

2021 Regular Session

HOUSE BILL NO. 380

BY REPRESENTATIVE LYONS

UNEMPLOYMENT COMP: Provides relative to employee's contributions rate

1 AN ACT

2 To amend and reenact R.S. 23:1536(E)(2) and (3), relative to unemployment compensation;
3 to provide for the unemployment trust fund balance; to provide for a reduction of
4 employers' contributions under certain circumstances; and to provide for related
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 23:1536(E)(2) and (3) are hereby amended and reenacted to read as
8 follows:

9 §1536. Determination of rate; ratio of reserves to payroll as a basis

10 * * *

11 E.

12 * * *

13 (2) If, at the computation date in any year, the fund balance, including all
14 monies in the benefit transfer account, exceeds four hundred million dollars, a ten
15 percent reduction in contributions due under the rate table as provided in Subsection
16 D of this Section shall be granted to each employer with a positive reserve ratio.

17 (3) If, at the computation date in any year, the fund balance, including all
18 monies in the benefit transfer account, exceeds one billion four hundred million
19 dollars, a ten percent reduction in contributions due under the rate table provided in

1 Subsection D of this Section shall be granted to each employer with a positive
2 reserve ratio.

3 * * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 380 Engrossed 2021 Regular Session Lyons

Abstract: Provides for a reduction in contributions for certain employers.

Present law provides that if, at the computation date in any year, the unemployment trust fund balance, including all monies in the benefit transfer account, exceeds \$400 million dollars, a 10% reduction in contributions due under the rate table as provided in present law shall be granted to each employer.

Proposed law changes present law to provide that instead of a 10% reduction in contributions being granted to each employer, that a 10% reduction in contributions will apply only to employers with a positive reserve ratio.

Present law provides that if, at the computation date in any year, the unemployment trust fund balance, including all monies in the benefit transfer account, exceeds \$1.4 billion dollars, a 10% reduction in contributions due under the rate table as provided in present law shall be granted to each employer.

Proposed law retains present law; however, instead of a 10% reduction in contributions being granted to each employer, the 10% reduction in contributions will apply only to employers with a positive reserve ratio.

(Amends R.S. 23:1536(E)(2) and(3))