base period, other than governmental entities of this state or its political subdivisions, in the same proportion and sequence as are provided in this section for regular benefits paid. Additional benefits paid under ~~IC 22-4-12-4(c)~~ **IC 22-4-12-4(e)** shall:

- (1) be paid from the fund; and
- (2) not be charged to the experience account or the reimbursable account of any employer.

(b) If the aggregate of wages paid to an individual by two (2) or more employers during the same calendar quarter exceeds the maximum wage credits (as defined in IC 22-4-4-3) then the experience or reimbursable account of each such employer shall be charged in the ratio which the amount of wage credits from such employer bears to the total amount of wage credits during the base period.

(c) When wage records show that an individual has been employed by two (2) or more employers during the same calendar quarter of the base period but do not indicate both that such employment was consecutive and the order of sequence thereof, then and in such cases it shall be deemed that the employer with whom the individual established a plurality of wage credits in such calendar quarter is the most recent employer in such quarter and its experience or reimbursable account shall be first charged with benefits paid to such individual. The experience or reimbursable account of the employer with whom the next highest amount of wage credits were established shall be charged secondly and the experience or reimbursable accounts of other employers during such quarters, if any, shall likewise be charged in order according to plurality of wage credits established by such individual.

(d) Except as provided in subsection (f), if an individual:

- (1) voluntarily leaves an employer without good cause in connection with the work; or
- (2) is discharged from an employer for just cause;

wage credits earned with the employer from whom the employee has separated under these conditions shall be used to compute the claimant's eligibility for benefits, but charges based on such wage credits shall be paid from the fund and not charged to the experience account of any employer. However, this exception shall not apply to those employers who elect to make payments in lieu of contributions, who shall be charged for all benefit payments which are attributable to service in their employ.

(e) Any nonprofit organization which elects to make payments in



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lieu of contributions into the unemployment compensation fund as provided in this article is not liable to make the payments with respect to the benefits paid to any individual whose base period wages include wages for previously uncovered services as defined in IC 22-4-4-4, nor is the experience account of any other employer liable for charges for benefits paid the individual to the extent that the unemployment compensation fund is reimbursed for these benefits pursuant to Section 121 of P.L.94-566. Payments which otherwise would have been chargeable to the reimbursable or contributing employers shall be charged to the fund.

(f) If an individual:

- (1) earns wages during his base period through employment with two (2) or more employers concurrently;
- (2) is laid off from work by one (1) of the employers; and
- (3) continues to work for one (1) or more of the other employers after the end of the base period and continues to work during the applicable benefit year on substantially the same basis as during the base period;

wage credits earned with the base period employers shall be used to compute the claimant's eligibility for benefits, but charges based on the wage credits from the employer who continues to employ the individual shall be charged to the experience or reimbursable account of the employer who laid the claimant off.

(g) Subsection (f) does not affect the eligibility of a claimant who otherwise qualifies for benefits nor the computation of his benefits.

SECTION 2. IC 22-4-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 3. (a) Except as provided in section 3.1 of this chapter, the applicable schedule of rates for the calendar year 1983 and thereafter shall be determined by the ratio resulting when the balance in the fund as of the determination date is divided by the total payroll of all subject employers for the immediately preceding calendar year. Schedule A, B, C, or D, appearing on the line opposite the fund ratio in the schedule below, shall be applicable in determining and assigning each employer's contribution rate for the calendar year immediately following the determination date. For the purposes of this subsection, "total payroll" means total remuneration reported by all contributing employers as required by this article and does not include the total payroll of any employer who elected to become liable for payments in lieu of contributions (as defined in IC 22-4-2-32). For the purposes of this subsection, "subject employers" means those employers who are subject to contribution.

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FUND RATIO SCHEDULE

When the Fund Ratio Is:

As Much As	But Less Than	Applicable Schedule
	1.0%	A
1.0%	1.5%	B
1.5%	2.25%	C
2.25%		D

(b) If the conditions and requirements of section 2 of this chapter are met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a credit balance and who are eligible therefor according to each employer's credit reserve ratio. Each employer shall be assigned the contribution rate appearing in the applicable schedule A, B, C, or D on the line opposite his credit reserve ratio as set forth in the rate schedule below:

RATE SCHEDULE FOR ACCOUNTS  
WITH CREDIT BALANCES

When the Credit Reserve Ratio Is:

As Much As	But Less Than	Rate Schedules (%)			
		A	B	C	D
3.0		<del>1.2</del> <b>1.03</b>	<del>0.2</del> <b>0.17</b>	<del>0.2</del> <b>0.17</b>	<del>0.2</del> <b>0.17</b>
2.8	3.0	<del>1.4</del> <b>1.20</b>	<del>0.4</del> <b>0.34</b>	<del>0.2</del> <b>0.17</b>	<del>0.2</del> <b>0.17</b>
2.6	2.8	<del>1.6</del> <b>1.38</b>	<del>0.6</del> <b>0.52</b>	<del>0.2</del> <b>0.17</b>	<del>0.2</del> <b>0.17</b>
2.4	2.6	<del>1.8</del> <b>1.55</b>	<del>0.8</del> <b>0.69</b>	<del>0.4</del> <b>0.34</b>	<del>0.2</del> <b>0.17</b>
2.2	2.4	<del>2.0</del> <b>1.72</b>	<del>1.0</del> <b>0.86</b>	<del>0.6</del> <b>0.52</b>	<del>0.2</del> <b>0.17</b>
2.0	2.2	<del>2.2</del> <b>1.89</b>	<del>1.2</del> <b>1.03</b>	<del>0.8</del> <b>0.69</b>	<del>0.4</del> <b>0.34</b>
1.8	2.0	<del>2.4</del> <b>2.06</b>	<del>1.4</del> <b>1.20</b>	<del>1.0</del> <b>0.86</b>	<del>0.6</del> <b>0.52</b>
1.6	1.8	<del>2.6</del> <b>2.24</b>	<del>1.6</del> <b>1.38</b>	<del>1.2</del> <b>1.03</b>	<del>0.8</del> <b>0.69</b>
1.4	1.6	<del>2.8</del> <b>2.41</b>	<del>1.8</del> <b>1.55</b>	<del>1.4</del> <b>1.20</b>	<del>1.0</del> <b>0.86</b>
1.2	1.4	<del>3.0</del> <b>2.58</b>	<del>2.0</del> <b>1.72</b>	<del>1.6</del> <b>1.38</b>	<del>1.2</del> <b>1.03</b>
1.0	1.2	<del>3.2</del> <b>2.75</b>	<del>2.2</del> <b>1.89</b>	<del>1.8</del> <b>1.55</b>	<del>1.4</del> <b>1.20</b>
0.8	1.0	<del>3.4</del> <b>2.92</b>	<del>2.4</del> <b>2.06</b>	<del>2.0</del> <b>1.72</b>	<del>1.6</del> <b>1.38</b>
0.6	0.8	<del>3.6</del> <b>3.10</b>	<del>2.6</del> <b>2.24</b>	<del>2.2</del> <b>1.89</b>	<del>1.8</del> <b>1.55</b>
0.4	0.6	<del>3.8</del> <b>3.27</b>	<del>2.8</del> <b>2.41</b>	<del>2.4</del> <b>2.06</b>	<del>2.0</del> <b>1.72</b>
0.2	0.4	<del>4.0</del> <b>3.44</b>	<del>3.0</del> <b>2.58</b>	<del>2.6</del> <b>2.24</b>	<del>2.2</del> <b>1.89</b>
0	0.2	<del>4.2</del> <b>3.61</b>	<del>3.2</del> <b>2.75</b>	<del>2.8</del> <b>2.41</b>	<del>2.4</del> <b>2.06</b>

(c) Each employer whose account as of any computation date occurring on and after June 30, 1984, shows a debit balance shall be assigned the rate of contributions appearing on the line opposite his debit ratio as set forth in the following rate schedule for accounts with



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debit balances:

**RATE SCHEDULE FOR ACCOUNTS  
WITH DEBIT BALANCES**

When the Debit Reserve Ratio Is:

As Much As	But Less Than	Rate Schedules (%)			
		A	B	C	D
	1.5	<del>4.5</del> <b>3.870</b>	<del>4.4</del> <b>3.784</b>	<del>4.3</del> <b>3.698</b>	<del>4.2</del> <b>3.612</b>
1.5	3.0	<del>4.8</del> <b>4.128</b>	<del>4.7</del> <b>4.042</b>	<del>4.6</del> <b>3.956</b>	<del>4.5</del> <b>3.870</b>
3.0	4.5	<del>5.1</del> <b>4.386</b>	<del>5.0</del> <b>4.300</b>	<del>4.9</del> <b>4.214</b>	<del>4.8</del> <b>4.128</b>
4.5	6.0	<del>5.4</del> <b>4.644</b>	<del>5.3</del> <b>4.558</b>	<del>5.2</del> <b>4.472</b>	<del>5.1</del> <b>4.386</b>
6.0		<del>5.7</del> <b>5.400</b>	<del>5.6</del> <b>5.400</b>	<del>5.5</del> <b>5.400</b>	<del>5.4</del> <b>5.400</b>

(d) Any adjustment in the amount charged to any employer's experience account made subsequent to the assignment of rates of contributions for any calendar year shall not operate to alter the amount charged to the experience accounts of any other base-period employers."

Page 9, line 37, reset in roman "waiting period or".

Page 12, line 21, reset in roman "waiting period or".

Delete pages 15 through 19.

Re-number all SECTIONS consecutively.

(Reference is to HB 1043 as printed January 14, 2000.)

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## COMMITTEE REPORT

Mr. President: The Senate Committee on Pensions and Labor, to which was referred House Bill No. 1043, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 17.

Delete pages 2 through 3.

Page 4, delete lines 1 through 21.

Page 5, line 37, delete "seven" and insert "**six**".

Page 5, line 37, delete "\$7,200" and insert "**(\$6,200)**".

Page 6, line 3, delete "eight" and insert "**six**".

Page 6, line 3, delete "\$8,600" and insert "**(\$6,600)**".

Page 6, line 10, delete "ten" and insert "**seven**".

Page 6, line 11, delete "\$10,000" and insert "**(\$7,000)**".

Page 6, delete lines 13 through 42, begin a new paragraph and insert:

"SECTION 2. IC 22-4-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 3. (a) Except as provided in ~~section 3.1~~ **section 3.2** of this chapter, the applicable schedule of rates for the calendar year 1983 and thereafter shall be determined by the ratio resulting when the balance in the fund as of the determination date is divided by the total payroll of all subject employers for the immediately preceding calendar year. Schedule A, B, C, or D, appearing on the line opposite the fund ratio in the schedule below, shall be applicable in determining and assigning each employer's contribution rate for the calendar year immediately following the determination date. For the purposes of this subsection, "total payroll" means total remuneration reported by all contributing employers as required by this article and does not include the total payroll of any employer who elected to become liable for payments in lieu of contributions (as defined in IC 22-4-2-32). For the purposes of this subsection, "subject employers" means those employers who are subject to contribution.

## FUND RATIO SCHEDULE

When the Fund Ratio Is:

As Much As	But Less Than	Applicable Schedule
	1.0%	A
1.0%	1.5%	B
1.5%	2.25%	C
2.25%		D

(b) If the conditions and requirements of section 2 of this chapter are

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met, the rate of contributions shall be determined and assigned, with respect to each calendar year, to employers whose accounts have a credit balance and who are eligible therefor according to each employer's credit reserve ratio. Each employer shall be assigned the contribution rate appearing in the applicable schedule A, B, C, or D on the line opposite his credit reserve ratio as set forth in the rate schedule below:

**RATE SCHEDULE FOR ACCOUNTS  
WITH CREDIT BALANCES**

When the Credit Reserve Ratio Is:

As Much As	But Less Than	Rate Schedules (%)					E
		A	B	C	D		
3.0		1.2	0.2	0.2	0.2	<b>0.15</b>	
2.8	3.0	1.4	0.4	0.2	0.2	<b>0.15</b>	
2.6	2.8	1.6	0.6	0.2	0.2	<b>0.15</b>	
2.4	2.6	1.8	0.8	0.4	0.2	<b>0.2</b>	
2.2	2.4	2.0	1.0	0.6	0.2	<b>0.2</b>	
2.0	2.2	2.2	1.2	0.8	0.4	<b>0.4</b>	
1.8	2.0	2.4	1.4	1.0	0.6	<b>0.6</b>	
1.6	1.8	2.6	1.6	1.2	0.8	<b>0.8</b>	
1.4	1.6	2.8	1.8	1.4	1.0	<b>1.0</b>	
1.2	1.4	3.0	2.0	1.6	1.2	<b>1.2</b>	
1.0	1.2	3.2	2.2	1.8	1.4	<b>1.4</b>	
0.8	1.0	3.4	2.4	2.0	1.6	<b>1.6</b>	
0.6	0.8	3.6	2.6	2.2	1.8	<b>1.8</b>	
0.4	0.6	3.8	2.8	2.4	2.0	<b>2.0</b>	
0.2	0.4	4.0	3.0	2.6	2.2	<b>2.2</b>	
0	0.2	4.2	3.2	2.8	2.4	<b>2.4</b>	

(c) Each employer whose account as of any computation date occurring on and after June 30, 1984, shows a debit balance shall be assigned the rate of contributions appearing on the line opposite his debit ratio as set forth in the following rate schedule for accounts with debit balances:

**RATE SCHEDULE FOR ACCOUNTS  
WITH DEBIT BALANCES**

When the Debit Reserve Ratio Is:

As Much As	But Less Than	Rate Schedules (%)					E
		A	B	C	D		
	1.5	4.5	4.4	4.3	4.2	<b>3.6</b>	
1.5	3.0	4.8	4.7	4.6	4.5	<b>3.8</b>	



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3.0	4.5	5.1	5.0	4.9	4.8	<b>4.1</b>
4.5	6.0	5.4	5.3	5.2	5.1	<b>4.4</b>
6.0		5.7	5.6	5.5	5.4	<b>5.4</b>

(d) Any adjustment in the amount charged to any employer's experience account made subsequent to the assignment of rates of contributions for any calendar year shall not operate to alter the amount charged to the experience accounts of any other base-period employers.

SECTION 3. IC 22-4-11-3.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: **Sec. 3.2. (a) For calendar years 2001 and 2002, all employers shall have a contribution rate as set forth in rate schedule E in section 3 of this chapter.**

**(b) This section expires January 1, 2003."**

Delete pages 7 through 19.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1043 as reprinted January 26, 2000.)

HARRISON, Chairperson

Committee Vote: Yeas 6, Nays 3.

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