

March 4, 1999

**H 275. ZERO ESC TAX RATE FOR MORE. TO IMPLEMENT A ZERO UNEMPLOYMENT INSURANCE TAX RATE FOR MORE EMPLOYERS WITH POSITIVE EXPERIENCE RATINGS, BEGINNING JANUARY 1999.** Amends GS 96-9(b) as title indicates. Eliminates tax for employers with credit ratio of 4.0% or over. Effective with respect to calendar quarters beginning on or after Jan. 1, 1999.

**Intro. by Redwine.**

Ref. to Ways & Means

GS 96

April 1, 1999

**H 275. ZERO ESC TAX RATE FOR MORE.** Intro. 3/4/99. House committee substitute makes the following changes to 1st edition. Changes effective date to April 1, 1999 (was Jan. 1, 1999) and changes title to *AN ACT TO IMPLEMENT A ZERO UNEMPLOYMENT INSURANCE TAX RATE FOR MORE EMPLOYERS WITH POSITIVE EXPERIENCE RATINGS.*

May 26, 1999

**H 275. ESC/UNEMP. TAX CHANGES.** Intro. 3/4/99. Senate committee substitute makes the following changes to 2nd edition. Adds new GS 96-6.1 levying mandatory training and reemployment contribution on employers at rate of 20% of amount of unemployment insurance contributions due. Provides that contribution does not apply in a calendar year if, as of August 1 of the preceding year, the amount in the Unemployment Insurance Fund equals or is less than \$800 million. Creates an Employment Security Comm'n Training and Employment Account to receive contributions. Provides that funds from Account may only be spent as appropriated by the General Assembly and that 80% of the funds should be appropriated to Dep't of Community Colleges for nonrecurring expenditures for worker training and 20% to Employment Security Comm'n for administration and collection of contribution and for nonrecurring expenditures for reemployment services. Amends GS 96-9(b)(1) to provide for standard beginning rate on unemployment taxes at 1% after Dec. 31, 1999. Amends GS 96-9(b)(3) to set new rates (specified in bill) beginning Jan. 1, 1999 for employers whose account has a credit balance and to further reduce rates by even more if Unemployment Insurance Fund equals or exceeds \$800 million. Amends GS 96-9(b)(3)e. to reduce assigned rates for employers with accounts showing debit balance. Provides that provisions added by committee substitute are effective with respect to calendar quarters beginning on or after Jan. 1, 2000 and is repealed with respect to calendar quarters beginning on or after Jan. 1, 2002.

July 6, 1999

**H 275. ZERO ESC TAX/TRAINING CONTRIBUTION.** Intro. 3/4/99. Conference report recommends the following changes to 3rd edition to reconcile matters in controversy. Changes contribution percentage described in new GS 96-6.1. Provides that amount of contribution is the lesser of (1) 20% of the amount of the employer's unemployment insurance contributions due under GS 96-9, or (2) a percentage of those contributions that yields an amount that, when added to the amount of the employer's unemployment insurance contributions due for the taxable period, is no greater than 5.7% of wages for employment for the taxable period.

Amends SL 1999-237, sections 9.11(a) and (b) by decreasing appropriations listed in the law. Appropriates from the Employment Security Comm'n Training and Employment Account created in GS 96-6.1 to the Community Colleges System Office \$18 million for 1999-2000 and \$48.5 million for 2000-2001 (was, \$22 million and \$56.5 million, respectively, for each year). Makes the following changes in the 1999-2000 appropriation: \$10 million to be spent on "Nonreverting Equipment, Technology, and MIS Reserve" (was, \$12 million); and \$4 million to be spent on "New and Expanding Industry Training Program" (was, \$6 million). Makes the following changes in the 2000-2001 appropriation: \$38 million to be spent on "Nonreverting Equipment, Technology, and MIS Reserve" (was, \$42.5 million); and \$5.5 million to be spent on "New and Expanding Industry Training Program" (was, \$9 million).

Appropriates from the Employment Security Comm'n Training and Employment Account created in GS 96-6.1 to the Employment Security Comm'n \$4.5 million for 1999-2000 (was, \$5.5

million) and \$12.1 million for 2000-2001 (was, \$14.1 million) for the costs of collecting and administering the new training and reemployment contribution and for enhanced reemployment services.