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SENATE FILE 507
BY HUTCHINS AND HULTMAN

Passed Senate, Date 5/5/87 (p. 1691) Passed House, Date 5/8/97 (p. 2223)
Vote: Ayes 47 Nays 0 Vote: Ayes 97 Nays 1
Approved June 8, 1987

A BILL FOR

1 An Act relating to the adoption of a benefit ratio unemployment
2 compensation contribution array system and providing for the
3 Act's applicability.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

5

SENATE FILE 507

S-3989

1 Amend Senate File 507 as follows:
2 1. Page 38, line 20, by inserting after the word
3 "assembly" the following: "and only for personnel and
4 nonpersonnel costs of rural and satellite job service
5 offices in population centers of less than twenty
6 thousand".

S-3989

Filed May 5, 1987
ADOPTED (p. 1691)

BY CALVIN O. HULTMAN

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1 Section 1. Section 96.3, subsection 4, unnumbered para-
2 graph 2, Code 1987, is amended by striking the unnumbered
3 paragraph.

4 Sec. 2. Section 96.3, subsection 5, unnumbered paragraph
5 2, Code 1987, is amended by striking the unnumbered paragraph.

6 Sec. 3. Section 96.4, subsection 7, Code 1987, is amended
7 by striking the subsection.

8 Sec. 4. Section 96.7, Code 1987, is amended to read as
9 follows:

10 96.7 EMPLOYER CONTRIBUTIONS AND REIMBURSEMENTS.

11 1. PAYMENT.

12 ~~a.--On-and-after-July-17-1936,-contributions-shall~~
13 Contributions accrue and are payable, in accordance with rules
14 adopted by the division, on all taxable wages paid by an
15 employer for insured work.

16 ~~b.--Such-contributions-shall-become-due-and-be-paid-to-the~~
17 ~~division-of-job-service-for-the-fund-at-such-times-and-in-such~~
18 ~~manner-as-the-commissioner-by-regulation-prescribes.~~

19 ~~c.--In-the-payment-of-any-contribution-the-fractional-part~~
20 ~~of-a-cent-shall-be-disregarded-unless-it-amounts-to-one-half~~
21 ~~cent-or-more-in-which-case-it-shall-be-increased-to-one-cent.~~

22 ~~d.--Contributions-required-from-an-employer-shall-not-be~~
23 ~~deducted-in-whole-or-in-part-from-the-wages-paid-to~~
24 ~~individuals-in-the-employer's-employ.~~

25 ~~2.--RATE-OF-CONTRIBUTION-BY-EMPLOYERS.--Each-employer-shall~~
26 ~~pay-contributions-equal-to-the-following-percentages-of-wages~~
27 ~~payable-by-the-employer-with-respect-to-employment.~~

28 ~~a.--One-and-eight-tenths-percent-with-respect-to-employment~~
29 ~~for-the-six-months'-period-beginning-July-17-1936,-provided~~
30 ~~that-if-the-total-of-such-contributions-at-such-one-and-eight-~~
31 ~~tenths-percent-rate-equals-less-than-nine-tenths-of-one~~
32 ~~percent-of-the-annual-payroll-of-any-employer-for-the-calendar~~
33 ~~year-1936,-such-employer-shall-pay,-at-such-time-as-the~~
34 ~~division-of-job-service-shall-prescribe,-an-additional-lump-~~
35 ~~sum-contribution-with-respect-to-employment-for-such-six~~

1 months¹-period-beginning-July-17-1936, equal-to-the-difference
 2 between-nine-tenths-of-one-percent-of-the-employer's-annual
 3 payroll-for-the-calendar-year-1936-and-the-total-of-the
 4 employer's-contributions-at-such-one-and-eight-tenths-percent
 5 rate-for-such-six-months¹-period-beginning-July-17-1936, and
 6 provided-further-that-in-no-event-shall-employers¹
 7 contributions-at-such-one-and-eight-tenths-percent-rate-exceed
 8 nine-tenths-of-one-percent-of-the-employer's-annual-payroll
 9 for-the-calendar-year-1936,

10 b.--One-and-eight-tenths-percent-with-respect-to-employment
 11 in-the-calendar-year-1937,

12 c.--Two-and-seven-tenths-percent-with-respect-to-employment
 13 during-the-calendar-years-1938, 1939, 1940, and

14 d.--Two-and-seven-tenths-percent-of-wages-paid-by-the
 15 employer-during-the-calendar-year-1941, and-during-each
 16 calendar-year-thereafter, with-respect-to-employment-occurring
 17 after-December-31, 1940, except-as-may-be-otherwise-prescribed
 18 in-subsection-3-of-this-section,

19 3 2. FUTURE CONTRIBUTION RATES BASED ON BENEFIT
 20 EXPERIENCE.

21 a. (1) The division of-job-service shall maintain a
 22 separate account for each employer and shall credit each
 23 employer's account with all contributions which the employer
 24 has paid or which have been paid on the employer's behalf.

25 (2) The amount of regular benefits plus fifty percent of
 26 the amount of extended benefits, as-determined-under-section
 27 96-29, paid to an eligible individual shall be charged against
 28 the account of the employers in the base period in the inverse
 29 chronological order in which the employment of the individual
 30 occurred.

31 PARAGRAPH DIVIDED. Provided, that-in-any-case-in-which
 32 However, if the individual to whom the benefits are paid is in
 33 the employ of a base period employer at the time the
 34 individual is receiving the benefits, and the individual is
 35 receiving the same employment from the employer that the

1 individual received during the individual's base period, then
2 benefits paid to the individual shall not be charged against
3 the account of the employer. This provision applies to both
4 contributing contributory and reimbursable employers,
5 notwithstanding subparagraph (3) and section 96.8, subsection
6 ~~57-and-subparagraph-(3)-of-this-paragraph.~~

7 PARAGRAPH DIVIDED. An employer's account shall not be
8 charged with ~~benefit-payments-made~~ benefits paid to any an
9 individual who has left the work of the employer voluntarily
10 without good cause attributable to the employer or to an
11 individual who was discharged for misconduct in connection
12 with the individual's employment, but shall be charged to the
13 account of the next succeeding employer with whom the
14 individual requalified for benefits as determined respectively
15 under section 96.5, subsection 1, paragraph "g" and section
16 96.5, subsection 2, paragraph "a". However, the succeeding
17 employer's account shall first be charged with benefit
18 payments benefits paid to the individual due to wage credits
19 earned by the individual while employed by the succeeding
20 employer. After exhausting those wage credits, the succeeding
21 employer's account shall not be charged with ten weeks of
22 ~~benefit-payments~~ benefits paid to the individual due to wage
23 credits earned by the individual from a previous employer, but
24 rather the unemployment compensation trust fund shall be
25 charged. After exhausting the ten weeks of noncharging, the
26 succeeding employer's account shall again be charged with
27 ~~benefit-payments~~ the benefits paid.

28 PARAGRAPH DIVIDED. ~~Provided-further,-that-an~~ An employer's
29 account shall not be charged with ~~benefit-payments-made~~
30 benefits paid to an individual who ~~has-been-discharged-for~~
31 ~~misconduct-in-connection-with-the-individual's-employment,-and~~
32 ~~shall-not-be-charged-with-benefit-payments-made-to-an~~
33 ~~individual-after-the-individual-has~~ failed without good cause,
34 either to apply for available, suitable work or to accept
35 suitable work ~~or-to-return-to-customary-self-employment,~~ but

1 shall be charged to the account of the next succeeding
2 employer with whom the individual ~~requalifies~~ requalified for
3 benefits as determined respectively under section 96.5,
4 ~~subsections-2-and~~ subsection 3.

5 ~~However, with respect to a succeeding employer who employs~~
6 ~~an individual who has been discharged for misconduct by a~~
7 ~~previous employer, the succeeding employer's account shall~~
8 ~~first be charged with benefit payments to the individual due~~
9 ~~to wage credits earned by the individual while employed by the~~
10 ~~succeeding employer. After exhausting those wage credits, the~~
11 ~~succeeding employer's account shall not be charged with ten~~
12 ~~weeks of benefit payments to the individual due to wage~~
13 ~~credits earned by the individual from a previous employer, but~~
14 ~~rather the unemployment compensation trust fund shall be~~
15 ~~charged. After exhausting the ten weeks of noncharging, the~~
16 ~~succeeding employer's account shall again be charged with~~
17 ~~benefit payments.~~

18 The amount of benefits paid to an individual, which is
19 solely due to wage credits considered to be in an individual's
20 base period due to the exclusion and substitution of calendar
21 quarters from the individual's base period under section
22 96.23, shall be charged against the account of the employer
23 responsible for paying the workers' compensation benefits for
24 temporary total disability or during a healing period under
25 section 85.33, section 85.34, subsection 1, or section 85A.17,
26 or responsible for paying indemnity insurance benefits.

27 (3) The amount of regular benefits ~~so~~ charged ~~in any~~
28 ~~calendar quarter~~ against the account of any an employer for a
29 calendar quarter of the base period shall not exceed the
30 amount of such the individual's wage credits based on
31 employment with ~~that~~ the employer during that quarter. The
32 amount of extended benefits ~~so~~ charged ~~in any calendar quarter~~
33 against the account of any an employer for a calendar quarter
34 of the base period shall not exceed an additional fifty
35 percent of the amount of such the individual's wage credits

1 based on employment with ~~that~~ the employer during that quarter
2 ~~except-that-ait.~~ However, the amount of extended benefits
3 ~~shall-be-so~~ charged to against the account of a government
4 governmental entity which is either a reimbursable or
5 contributing contributory employer, for a calendar quarter of
6 the base period shall not exceed an additional one hundred
7 percent of the amount of the individual's wage credits based
8 on employment with the governmental entity during that
9 quarter.

10 (4) The commissioner division shall ~~by-general-rule~~
11 prescribe adopt rules prescribing the manner in which benefits
12 shall be charged against the accounts of several employers for
13 whom which an individual performed employment during the same
14 calendar quarter.

15 (5) ~~Nothing-in-this~~ This chapter shall not be construed to
16 grant any an employer or ~~the-individuals~~ an individual in the
17 employer's service, prior claims claim or rights right to the
18 amounts amount paid by the employer into the unemployment
19 compensation fund either on the employer's own behalf or on
20 behalf of ~~such-individuals~~ the individual.

21 (6) ~~As-soon-as-practicable-after-the-close-of-each~~
22 ~~calendar-quarter,-and-in-any-event-within~~ Within forty days
23 after the close of such each calendar quarter, the division
24 shall notify each employer of the amount ~~that-has-been of~~
25 benefits charged to the employer's account ~~for-benefits-paid~~
26 during such that quarter. ~~This-statement-to-the-employer~~ The
27 notification shall show the name of each ~~claimant~~ individual
28 to whom ~~such-benefit-payments~~ benefits were made paid, the
29 ~~claimant's~~ individual's social security number, and the amount
30 of benefits paid to ~~such-claimant~~ the individual. Any An
31 employer ~~who~~ which has not been notified as provided in
32 section 96.6, subsection 2, of the allowance of benefits to
33 ~~such-claimants~~ an individual, may within thirty days after the
34 ~~receipt-of-such-statement~~ date of mailing of the notification
35 appeal to the commissioner division for a hearing to determine

1 the eligibility of the claimant individual to receive such
2 benefits. The commissioner appeal shall ~~refer-the-same be~~
3 referred to a hearing officer for hearing and both the
4 employer and the claimant individual shall receive notice of
5 the time and place of such the hearing.

6 ~~(7)--Any-employer-may-at-any-time-make-voluntary-payments~~
7 ~~to-the-employer's-account-in-excess-of-the-other-requirements~~
8 ~~of-this-chapter,-and-all-such-payments-shall-be-considered-on~~
9 ~~any-computation-date-as-contributions-required-under-the~~
10 ~~provisions-of-this-chapter-if-they-are-paid-by-the-employer~~
11 ~~not-later-than-the-next-December-15-after-such-computation~~
12 ~~date.--Voluntary-contributions-shall-not-exceed-the-maximum~~
13 ~~voluntary-contribution.--For-the-purposes-of-this-subparagraph~~
14 ~~"maximum-voluntary-contribution" shall-equal-an-amount~~
15 ~~sufficient-to-lower-the-rate-of-contribution-of-an-employer-to~~
16 ~~the-lower-rate-of-contribution-assigned-in-the-next-lower~~
17 ~~percentage-of-excess-rank.--Provided-that-an-employer-shall~~
18 ~~not-contribute-an-amount-sufficient-to-reduce-the-rate-of~~
19 ~~contribution-of-the-employer-to-a-zero-contribution-rate.~~

20 b. ~~in-any-case-in-which-the~~ If an enterprise or business,
21 or a clearly segregable and identifiable part of an enterprise
22 or business, for which contributions have been paid has been
23 is sold or otherwise transferred to a subsequent employing
24 unit, or in-any-case-in-which if one or more employing units
25 have been reorganized or merged into a single employing unit,
26 and the successor employer, having qualified as an employer as
27 defined in section 96.19, subsection 5, paragraph "b",
28 continues to operate such the enterprise or business, such the
29 successor employer shall assume the position of the
30 predecessor employer or employers with respect to such the
31 predecessors' payrolls, contributions, accounts, and
32 contribution rates to the same extent as if there-had-been no
33 change had taken place in the ownership or control of such the
34 enterprise or business. However, the successor employer shall
35 not assume the position of the predecessor employer or

1 employers with respect to the predecessor employer's or
2 employers' payrolls, contributions, accounts, and contribution
3 rates which are attributable to that part of the enterprise or
4 business transferred, unless the successor employer applies to
5 the division within sixty days from the date of the partial
6 transfer, and the succession is approved by the predecessor
7 employer or employers and the division.

8 ~~In any case in which a clearly segregable and identifiable~~
9 ~~part of an enterprise or business for which contributions have~~
10 ~~been paid has been sold or otherwise transferred to a~~
11 ~~subsequent employing unit, and such successor employing unit~~
12 ~~having qualified as an "employer" as defined under section~~
13 ~~96-19, subsection 5, paragraph "b", continues to operate such~~
14 ~~enterprise or business, such successor shall assume the~~
15 ~~position of the predecessor employer with respect to such~~
16 ~~predecessor's payrolls, contributions, accounts and~~
17 ~~contribution rates which are attributable to the part of the~~
18 ~~enterprise or business transferred to the same extent as if~~
19 ~~there has been no change in the ownership or control of such~~
20 ~~enterprise or business.~~

21 The contribution rate to be assigned to the acquiring
22 successor employer for the period beginning not earlier than
23 the date of the transfer succession and ending not later than
24 the beginning of the next following effective date of
25 contribution rates rate year, shall be the contribution rate
26 ~~applicable to~~ of the transferring predecessor employer with
27 respect to the period immediately preceding the date of the
28 transfer succession, provided that the acquiring successor
29 employer was not, prior to the transfer succession, a subject
30 employer, and only one transferring predecessor employer, or
31 only transferring predecessor employers having with identical
32 rates, are involved, ~~or a newly computed rate based on the~~
33 ~~experience of the transferring employer attributable to the~~
34 ~~part of the business transferred to the acquiring employer~~
35 ~~combined with the experience of the acquiring employer as of~~

1 ~~the last computation date.~~ If the predecessor employers'
2 rates are not identical and the successor employer is not a
3 subject employer prior to the succession, the division shall
4 assign the successor employer a rate for the remainder of the
5 rate year by combining the experience of the predecessor
6 employers. If the successor employer is a subject employer
7 prior to the succession, the successor employer may elect to
8 retain the employer's own rate for the remainder of the rate
9 year, or the successor employer may apply to the division to
10 have the employer's rate redetermined by combining the
11 employer's experience with the experience of the predecessor
12 employer or employers. However, if the successor employer is
13 a subject employer prior to the succession and has had a
14 partial transfer of the experience of the predecessor employer
15 or employers approved, then the division shall recompute the
16 successor employer's rate for the remainder of the rate year.

17 ~~The contribution rate to be assigned to the acquiring~~
18 ~~employer for the next following regular rate year, is a~~
19 ~~contribution rate based on the experience of the acquiring~~
20 ~~employer and only so much of the experience of the~~
21 ~~transferring employer as is attributable to the part of the~~
22 ~~business transferred.~~

23 ~~Provided, however, that application for such transfer of~~
24 ~~partial record is made within sixty days from the date of~~
25 ~~transfer and meets the approval of the predecessor and the~~
26 ~~commissioner, and provided further that such partial record~~
27 ~~shall include sufficient information for the proper~~
28 ~~administration of this chapter with respect to payment of~~
29 ~~unemployment benefits and computation of future rates based on~~
30 ~~benefit experience.~~

31 ~~In determining each employer's rate of contribution for the~~
32 ~~calendar year 1945, and for each year thereafter, such~~
33 ~~employer shall be given full credit for the payrolls,~~
34 ~~contributions, accounts and contribution rates of the~~
35 ~~employer's predecessor employer or employers to the same~~

1 extent-as-if-there-had-been-no-change-in-the-organization-or
2 the-ownership-of-the-business;--Provided,-that-in-any-case-in
3 which-such-sale,-transfer,-merger-or-reorganization-has-taken
4 place-in-any-year-after-the-predecessor-employer's-rate-of
5 contribution-(hereafter-called-rate)-has-been-determined-for
6 such-year-the-employer's-rate-for-the-remainder-of-such-year,
7 shall,-upon-the-employer's-application-to-the-division-be
8 determined-in-the-following-manner:

9 (1)--If-the-successor-employer-has-no-rate-or-if-the
10 successor-employer-has-a-rate-and-it-is-the-same-rate-as-that
11 of-the-successor-employer's-predecessor-employer-or-employers,
12 their-rates-being-the-same-rate,-the-successor-employer's-rate
13 shall-be-that-of-the-predecessor-employer-or-employers:

14 (2)--If-the-rate-or-rates-of-the-predecessor-employers-are
15 not-the-same-rate,-and-that-of-the-successor-employer,-if-the
16 successor-employer-has-a-rate,-is-not-the-same-rate-as-that-of
17 the-predecessor-employer-then-the-rate-of-the-successor
18 employer-shall-be-redetermined-under-the-combined-experience
19 of-the-predecessor-employer-or-employers-and-the-successor
20 employers:

21 c.--No-reduced-rate-of-contribution-shall-be-granted-to-a
22 contributing-employer-until-there-shall-have-been-twelve
23 consecutive-calendar-quarters-immediately-preceding-the-first
24 computation-date-throughout-which-the-employer's-account-has
25 been-chargeable-with-benefit-payments;--Provided,-that-with
26 respect-to-the-calendar-year-commencing-January-1,-1972,-and
27 each-calendar-year-thereafter-through-December-31,-1981,
28 except-as-provided-in-paragraph-"d"-of-this-subsection,-a
29 contributing-employer-who-has-not-been-subject-to-this-chapter
30 for-a-sufficient-period-of-time-to-meet-the-twelve-quarter
31 requirement-shall-qualify-for-a-computed-rate-of-contribution
32 if-there-shall-have-been-a-lesser-period-throughout-which-the
33 employer's-account-has-been-chargeable,-but-in-no-event-less
34 than-eight-consecutive-calendar-quarters-immediately-preceding
35 the-computation-date,-provided-further,-that-with-respect-to

1 the-calendar-years-commencing-January-1, 1972, and ending
2 December-31, 1977, except as provided in paragraph "d" of this
3 subsection, each contributing employer newly subject to this
4 chapter shall pay contributions at the rate of one and five-
5 tenths percent and beginning January 1, 1978, and ending
6 December-31, 1981, at the rate specified in the ninth
7 percentage of excess rank but not less than one and eight-
8 tenths percent until the end of the calendar year in which the
9 employer shall have had eight consecutive calendar quarters
10 immediately preceding the computation date throughout which
11 the employer's account has been chargeable with benefit
12 payments.

13 c. (1) Beginning January 1, 1982, a contributing A
14 nonconstruction contributory employer newly subject to this
15 chapter and not previously qualified for a computed rate shall
16 pay contributions at the rate specified in the ninth
17 percentage of excess twelfth benefit ratio rank but not less
18 than one and eight-tenths percent until the end of the
19 calendar year in which the employer's account has been
20 chargeable with benefit payments benefits for twenty
21 consecutive calendar quarters immediately preceding the
22 computation date; however, the employer shall pay
23 contributions at a computed rate if the employer's percentage
24 of excess is a negative number, the employer's account has
25 been chargeable with benefit payments for eight consecutive
26 calendar quarters immediately preceding the computation date,
27 and the employer's account has been charged with benefit
28 payments of more than twenty-six times the maximum weekly
29 benefit amount for an individual with four or more dependents
30 during the four consecutive calendar quarters immediately
31 preceding the computation date.

32 (2) A construction contributory employer, as defined under
33 rules adopted by the division, which is newly subject to this
34 chapter shall pay contributions at the rate specified in the
35 twenty-first benefit ratio rank until the end of the calendar

1 year in which the employer's account has been chargeable with
2 benefits for twelve consecutive calendar quarters immediately
3 preceding the computation date.

4 (3) Thereafter, the employer's contribution rate shall be
5 determined in accordance with paragraph "d" ~~of this~~
6 subsection, except that the employer's average annual taxable
7 payroll and benefit ratio may be computed, as determined by
8 the division, for less than five periods of four consecutive
9 calendar quarters immediately preceding the computation date.

10 d. The division ~~of-job-service~~ shall determine the
11 contribution rate table to be in effect for the rate year
12 following the rate computation date, by determining the ratio
13 of the current reserve fund ratio to the highest benefit cost
14 rate ratio on the rate computation date. On or before the
15 fifth day of September the division shall make available to
16 employers the contribution rate table to be in effect for the
17 next rate year.

18 (1) The current reserve fund ratio ~~shall-be~~ is computed by
19 dividing the total ~~trust~~ funds available for payment of
20 benefits, on the rate computation date, by the total wages
21 paid in covered employment excluding reimbursable employment
22 wages during the first four calendar quarters of the five
23 calendar quarters immediately preceding the rate computation
24 date.

25 (2) The highest benefit cost ~~rate-shall-be~~ ratio is the
26 highest of the resulting ratios computed by dividing the total
27 ~~benefit-payments~~ benefits paid, excluding reimbursable benefit
28 ~~payments~~ benefits paid, during each consecutive twelve-month
29 period, during the ten-year period ending on the rate
30 computation date, by the total wages, excluding reimbursable
31 employment wages, paid in the four calendar quarters ending
32 nearest and prior to the last day of such twelve-month period.

33 If the current reserve fund ratio, divided by the highest
34 benefit cost rate ratio:

35 Equals or But is The contribution rate

	<u>exceeds</u>		<u>less than</u>		<u>table in effect shall be</u>
1					
2	0:0 ---		0:5 <u>0.3</u>		1
3	0:5 <u>0.3</u>		0:75 <u>0.5</u>		2
4	0:75 <u>0.5</u>		1:0 <u>0.7</u>		3
5	1:0 <u>0.7</u>		1:5 <u>0.85</u>		4
6	1:5 <u>0.85</u>		1:9 <u>1.0</u>		5
7	1:9 <u>1.0</u>		2:3 <u>1.15</u>		6
8	2:3 <u>1.15</u>		2:7 <u>1.30</u>		7
9	2:7 <u>1.30</u>		3:0 ---		8
10	3:0 -----				9

11 The term "percentage of excess" means a number computed to
 12 six decimal places on July 1 of each year obtained by dividing
 13 the excess of all contributions attributable to an employer
 14 over the sum of all benefits charged to an employer by the
 15 employer's average annual payroll. An employer's percentage
 16 of excess is a positive number when the total of all
 17 contributions paid to an employer's account for all past
 18 periods to and including those for the quarter immediately
 19 preceding the rate computation date exceeds the total benefits
 20 charged to such account for the same period. An employer's
 21 percentage of excess is a negative number when the total of
 22 all contributions paid to an employer's account for all past
 23 periods to and including those for the quarter immediately
 24 preceding the rate computation date is less than the total
 25 benefits charged to such account for the same period.

26 "Benefit ratio" means a number computed to six decimal
 27 places on July 1 of each year obtained by dividing the average
 28 of all benefits charged to an employer during the five periods
 29 of four consecutive calendar quarters immediately preceding
 30 the computation date by the employer's average annual taxable
 31 payroll.

32 Each employer qualified for an experience rating shall be
 33 assigned a contribution rate for each rate year that
 34 corresponds to the employer's percentage of excess benefit
 35 ratio rank in the contribution rate table effective for the

1 rate year from the following contribution rate tables. Each
 2 employer's percentage-of-excess benefit ratio rank shall be
 3 computed by listing all the employers by decreasing
 4 percentages-of-excess increasing benefit ratios, from the
 5 highest-positive-percentage-of-excess lowest benefit ratio to
 6 the highest negative-percentage-of-excess benefit ratio and
 7 grouping the employers so listed into twenty-one separate
 8 ranks containing as nearly as possible four point and seventy-
 9 six hundredths percent of the total taxable wages, excluding
 10 reimbursable employment wages, paid in covered employment
 11 during the first four completed calendar quarters immediately
 12 preceding the rate computation date. If an employer's taxable
 13 wages qualify the employer for two separate percentage-of
 14 excess benefit ratio ranks the employer shall be afforded the
 15 percentage-of-excess benefit ratio rank assigned the lower
 16 contribution rate. Employers with identical percentages-of
 17 excess benefit ratios shall be assigned to the same percentage
 18 of-excess benefit ratio rank.

19 Percent-
 20 age-of

21 Excess	Approximate	22 <u>Contribution Rate Tables</u>									
23 <u>Benefit</u>	Cumulative										
23 <u>Ratio</u>	Taxable Pay-										
24 Rank	roll Limit	1	2	3	4	5	6	7	8	9	
25 1	4.8%	.5	.2	0	0	0	0	0	0	0	
26 2	9.5%	.9	.6	.5	.3	0	0	0	0	0	
27 3	14.3%	1.0	.7	.6	.5	.4	0	0	0	0	
28 4	19.0%	1.1	.8	.7	.6	.5	.3	0	0	0	
29 5	23.8%	1.2	.9	.8	.8	.6	.4	.2	0	0	
30 6	28.6%	1.5	1.2	1.0	.9	.7	.5	.2	.1	0	
31 7	33.3%	1.9	1.5	1.2	1.0	.8	.6	.3	.2	.1	
32 8	38.1%	2.1	1.7	1.4	1.1	.9	.7	.4	.2	.1	
33 9	42.8%	2.3	2.1	1.6	1.2	1.0	.8	.5	.3	.2	
34 10	47.6%	2.7	2.4	1.8	1.3	1.1	.9	.6	.4	.2	
35 11	52.4%	3.3	2.9	2.1	1.5	1.2	1.0	.7	.5	.2	

1	12	57.1%	3.8	3.4	2.5	1.7	1.3	1.1	.8	.6	.2
2	13	61.9%	4.3	4.0	2.8	2.0	1.5	1.3	.9	.7	.3
3	14	66.6%	4.9	4.6	3.1	2.4	1.7	1.5	1.1	.9	.5
4	15	71.4%	5.3	5.0	3.5	2.9	1.9	1.7	1.3	1.0	.5
5	16	76.2%	5.8	5.5	3.9	3.4	2.3	1.9	1.7	1.0	.7
6	17	80.9%	6.6	6.3	4.4	4.0	3.0	2.5	2.0	1.5	.8
7	18	85.7%	7.0	6.7	5.0	4.5	3.7	3.1	2.5	2.0	1.0
8	19	90.4%	7.0	6.8	5.5	5.0	4.4	3.8	3.2	2.5	1.8
9	20	95.2%	7.0	7.0	6.0	5.5	5.0	4.5	4.0	3.0	2.5
10	21	100.0%	7.0	7.0	6.0	6.0	5.5	5.0	4.5	4.0	4.0

11	1	4.8%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	2	9.5%	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
13	3	14.3%	0.4	0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0
14	4	19.0%	0.7	0.4	0.3	0.2	0.1	0.0	0.0	0.0	0.0
15	5	23.8%	1.0	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0
16	6	28.6%	1.3	0.8	0.7	0.4	0.3	0.2	0.1	0.0	0.0
17	7	33.3%	1.6	1.1	0.9	0.6	0.4	0.3	0.2	0.1	0.1
18	8	38.1%	1.9	1.4	1.1	0.8	0.5	0.4	0.3	0.2	0.2
19	9	42.8%	2.2	1.7	1.3	1.0	0.6	0.5	0.4	0.3	0.3
20	10	47.6%	2.5	2.0	1.5	1.2	0.7	0.6	0.5	0.4	0.4
21	11	52.4%	2.8	2.4	1.8	1.4	0.8	0.7	0.6	0.5	0.5
22	12	57.1%	3.1	2.8	2.1	1.6	0.9	0.8	0.7	0.6	0.6
23	13	61.9%	3.6	3.2	2.4	1.8	1.1	0.9	0.8	0.7	0.7
24	14	66.6%	4.1	3.6	2.9	2.2	1.4	1.0	0.9	0.8	0.8
25	15	71.4%	4.7	4.2	3.4	2.6	1.8	1.1	1.0	0.9	0.9
26	16	76.2%	5.4	4.8	4.2	3.3	2.5	1.6	1.1	1.0	1.0
27	17	80.9%	6.1	5.4	5.4	4.3	3.5	2.4	1.6	1.1	1.1
28	18	85.7%	7.0	6.7	6.3	5.4	5.4	3.9	2.5	1.3	1.3
29	19	90.4%	8.0	8.0	7.3	6.6	6.0	5.4	3.9	2.3	2.3
30	20	95.2%	8.5	8.5	8.5	7.8	7.2	6.4	5.4	3.8	3.8
31	21	100.0%	9.0	9.0	9.0	9.0	8.4	7.4	6.4	5.4	5.4

32 Notwithstanding any other provision of this chapter relating
 33 to limiting contribution rates to those specified in the
 34 contribution rate table, an employer which employs individuals
 35 for construction as defined by the division of job service

1 pursuant-to-rules,-that-has-not-qualified-for-an-experience
2 rating-shall-pay-the-maximum-contribution-rate-assigned-to-any
3 employer-under-this-chapter,-including-the-additional
4 contributions-required-under-this-lettered-paragraph-of-an
5 employer-with-a-negative-balance-in-the-employer's-account,
6 until-such-time-as-the-employer-has-qualified-for-an
7 experience-rating.--However,-the-employer-shall-not-qualify
8 for-an-experience-rating-until-there-have-been-twelve
9 consecutive-calendar-quarters-immediately-preceding-the-rate
10 computation-date-throughout-which-the-employer's-account-has
11 been-chargeable-with-benefit-payments.

12 On-or-before-the-fifth-day-of-September-immediately
13 preceding-the-next-following-rate-period-the-division-shall
14 make-available-to-employers-the-table-which-will-apply-to-the
15 contribution-rates-in-the-following-rate-year.

16 During-any-rate-year-an-employer-assigned-a-contribution
17 rate-under-this-lettered-paragraph-is-not-required-to
18 contribute-to-the-unemployment-compensation-fund-if-the
19 employer's-percentage-of-excess-is-seven-and-five-tenths
20 percent-or-greater-for-the-rate-year-and-the-employer-has-not
21 been-charged-with-more-than-a-total-of-one-hundred-dollars-in
22 benefit-payments-for-any-time-within-the-twenty-four-calendar
23 quarters-immediately-preceding-the-computation-date-for-the
24 rate-year.--However,-notwithstanding-the-voluntary
25 contribution-provisions-of-section-96.7,-subsection-3,
26 paragraph-"a",-subparagraph-(7),-if-the-employer's-account-has
27 not-been-charged-with-more-than-a-total-of-one-hundred-dollars
28 in-benefit-payments-during-the-twenty-four-calendar-quarters
29 immediately-preceding-the-computation-date-and-the-employer's
30 percentage-of-excess-is-less-than-seven-and-five-tenths
31 percent,-the-employer-shall-not-be-required-to-contribute-to
32 the-unemployment-compensation-fund-for-the-rate-year-if-the
33 employer-makes-a-voluntary-contribution-which-raises-the
34 employer's-percentage-of-excess-to-seven-and-five-tenths
35 percent-or-greater-and-which-equals-or-exceeds-the-amount-of

1 any-benefit-charge, of no more than one hundred dollars within
2 the preceding twenty-four calendar quarters, to the employer's
3 account. -- If an employer is not required to contribute for a
4 rate year to the fund under this unnumbered paragraph but
5 would be required to contribute for the next rate year under
6 this lettered paragraph, the employer's contribution rate for
7 the next rate year is either the employer's experience rate
8 computed under this lettered paragraph or one and eight tenths
9 percent, whichever is less. -- For subsequent years, either the
10 employer is not required to contribute under this unnumbered
11 paragraph or the employer's contribution rate is the
12 employer's experience rate computed under this lettered
13 paragraph. -- However, the employer's experience rate shall be
14 limited for each of the next three consecutive rate years.
15 For the first rate year, the employer's rate shall be limited
16 to the rate in the percentage of excess rank which is no more
17 than three percentage of excess ranks higher numerically than
18 the rank containing the one and eight tenths percent rate or
19 the next lower rate. -- For each of the next two rate years, the
20 employer's rate shall be limited to the rate in the percentage
21 of excess rank which is no more than three percentage of
22 excess ranks higher numerically than the rank in which the
23 employer was placed for the immediate past rate year.

24 Notwithstanding any other provision of this chapter
25 relating to limiting contribution rates to those specified in
26 the contribution rate table, if an employer qualified for an
27 experience rating has a negative balance in the employer's
28 account on the rate computation date and had a negative
29 balance on the previous rate computation date, the employer
30 shall contribute an additional one percent of taxable wages
31 above the contribution rate assigned the employer by the
32 effective rate contribution table. -- For each subsequent and
33 consecutive rate computation date on which the employer still
34 has a negative balance in the employer's account, the employer
35 shall contribute an additional one percent of taxable wages.

1 Beginning-with-the-initial-surcharge-of-one-percent-each
2 subsequent-and-consecutive-surcharge-of-one-percent-of-taxable
3 wages-shall-be-cumulative, except-that-the-cumulative
4 surcharge-shall-not-exceed-an-amount-sufficient-to-make-the
5 employer's-combined-contribution-rate-equal-to-nine-percent-of
6 taxable-wages-

7 e. Based-upon-the-formula-above-provided-in-this-section
8 ~~the~~ The division shall fix the rate-of contribution rate for
9 each employer--~~The-division-shall~~ and notify the employer of
10 the rate so-fixed. An employer may appeal to the division for
11 a revision of the contribution rate of-contribution-so-fixed
12 within thirty days from the date of the notice to such the
13 employer. ~~The~~ After providing an opportunity for a hearing,
14 the division after-such-hearing may affirm, set aside, or
15 modify its former determination ~~or-modify-it~~ and may grant the
16 employer a new contribution rate of-contribution. The
17 division shall notify the employer of ~~this-determination~~ its
18 decision by certified regular mail. Judicial review of action
19 of the division may be sought ~~in-accordance-with-the-terms-of~~
20 ~~the-Iowa-administrative-procedure-Act~~ pursuant to chapter 17A.

21 If an employer's account has been charged with benefits as
22 the result of a decision allowing benefits and the decision is
23 reversed, the employer may appeal, within thirty days from the
24 date of the next contribution rate notice, for a recomputation
25 of the rate. If a base period employer's account has been
26 charged with benefits paid to an employee at a time when the
27 employee was employed by the base period employer in the same
28 employment as in the base period, the employer may appeal,
29 within thirty days from the date of the first notice of the
30 employer's contribution rate which is based on the charges,
31 for a recomputation of the rate. ~~The-division-shall-remove~~
32 ~~the-benefit-charges-from-the-rate-computation, recompute-the~~
33 ~~contribution-rate, and-notify-the-employer-of-the-recomputed~~
34 ~~contribution-rate-~~

35 f. If an employer has not filed a contribution ~~or~~ and

1 payroll quarterly report, as required ~~under~~ pursuant to
2 section 96.11, subsection 7, for a calendar quarter which
3 precedes the computation date and upon which the employer's
4 rate of contribution is computed, the employer's average
5 annual taxable payroll shall be computed by adding considering
6 the delinquent quarterly reports as containing zero taxable
7 wages in-the-appropriate-quarterly-reports-on-file-and
8 dividing-that-sum-by-the-number-of-years-and-quarters-of-years
9 for-which-quarterly-reports-are-on-file.

10 If a delinquent quarterly report is received by ~~November-15~~
11 immediately September 30 following the computation date the
12 contribution rate of-contribution shall be recomputed by using
13 the taxable wages in all the appropriate quarterly reports on
14 file to determine the average annual taxable payroll.

15 If a delinquent quarterly report is received after ~~November~~
16 15 September 30 following the computation date the
17 contribution rate of-contribution shall not be recomputed,
18 unless the rate is appealed in writing to the division under
19 paragraph "e" ~~of-this-subsection~~ and the delinquent quarterly
20 report ~~received-after-November-15~~ is also submitted not later
21 than thirty days after the division notifies the employer of
22 the rate under paragraph "e" ~~of-this-subsection~~.

23 4 3. DETERMINATION AND ASSESSMENT OF CONTRIBUTIONS.

24 a. As soon as practicable and in any event within two
25 years after an employer has filed reports, as required ~~by-the~~
26 division-of-job-service pursuant to section 96.11, subsection
27 7, the division shall examine such the reports and determine
28 the correct amount of contributions due, and the amount so
29 determined by the division shall be the contributions payable.
30 If the contributions found due ~~shall-be~~ are greater than the
31 amount ~~therefore~~ paid, the division shall send a notice by
32 certified mail to the employer with respect to the additional
33 contributions, ~~together-with-any~~ and interest ~~and-penalty,~~
34 ~~shall-be-sent-by-certified-mail~~ assessed. A lien shall attach
35 as provided in section 96.14, subsection 3, if the assessment

1 is not paid or appealed within thirty days of the date of the
2 notice of assessment.

3 b. If the division discovers from the examination of the
4 reports required pursuant to section 96.11, subsection 7 or
5 otherwise in some other manner that wages, or any portion of
6 wages, payable for employment, ~~or any part thereof~~, have not
7 been listed in the reports, or that no reports were not filed
8 when due, or that reports have been filed showing
9 contributions due but no contributions in fact have not been
10 paid, ~~it may~~ the division shall at any time within five years
11 after the time ~~such~~ the reports were due, determine the
12 correct amount of contributions payable, together with
13 interest and any applicable penalty as provided in this
14 chapter. The division shall send a notice by certified mail
15 to the employer of the amount so-determined-shall-be assessed
16 and a lien shall attach as provided in paragraph "a" ~~of this~~
17 subsection.

18 c. The certificate of the division to the effect that
19 contributions have not been paid, that reports have not been
20 filed, or that information has not been furnished, as required
21 under the provisions of this chapter, ~~shall-be~~ is prima-facie
22 evidence ~~thereof~~ of the failure to pay contributions, file
23 reports, or furnish information.

24 d 4. EMPLOYER LIABILITY DETERMINATION. The division shall
25 initially determine all questions relating to the liability of
26 an employing unit or employer, including the amount of
27 contribution, the contribution rate ~~of-contribution~~, and
28 successorship. A copy of the initial determination shall be
29 sent by regular mail to the last address, according to the
30 records of the division, of each affected employing unit or
31 employer.

32 The affected employing unit or employer may appeal in
33 writing to the division from the initial determination. An
34 appeal shall not be entertained for any reason by the division
35 unless the appeal is filed with the division within thirty

1 days from the date on which the initial determination is
 2 mailed. If an appeal is not so filed, the initial
 3 determination shall with the expiration of the appeal period
 4 become final and conclusive in all respects and for all
 5 purposes.

6 A hearing on an appeal shall be conducted according to the
 7 ~~regulations and rules promulgated~~ adopted by the division. A
 8 copy of the decision of the hearing officer shall be sent by
 9 regular mail to the last address, according to the records of
 10 the division, of each affected employing unit or employer.

11 The division's decision on the appeal shall be final and
 12 conclusive as to the liability of the employing unit or
 13 employer unless the employing unit or employer files an appeal
 14 for judicial review within thirty days after the date of
 15 mailing of the decision as provided in subsection 6 ~~of this~~
 16 section 5.

17 ~~5. --REVISION OF CONTRIBUTIONS.--An employer may appeal to~~
 18 ~~the division of job service for revision of the contributions~~
 19 ~~and interest assessed against such employer at any time within~~
 20 ~~thirty days from the date of the notice of the assessment of~~
 21 ~~such contributions and interest.--The division shall grant a~~
 22 ~~hearing thereon and if, upon such hearing, it shall determine~~
 23 ~~that the amount of contributions payable with interest thereon~~
 24 ~~is incorrect, it shall revise the same according to the law~~
 25 ~~and the facts and adjust the computation of the contributions~~
 26 ~~and interest accordingly.--The division shall notify the~~
 27 ~~employer by certified mail of its findings.~~

28 6 5. JUDICIAL REVIEW. Notwithstanding the ~~terms of the~~
 29 ~~Iowa administrative procedure Act~~ chapter 17A, petitions for
 30 judicial review may be filed in the district court of the
 31 county in which such the employer resides, or in which such
 32 the employer's principal place of business is located, or in
 33 the case of a nonresident not maintaining a place of business
 34 in this state either in any a county in which the wages
 35 payable for employment were earned or paid or in Polk county,

1 within thirty days after the date of the notice to such the
2 ~~employer notifying such employer of the employer's rate of~~
3 ~~contribution, or of the division of job service's division's~~
4 final determination as provided for in subsection 3 ~~of this~~
5 ~~section or subsection 5 of this section~~ 2, 3, or 4.

6 The petitioner shall file with the clerk of said the
7 district court a bond for the use of the respondent, with
8 sureties approved by the clerk, ~~in~~ with any penalty to be
9 fixed and approved by the clerk ~~of said court.~~ ~~In no case~~
10 ~~shall the~~ The bond shall not be less than fifty dollars and
11 shall be conditioned that on the petitioner ~~shall perform~~
12 petitioner's performance of the orders of the court. In all
13 other respects, the judicial review shall be in accordance
14 ~~with the terms of the Iowa administrative procedure Act~~
15 chapter 17A.

16 ~~An appeal may be taken by the employer or the division to~~
17 ~~the supreme court of this state, irrespective of the amount~~
18 ~~involved.~~

19 7 6. JEOPARDY ASSESSMENTS. If the division ~~of job service~~
20 believes that the ~~assessment or~~ collection of contributions
21 payable or benefits reimbursable will be jeopardized by delay,
22 the division may immediately make an assessment of the
23 estimated amount of contributions due or benefits
24 reimbursable, together with ~~all~~ interest and ~~penalty thereon~~
25 ~~as provided by this chapter~~ applicable penalty, and demand
26 payment thereof from the employer. If such the payment is not
27 made, ~~a distress warrant may be issued or~~ the division may
28 immediately file a lien filed against such the employer
29 immediately which may be followed by the issuance of a
30 distress warrant.

31 The division shall be permitted to accept a bond from the
32 employer to satisfy collection until the amount of
33 contributions ~~legally due shall be~~ is determined. ~~Such The~~
34 bond to shall be in an amount deemed necessary, but not more
35 than double the amount of the contributions involved, and with

1 securities satisfactory to the division.

2 8 7. FINANCING BENEFITS PAID TO EMPLOYEES OF THE-STATE-OR
3 POLITICAL-SUBDIVISIONS-OF-THE-STATE-AND-THEIR
4 INSTRUMENTALITIES GOVERNMENTAL ENTITIES.

5 a. A government governmental entity which is an employer
6 under the-provisions-of this chapter shall make-benefit
7 payments pay benefits in a manner provided for a government
8 reimbursable employer unless the employer governmental entity
9 elects to pay-unemployment-compensation-benefits make
10 contributions as a contributing contributory employer.
11 ~~Government-entities-may-establish-a-group-account-as-provided~~
12 ~~in-this-section.--Any~~ The election under this-subsection-to-be
13 a-government-contributing-employer shall be effective for a
14 minimum of one calendar year and may be changed if an election
15 is made to be become a government reimbursable employer prior
16 to December 1 for a minimum of the following calendar year.

17 However, if on the effective date of the election the
18 governmental entity has a negative balance in its contributory
19 account, the governmental entity shall pay to the fund within
20 a time period determined by the division the amount of the
21 negative balance and shall immediately become liable to
22 reimburse the unemployment compensation fund for benefits paid
23 in lieu of contributions. Regular or extended benefits paid
24 after the effective date of the election, including those
25 based on wages paid while the governmental entity was a
26 contributory employer, shall be billed to the governmental
27 entity as a reimbursable employer.

28 b.--~~For-the-purposes-of-this-subsection-"government~~
29 ~~contributing-employer"-means-a-government-entity-electing-to~~
30 ~~contribute-for-a-minimum-period-of-one-calendar-year-at-a~~
31 ~~contribution-rate-determined-by-the-division-of-job-service-in~~
32 ~~the-following-manner:~~

33 (1)--~~For-the-calendar-year-beginning-January-1,-1978,-the~~
34 ~~contribution-rate-shall-be-one-percent.~~

35 (2)--~~For-the-calendar-year-beginning-January-1,-1979,-the~~

1 contribution-rate-shall-be-one-percent, provided-that-the
2 division-may-reduce-the-contribution-rate-by-fifteen
3 hundredths-of-one-percent-or-increase-the-contribution-rate-by
4 not-more-than-one-percent.---A-rate-adjustment-shall-be-made
5 only-in-an-amount-necessary-to-raise-sufficient-funds-from
6 contributing-employers-to-finance-an-amount-equal-to-the
7 benefits-for-the-previous-calendar-year-and-the-amount-by
8 which-the-benefits-of-the-preceding-calendar-year-exceeded-the
9 employers'-contributions.

10 (3)--For-the-calendar-year-beginning-January-1, 1980-the
11 contribution-rate-shall-be-computed-by-the-division
12 immediately-preceding-the-rate-computation-date-by-using-the
13 potential-benefit-charges-of-all-government-contributing
14 employers-for-calendar-year-1978-divided-by-the-total-of-all
15 taxable-wages-of-government-contributing-employers-for
16 calendar-year-1978.

17 (4) b. For-the-calendar-year-beginning-January-1, 1981
18 and-each-subsequent-year, each-government-contributing A
19 governmental entity electing to make contributions as a
20 contributory employer, with at least eight consecutive
21 calendar quarters immediately preceding the rate computation
22 date throughout which the employer's account has been
23 chargeable with benefit-payments benefits, shall be assigned a
24 contribution rate under the-provisions-of this subparagraph
25 paragraph. Contribution rates shall be assigned by listing
26 all such-government-contributing governmental contributory
27 employers by decreasing percentages of excess from the highest
28 positive percentage of excess to the highest negative
29 percentage of excess. The employers so listed shall be
30 grouped into seven separate percentage of excess ranks each
31 containing as nearly as possible one-seventh of the total
32 taxable wages of government governmental entities eligible to
33 be assigned a rate under this subparagraph paragraph.

34 As used in this subsection, "percentage of excess" means a
35 number computed to six decimal places on July 1 of each year

1 obtained by dividing the excess of all contributions
2 attributable to an employer over the sum of all benefits
3 charged to an employer by the employer's average annual
4 payroll. An employer's percentage of excess is a positive
5 number when the total of all contributions paid to an
6 employer's account for all past periods to and including those
7 for the quarter immediately preceding the rate computation
8 date exceeds the total benefits charged to such account for
9 the same period. An employer's percentage of excess is a
10 negative number when the total of all contributions paid to an
11 employer's account for all past periods to and including those
12 for the quarter immediately preceding the rate computation
13 date is less than the total benefits charged to such account
14 for the same period.

15 As used in this subsection, "average annual taxable
16 payroll" means the average of the total amount of taxable
17 wages paid by an employer for insured work during the three
18 periods of four consecutive calendar quarters immediately
19 preceding the computation date. However, for an employer
20 which qualifies on any computation date for a computed rate on
21 the basis of less than twelve consecutive calendar quarters of
22 chargeability immediately preceding the computation date,
23 "average annual taxable payroll" means the average of the
24 employer's total amount of taxable wages for the two periods
25 of four consecutive calendar quarters immediately preceding
26 the computation date.

27 PARAGRAPH DIVIDED. The division shall annually calculate a
28 base rate for each calendar year. The base rate is equal to
29 the sum of the benefit-payments benefits charged to government
30 contributing governmental contributory employers in the
31 preceding calendar year at-the-time-of immediately preceding
32 the rate computation date plus or minus the difference between
33 the total benefits less and contributions made paid by
34 government-contributing governmental contributory employers
35 since-January-1,-1980-which-sum-is-divided-by-the-total

1 taxable-wages-of-government-contributing-employers-for during
 2 the preceding calendar year immediately preceding the
 3 computation date, rounded to the next highest one-tenth of a
 4 percentage-point one percent. If-total-contributions-since
 5 January-17-1980-exceed-total-benefit-payments-for-government
 6 contributing-employers, the-difference-shall-be-subtracted
 7 from-the-benefit-payments-of-the-preceding-year--if-benefits
 8 since-January-17-1980-exceed-total-contributions-for
 9 government-contributing-employers-the-difference-shall-be
 10 added-to-the-benefit-payment-of-the-preceding-year. Excess
 11 contributions for from the years 1978 and 1979 ~~will~~ shall be
 12 used to offset benefit-payments benefits paid in any calendar
 13 year where total benefit-payments benefits exceed total
 14 contributions of government-contributing governmental
 15 contributory employers. The contribution rate as a percentage
 16 of taxable wages of the employer shall be assigned as follows:

17 If the percentage	The contribution	Approximate
18 of excess rank is:	rate shall be:	cumulative
19		<u>taxable payroll:</u>
20 1	Base Rate - 0.9	14.3
21 2	Base Rate - 0.6	28.6
22 3	Base Rate - 0.3	42.9
23 4	Base Rate	57.2
24 5	Base Rate + 0.3	71.5
25 6	Base Rate + 0.6	85.8
26 7	Base Rate + 0.9	100.0

27 PARAGRAPH DIVIDED. If a government-contributing
 28 governmental contributory employer is grouped into two
 29 separate percentage of excess ranks, the employer shall be
 30 assigned the lower contribution rate of the two percentage of
 31 excess ranks. Notwithstanding the provisions of this
 32 subparagraph, a government-contributing governmental
 33 contributory employer shall not be assigned a contribution
 34 rate less than one-tenth of one percent of taxable wages
 35 unless the employer has a positive percentage of excess

1 greater than five percent. For-the-purposes-of-this
2 subsection-percentage-of-excess-has-the-meaning-provided-in
3 subsection-37-paragraph-"d"-of-this-section.

4 For-the-calendar-year-beginning-January-1,-1981,-government
5 Governmental entities electing to be government-contributing
6 contributory employers which are not otherwise eligible to be
7 assigned a contribution rate under this subparagraph paragraph
8 shall be assigned the base rate for-the-calendar-year as a
9 contribution rate for the calendar year.

10 A-government-entity-electing-to-contribute-at-a-fixed
11 contribution-rate-in-lieu-to-making-payments-as-a-government
12 reimbursable-employer-may-elect-to-finance-benefits-as-a
13 government-reimbursable-employer-however-the-government-entity
14 shall-be-obligated-to-pay-within-a-time-period-determined-by
15 the-division-of-job-service-to-the-fund-the-amount-by-which
16 benefit-payments-for-the-government-entity-exceed
17 contributions-by-the-government-entity-on-the-effective-date
18 of-the-election:

19 c. For the purposes of this subsection, "government
20 governmental reimbursable employer" means an employer paying
21 which makes payments to the division for the unemployment
22 compensation fund in an amount equal to the sum-of-the regular
23 and extended benefits attributable-to paid, which are based on
24 wages paid for service in the employ of the employer and prior
25 to-January-1,-1979,-plus-one-half-of-the-extended-benefits
26 paid-for-service-in-the-employ-of-the-employer,-and-beginning
27 January-1,-1979,-plus-all-of-the-extended-benefits-paid-for
28 service-in-the-employ-of-the-employer. Benefits paid to an
29 eligible individual shall be charged against the base period
30 employers in the inverse chronological order in which the
31 employment of the individual occurred. However, the amount of
32 benefits charged against an employer for a calendar quarter of
33 the base period shall not exceed the amount of the
34 individual's wage credits based upon employment with that
35 employer during that quarter. At the end of each calendar

1 quarter, the division shall bill each governmental
2 reimbursable employer for benefits paid during that quarter.
3 Payments by a governmental reimbursable employer shall be made
4 in accordance with the-provisions-of subsection 9 8, paragraph
5 "b" of-this-section, subparagraphs (2) through (5).

6 d. A state agency, board, commission, or department,
7 except a state board of regents regents' institution or-the
8 state-fair-board, shall, after approval of the billing for a
9 governmental reimbursable employer as provided in subsection 9
10 8, paragraph "b" of-this-section, submit the billing to the
11 director of revenue and finance. The director of revenue and
12 finance shall pay the approved ~~billings~~ billing out of any
13 funds in the state treasury not otherwise appropriated. A
14 state agency, board, commission, or department shall reimburse
15 the director of revenue and finance out of any revolving,
16 special, trust, or federal fund from which all or a portion of
17 the billing can be paid, for payments made by the director of
18 revenue and finance on behalf of the agency, board,
19 commission, or department.

20 9 8. FINANCING BENEFITS PAID TO EMPLOYEES OF NONPROFIT
21 ORGANIZATIONS. ~~Benefits-paid-to-employees-of-nonprofit~~
22 ~~organizations-or-of-any-state-owned-hospital-or-institution-of~~
23 ~~higher-education-shall-be-financed-in-accordance-with-the~~
24 ~~provisions-of-this-subsection--Per-the-purpose-of-this~~
25 ~~subsection-and-section-96:197-a-nonprofit-organization-is-an~~
26 ~~organization-described-in-the-U.S.-Internal-Revenue-Code7-26~~
27 ~~U.S.C.-501(c)(3),-which-is-exempt-from-income-tax-under-26~~
28 ~~U.S.C.-501(a)-of-such-Code.~~

29 a. ~~Any-state-owned-hospital-or-institution-of-higher~~
30 ~~education7-which7-pursuant-to-section-96:197-subsection-57~~
31 ~~paragraph-"h",-or-any A nonprofit organization which7-pursuant~~
32 ~~to-section-96:197-subsection-57-paragraph-"i", is, or becomes,~~
33 ~~subject to this chapter on-or-after-January-17-1972, shall pay~~
34 ~~contributions under the-provisions-of subsections 17 and 2,~~
35 ~~and-3-of-this-section7 unless it the nonprofit organization~~

1 elects, in accordance with this paragraph, to pay-to-the
2 ~~division-of-job-service-for~~ reimburse the unemployment
3 compensation fund for benefits paid in an amount equal to the
4 amount of regular benefits and of one-half of the extended
5 benefits paid, ~~that-is-attributable-to-service-in-the-employ~~
6 ~~of-such-nonprofit-organization-to-individuals-for-weeks-of~~
7 unemployment which begin are based on wages paid for service
8 in the employ of the nonprofit organization during the
9 effective period of such the election.

10 (1) Any A nonprofit organization ~~or-any-state-owned~~
11 ~~hospital-or-institution-of-higher-education-which-is-or~~
12 ~~becomes,-subject-to-this-chapter-on-January-1,-1972,~~ may elect
13 to become ~~liable-for-payments-in-lieu-of-contributions a~~
14 reimbursable employer for a period of not less than two
15 calendar years ~~commencing-January-1,-1972,-provided-it-files~~
16 by filing with the division a written notice of its election
17 ~~within-the-thirty-day-period-immediately-following-such-date~~
18 ~~or-within-a-like-period-immediately-following-the-effective~~
19 ~~date-of-this-Act,-whichever-occurs-later~~ not later than thirty
20 days prior to the beginning of the calendar year for which the
21 election is to be effective.

22 ~~(2)--Any-nonprofit-organization-or-any-state-owned-hospital~~
23 ~~or-institution-of-higher-education,-which-becomes-subject-to~~
24 ~~this-chapter-after-January-1,-1972,-may-elect-to-become-liable~~
25 ~~for-payments-in-lieu-of-contributions-for-a-period-of-not-less~~
26 ~~than-two-calendar-years-following-the-date-on-which-such~~
27 ~~subjectivity-begins-by-filing-a-written-notice-of-its-election~~
28 ~~with-the-division-not-later-than-thirty-days-immediately~~
29 ~~following-the-date-of-the-determination-of-such-subjectivity-~~

30 (3)--Any (2) A nonprofit organization ~~or-any-state-owned~~
31 ~~hospital-or-institution-of-higher-education,~~ which makes an
32 election in accordance with subparagraphs subparagraph (1) or
33 (2)-of-this-paragraph shall continue to be ~~liable-for-payments~~
34 ~~in-lieu-of-contributions a reimbursable employer~~ until it the
35 nonprofit organization files with the division a written

1 notice terminating its election not later than thirty days
2 prior to the beginning of the taxable calendar year for which
3 such the termination shall-first is to be effective.

4 ~~{4}--Any-nonprofit-organization-or-any-state-owned-hospital
5 or-institution-of-higher-education, which-has-been-paying
6 contributions-under-this-chapter-for-a-period-on-or-after
7 January-1, 1972, may-change-to-a-reimbursable-basis-by-filing
8 with-the-division-not-later-than-thirty-days-prior-to-the
9 beginning-of-any-taxable-year-a-written-notice-of-election-to
10 become-liable-for-payments-in-lieu-of-contributions,--Such
11 election-shall-not-be-terminable-by-the-organization-for-that
12 and-the-next-year.~~

13 {5} (3) The division may for good cause extend the period
14 within which a notice of election, or a ~~notice-of~~ termination,
15 of election must be filed and may permit an election or
16 termination of election to be retroactive ~~but-not-any-earlier~~
17 ~~than-with-respect-to-benefits-paid-after-December-31, 1969.~~

18 {6} (4) The division, in accordance with ~~such-regulations~~
19 ~~as-it-may-prescribe~~ rules, shall notify each nonprofit
20 organization of any determination ~~which-it-may-make~~ made by
21 the division of ~~its~~ the status of the nonprofit organization
22 as an employer and of the effective date of any election ~~which~~
23 ~~it-makes-and-of-any~~ or termination of such election. Such
24 ~~determinations-shall-be~~ A determination is subject to
25 ~~reconsideration,~~ appeal and review in accordance with the
26 ~~provisions-of~~ subsections 5 4 and 6 ~~of-this-section~~ 5.

27 b. Payments Reimbursements for benefits paid in lieu of
28 contributions shall be made in accordance with the following:

29 (1) At the end of each calendar quarter, ~~or-at-the-end-of~~
30 ~~any-other-period-as-determined-by-the-division,~~ the division
31 shall bill each nonprofit organization which has elected to
32 make-payments reimburse the unemployment compensation fund for
33 benefits paid in ~~lieu-of-contributions-for~~ an amount equal to
34 the full amount of regular benefits plus and one-half of the
35 amount of extended benefits paid during such the quarter or

1 ~~other-prescribed-period-that-is-attributable-to~~ which are
2 based on wages paid for service in the employ of such the
3 ~~organization. Unless-federal-funds-are-otherwise-provided,-at~~
4 ~~the-end-of-each-calendar-quarter-or-other-period-determined-by~~
5 ~~the-division,-the-division-shall-also-bill-each-governmental~~
6 ~~entity-the-amount-of-regular-plus-extended-benefits-owed-as-a~~
7 ~~governmental-reimbursable-employer-for-benefits-paid-during~~
8 ~~the-quarter-or-period-for-such-organization-electing~~
9 ~~governmental-reimbursable-status-including-any-benefits-paid~~
10 ~~for-a-government-entity-for-claims-filed-while-the-government~~
11 ~~entity-was-a-contributing-employer-prior-to-an-election-to~~
12 ~~become-a-government-reimbursable-employer-which-were-paid~~
13 ~~during-the-quarter-or-period.~~ Benefits paid to an individual
14 shall be charged against the base period employers in the
15 inverse chronological order in which the employment of the
16 individual occurred. However, the amount of benefits charged
17 against an employer for a calendar quarter of the base period
18 shall not exceed the amount of the individual's wage credits
19 based upon employment with that employer during that quarter.

20 (2) ~~Payment-of-any-bill-rendered-shall-be-made~~ The
21 nonprofit organization shall pay the bill not later than
22 thirty days after such the bill was mailed or otherwise
23 delivered to the last known address of the nonprofit
24 ~~organization or-was-otherwise-delivered-to-it,~~ unless there
25 the nonprofit organization has been filed an application for
26 ~~review-and~~ redetermination in accordance with subparagraph (4)
27 ~~of-this-paragraph.~~

28 (3) Payments Reimbursements made by any a nonprofit
29 ~~organization under-the-provisions-of-this-subsection~~ shall not
30 be deducted ~~or-deductible,~~ in whole or in part, from the
31 remuneration wages of individuals in the employ of the
32 nonprofit organization.

33 (4) The amount due specified in any a bill from the
34 ~~division shall-be~~ is conclusive ~~on-the-organization~~ unless,
35 not later than fifteen days following the date the bill was

1 mailed or otherwise delivered to its the last known address or
2 ~~otherwise-delivered-to-it~~ of the nonprofit organization, the
3 nonprofit organization files an application for
4 redetermination by with the division setting forth the grounds
5 for such the application. The division shall promptly review
6 ~~and-reconsider~~ the amount due specified in the bill and shall
7 thereafter issue a redetermination ~~in-any-case-in-which-such~~
8 ~~application-for-redetermination-has-been-filed~~. Any ~~such~~ The
9 redetermination ~~shall-be~~ is conclusive on the nonprofit
10 organization unless, not later than sixty thirty days after
11 the redetermination was mailed or otherwise delivered to its
12 the last known address ~~or-otherwise-delivered-to-it~~ of the
13 nonprofit organization, the nonprofit organization files an
14 appeal to the district court pursuant to subsection ~~6-of-this~~
15 section 5.

16 (5) The provisions for collection of contributions under
17 section 96.14 ~~shall-be~~ are applicable to payments
18 reimbursements for benefits paid in lieu of contributions.

19 to 9. PROVISION-OF BOND OR OTHER SECURITY DEPOSITS.

20 A nonprofit organization which elects, on or after July 1,
21 1975, to become ~~liable-for-payments-in-lieu-of-contributions~~ a
22 reimbursable employer shall be required within thirty days
23 after the effective date of the election to either execute and
24 file with the division ~~of-job-service~~ a surety bond approved
25 by the division ~~or the-nonprofit-organization-may-elect~~
26 ~~instead-to~~ deposit with the division money or securities. The
27 ~~amount-of-the-bond-or-deposit-shall-be-determined-in~~
28 ~~accordance-with-this-subsection:~~

29 a. The amount of the bond or deposit ~~required-by-this~~
30 ~~subsection~~ shall be equal to two and seven-tenths percent of
31 the nonprofit organization's total taxable wages paid for
32 employment ~~for~~ during the four calendar quarters immediately
33 preceding the effective date of the election, or the renewal
34 date ~~in-the-case~~ of a bond, ~~or-the-biennial-anniversary-of-the~~
35 ~~effective-date-of-election-in-the-case-of~~ or a deposit of

1 money or securities, whichever date ~~shall be~~ is most recent
2 and applicable. If the nonprofit organization did not pay
3 wages in each of such the four calendar quarters, the amount
4 of the bond or deposit shall be as determined by the division.

5 b. Any A bond deposited filed under this subsection shall
6 be in force for a period of not less than two ~~taxable~~ years
7 and shall be renewed with the approval of the division, at
8 such times as the division may prescribe, but not less
9 frequently than at two-year intervals ~~as long as the~~
10 ~~organization continues to be liable for payments in lieu of~~
11 ~~contributions~~. The division shall require adjustments to be
12 made in a previously filed bond as it deems appropriate. If
13 the bond is to be increased or decreased, the adjusted bond
14 shall be filed by the nonprofit organization within thirty
15 days of the date notice of the required adjustment was mailed
16 or otherwise delivered ~~to it~~. Failure by any a nonprofit
17 organization covered by such a bond to ~~pay the full amount of~~
18 ~~payments in lieu of contributions~~ fully reimburse the
19 unemployment compensation fund for benefits paid when due,
20 ~~together with any applicable interest and penalties provided~~
21 ~~for in section 96.14~~ shall render the surety liable on said
22 bond for the due and unpaid reimbursements and any interest
23 and penalty due as provided in section 96.14 to the extent of
24 the bond, ~~as though the surety was such organization~~.

25 c. Any ~~deposit of money~~ Money or securities deposited in
26 accordance with this subsection shall be retained by the
27 division in an escrow account until the nonprofit
28 organization's liability under the election is terminated, at
29 which time it the money or securities shall be returned to the
30 nonprofit organization, less any deductions ~~as hereinafter~~
31 provided made by the division. The division may deduct make
32 deductions from the money deposited ~~under this paragraph by a~~
33 ~~nonprofit organization~~ or sell the securities ~~it has so~~
34 deposited ~~to the extent~~ if necessary to satisfy any due and
35 unpaid ~~payments in lieu of contributions~~ reimbursements and

1 any applicable interest and penalties penalty due as provided
2 for in section 96.14. ~~The division shall require the~~
3 ~~organization within thirty days following any deduction from a~~
4 ~~money deposit or sale of deposited securities under the~~
5 ~~provisions of this paragraph to deposit sufficient additional~~
6 ~~money or securities to make whole the organization's deposit~~
7 ~~at the prior level. Any cash remaining from the sale of such~~
8 ~~securities shall be a part of the organization's escrow~~
9 account. The division may, at any time, review the adequacy
10 of the deposit made by any a nonprofit organization. ~~If, as a~~
11 ~~result of such review, it~~ the division determines that an
12 adjustment is necessary, ~~it~~ the division shall require the
13 organization to make an additional deposit within thirty days
14 of written notice of ~~its~~ the determination or shall return to
15 ~~it such~~ the nonprofit organization the portion of the deposit
16 ~~as it~~ no longer considers considered necessary, ~~whichever~~
17 ~~action is appropriate.~~ Disposition of income from securities
18 held in escrow or any cash remaining from the sale of
19 securities shall be governed by the applicable provisions of
20 the Code.

21 ~~it. AUTHORITY TO TERMINATE ELECTIONS:~~
22 d. If any a nonprofit organization fails to file a bond or
23 make a deposit, or to file a bond ~~in an increased amount or to~~
24 ~~increase or make whole the amount of a previously made deposit~~
25 or make a deposit to meet an adjustment, the division ~~of job~~
26 ~~service~~ may terminate such the nonprofit organization's
27 election to make payments reimburse the unemployment
28 compensation fund for benefits paid in lieu of making
29 contributions and such. The termination shall continue for
30 not less than ~~the four consecutive calendar quarter period~~
31 four consecutive calendar quarters beginning with the quarter
32 in which such the termination becomes effective, ~~provided,~~
33 that. However, the division may extend for good cause the
34 applicable filing, deposit, or adjustment period by not more
35 than thirty days.

1 12. -- ALLOCATION OF BENEFIT COST. -- Each employer that is
2 liable for payments in lieu of contributions shall pay to the
3 division of job service for the fund the amount of regular
4 benefits and unless a government entity plus the amount of
5 one-half of extended benefits paid during each quarter that
6 are attributable to service in the employ of such employer. -- A
7 government entity shall make benefit payments in the amounts
8 provided for a government reimbursable employer. -- If benefits
9 paid to an individual are based on wages paid by more than one
10 employer and one or more of such employers are liable for
11 payments in lieu of contributions, the amount payable to the
12 fund by each employer that is liable for such payment shall be
13 payable each quarter by the base period employers in inverse
14 chronological order in which the employment of such individual
15 occurred. -- Provided, that the amount of any such employer's
16 liability in any calendar quarter shall not exceed the amount
17 of such individual's wage credits and unless a government
18 entity plus one-half the amount of extended benefits based on
19 employment with such employer during such quarter of the base
20 period. -- A government entity's liability in any calendar
21 quarter shall not exceed the amount of the individual's wage
22 credits plus that amount of extended benefits a government
23 entity is required to pay as a government reimbursable
24 employer.

25 13 10. GROUP ACCOUNTS. Two or more employers that
26 nonprofit organizations or two or more governmental entities
27 which have become liable for payments in lieu of
28 contributions, reimbursable employers in accordance with the
29 provisions of subsection 8 and 7 or subsection 9 8, paragraph
30 "a", of this section may file a joint application to the
31 division of job service for the establishment of a group
32 account for the purpose of sharing the cost of benefits paid
33 that which are attributable to service in the employ of such
34 the employers. Each such The application shall identify and
35 authorize a group representative to act as the group's agent

1 for the purposes of this subsection. Upon its approval of the
2 application, the division shall establish a group account for
3 such the employers effective as of the beginning of the
4 calendar quarter in which ~~it~~ the division receives the
5 application and shall notify the group's representative agent
6 of the effective date of the account. ~~Such~~ The account shall
7 remain in effect for not less than one year ~~and-thereafter~~
8 until terminated at the discretion of the division or upon
9 application by the group. Upon establishment of the account,
10 each employer member of the group shall be liable for payments
11 benefit reimbursements in lieu of contributions with respect
12 to each calendar quarter in the an amount that which bears the
13 same ratio to the total benefits paid in such the quarter that
14 which are attributable to service performed in the employ of
15 all members of the group, as the total wages paid for service
16 performed in employment-by-such the employ of the member in
17 such the quarter bear to the total wages paid ~~during-such~~
18 quarter for service performed in the employ of all members of
19 the group in the quarter. The division shall ~~prescribe-such~~
20 ~~regulations-as-it-deems-necessary~~ adopt rules with respect to
21 applications for establishment, maintenance, and termination
22 of group accounts ~~that-are-authorized-by-this-subsection~~, for
23 addition of new members to, and withdrawal of active members
24 from ~~such~~ group accounts, and for the determination of the
25 amounts that which are payable ~~under-this-subsection~~ by
26 members of the group and the time and manner of such the
27 payments.

28 ~~14--NONPROFIT-ORGANIZATION-ELECTION-~~
29 ~~a--Notwithstanding-any-provisions-in-subsection-9-of-this~~
30 ~~section,-any-nonprofit-organization-that-prior-to-January-17~~
31 ~~1969,-paid-contributions-required-by-this-section-and,~~
32 ~~pursuant-to-subsection-9-of-this-section,-elects,-before-April~~
33 ~~17-1972,-to-make-payments-in-lieu-of-contributions,-shall-not~~
34 ~~be-required-to-make-any-such-payment-on-account-of-any-regular~~
35 ~~or-extended-benefits-paid,-on-the-basis-of-wages-paid-by-such~~

1 organization-to-individuals-for-weeks-of-unemployment-which
2 begin-on-or-after-the-effective-date-of-such-election-until
3 the-total-amount-of-such-benefits-equals-the-amount-of-the
4 positive-balance-in-the-experience-rating-account-of-such
5 organization.

6 b.--A-nonprofit-organization-or-group-not-required-to-be
7 covered-employment-prior-to-January-1,-1978,-that-paid
8 contributions-as-an-employer-prior-to-October-20,-1976,-and
9 which-elects-within-thirty-days-after-January-1,-1978,-to-make
10 payments-in-lieu-of-contributions-shall-not-be-required-to
11 make-any-such-payment-for-regular-or-extended-benefits-paid
12 after-its-election-until-the-total-amount-of-benefits-equal
13 the-amount-of-the-positive-balance-in-the-experience-rating
14 account-of-such-organization.

15 § 11. TEMPORARY EMERGENCY TAX SURCHARGE. If on the first
16 day of the third month in any calendar quarter, the division
17 of-job-service has an outstanding balance of interest accrued
18 on advance moneys received from the federal government for the
19 payment of unemployment compensation benefits, or is projected
20 to have an outstanding balance of accruing federal interest
21 for that calendar quarter, the commissioner division shall
22 collect a uniform temporary emergency surcharge for that
23 calendar quarter, retroactive to the beginning of that
24 calendar quarter. The surcharge shall be a percentage of
25 employer contribution rates and shall be set at a uniform
26 percentage, for all employers subject to the surcharge,
27 necessary to pay the interest accrued on the moneys advanced
28 to the division by the federal government, and to pay any
29 additional federal interest which will accrue for the
30 remainder of that calendar quarter. The surcharge shall apply
31 to all employers except government governmental entities,
32 nonprofit organizations, and employers assigned a zero
33 contribution rate. The commissioner division shall prescribe
34 adopt rules prescribing the manner in which the surcharge will
35 be collected. Interest shall accrue on all unpaid surcharges

1 under this subsection at the same rate as on regular
2 contributions and shall be collectible in the same manner.
3 The surcharge shall not affect the computation of regular
4 contributions under this chapter.

5 A special fund to be known as the temporary emergency
6 surcharge fund is created in the state treasury. The special
7 fund is separate and distinct from the unemployment
8 compensation trust fund. All contributions collected from the
9 temporary emergency surcharge shall be deposited in the
10 special fund. The special fund shall be used only to pay
11 interest accruing on advance moneys received from the federal
12 government for the payment of unemployment compensation
13 benefits. Interest earned upon moneys in the special fund
14 shall be deposited in and credited to the special fund.

15 If the division determines on June 1 that no outstanding
16 balance of interest due has accrued on advanced moneys
17 received from the federal government for the payment of
18 unemployment compensation benefits, and that no outstanding
19 balance is projected to accrue for the remainder of the
20 calendar year, the division shall notify the treasurer of
21 state of its determination. The treasurer of state shall
22 immediately transfer all moneys, including accrued interest,
23 in the temporary emergency surcharge fund to the unemployment
24 compensation fund for the payment of benefits.

25 ~~16. ADVANCE PAYMENT: If on March 1, 1983, the total~~
26 ~~unemployment compensation trust funds available for the~~
27 ~~payment of benefits are less than ten times the average total~~
28 ~~weekly benefits paid during four consecutive weeks of January~~
29 ~~and February, 1983, the division of job service may require an~~
30 ~~advance payment of all or a portion of the actual or projected~~
31 ~~employer contributions due for the calendar quarter ending~~
32 ~~March 31, 1983, payable on March 31, 1983.~~

33 12. ADMINISTRATIVE CONTRIBUTION SURCHARGE -- FUND.

34 a. An employer other than a governmental entity or a
35 nonprofit organization, subject to this chapter, shall pay an

1 administrative contribution surcharge equal in amount to one-
2 tenth of one percent of federal taxable wages, as defined in
3 section 96.19, subsection 20, paragraph "b". The division
4 shall recompute the amount as a percentage of taxable wages,
5 as defined in section 96.19, subsection 20, and shall add the
6 percentage surcharge to the employer's contribution rate
7 determined under this section. The division shall adopt rules
8 prescribing the manner in which the surcharge will be
9 collected. Interest shall accrue on all unpaid surcharges
10 under this subsection at the same rate as on regular
11 contributions and shall be collectible in the same manner.

12 b. A special fund to be known as the administrative
13 contribution surcharge fund is created in the state treasury.
14 The fund is separate and distinct from the unemployment
15 compensation fund. All contributions collected from the
16 administrative contribution surcharge shall be deposited in
17 the fund. Interest earned upon moneys in the fund shall be
18 deposited in and credited to the fund.

19 c. Moneys in the fund shall be used by the division only
20 upon appropriation by the general assembly. After the end of
21 a state fiscal year the treasurer of state shall promptly
22 transfer all moneys in the fund which have not been
23 appropriated or which have been appropriated but remain
24 unencumbered or unobligated to the unemployment compensation
25 fund.

26 Sec. 5. Section 96.9, subsection 2, unnumbered paragraph
27 2, Code 1987, is amended to read as follows:

28 Interest paid upon the trust-fund moneys deposited with the
29 secretary of the treasury of the United States under the
30 ~~provisions of this subsection 2 of this section for any~~
31 ~~calendar year shall be allocated and credited to and become a~~
32 ~~part of each employer's reserve account, said allocation to be~~
33 ~~made in the following manner:--For the calendar year 1950 and~~
34 ~~each calendar year thereafter, the division shall add and~~
35 ~~credit to each employer's reserve account, the percentage of~~

1 the-total-interest-paid-upon-the-aggregate-of-the-reserve
2 accounts-of-all-of-the-employers-in-the-state-in-said-year
3 that-each-such-employer's-individual-reserve-account-bears-to
4 said-aggregate-reserve-account the unemployment compensation
5 fund. Said-interest-shall-be-credited-and-applied-in-the-same
6 manner-as-a-voluntary-contribution-made-by-each-such-employer-

7 Sec. 6. Section 96.19, subsections 1, 20, and 38, Code
8 1987, are amended to read as follows:

9 1. "ANNUAL-PAYROLL"--The-term "Average annual taxable
10 payroll" as-used-in-subsection-3-"d"-of-section-96.7-means-the
11 total-amount-of-taxable-wages-paid-by-an-employer-for-insured
12 work-during-the-period-of-four-consecutive-calendar-quarters
13 ending-on-June-30-of-each-year, and-the-term-"average-annual
14 payroll" as-used-in-said-subsection means the average of the
15 "annual-payrolls" of total amount of taxable wages paid by an
16 employer for insured work during the last-three five periods
17 of four consecutive calendar quarters immediately preceding
18 the computation date. Except-that-for-an-employer-who
19 qualifies-on-any-computation-date-for-a-computed-rate-on-the
20 basis-of-less-than-twelve-consecutive-calendar-quarters-of
21 chargeability-immediately-preceding-the-computation-date, the
22 term-average-annual-payroll-shall-be-the-average-of-the-annual
23 payrolls-for-the-last-two-periods-of-four-consecutive-calendar
24 quarters-immediately-preceding-the-computation-date-

25 20. "TAXABLE-WAGES"--For-the-purposes-of-section-96.7,
26 subsections-1-and-2-and-for-the-period-beginning-January-1,
27 1972-and-ending-December-31, 1977, taxable-wages-shall-not
28 include-that-part-of-remuneration-which, after-remuneration
29 equal-to-four-thousand-two-hundred-dollars-has-been-paid-in-a
30 calendar-year-to-an-individual-by-an-employer-or-the
31 employer's-predecessor-with-respect-to-employment-during-any
32 calendar-year, is-paid-to-such-individual-by-such-employer
33 during-such-calendar-year-unless-that-part-of-the-remuneration
34 is-subject-to-a-tax-under-a-federal-law-imposing-a-tax-against
35 which-credit-may-be-taken-for-contributions-required-to-be

1 paid-into-a-state-unemployment-fund,-except-that-for-the
2 calendar-years-1976-and-1977-the-remuneration-figure-shall-be
3 six-thousand-dollars:-

4 For-the-purposes-of-this-subsection,-the-term-"employment"
5 includes-service-constituting-employment-under-any
6 unemployment-compensation-law-of-another-state-provided-such
7 other-state-will-consider-service-performed-in-Iowa-in
8 determining-the-contribution-base:-

9 For-the-calendar-year-beginning-January-1,-1978,-and-each
10 subsequent-calendar-year,-taxable "Taxable wages" means an
11 amount of wages upon which an employer shall-be is required to
12 contribute based upon remuneration wages which has have been
13 paid in during a calendar year to an individual by an employer
14 or the employer's predecessor, in this state or another state
15 which extends a like comity to this state, with respect to
16 employment during-any-calendar-year-shall-be-equal-to, upon
17 which the employer is required to contribute, which equals the
18 greater of the following:

19 a. Sixty-six and two-thirds percent of the statewide
20 average annual weekly wage paid-to-employees-in-insured-work
21 which was used during the previous calendar year to determine
22 maximum weekly benefit amounts, multiplied by fifty-two and
23 rounded to the next highest multiple of one hundred dollars
24 based-upon-the-calculation-made-during-the-previous-calendar
25 year-used-to-determine-the-maximum-weekly-benefit-amount,-or,

26 b. That portion of remuneration wages subject to a tax
27 under a federal law imposing a tax against which credit may be
28 taken for contributions required to be paid into a state
29 unemployment compensation fund.

30 However,-the-amount-of-taxable-wages-otherwise-determined
31 under-this-subsection-shall-be-increased-by-six-hundred
32 dollars-for-calendar-year-1984,-by-eleven-hundred-dollars-for
33 calendar-year-1985,-and-by-sixteen-hundred-dollars-for
34 calendar-year-1986-and-subsequent-calendar-years:-

35 38. "Government Governmental entity"; means a state, a

1 state instrumentality, a political subdivision or an
2 instrumentality of a political subdivision ~~instrumentality~~, or
3 a combination of one or more of the preceding.

4 Sec. 7. Section 96.19, Code 1987, is amended by adding the
5 following new subsections:

6 NEW SUBSECTION. 42. "Statewide average weekly wage" means
7 the amount computed by the division at least once a year on
8 the basis of the aggregate amount of wages reported by em-
9 ployers in the preceding twelve-month period ending on
10 December 31 and divided by the product of fifty-two times the
11 average mid-month employment reported by employers for the
12 same twelve-month period. In determining the aggregate amount
13 of wages paid statewide, the division shall disregard any
14 limitation on the amount of wages subject to contributions
15 under this chapter.

16 NEW SUBSECTION. 43. "Nonprofit organization" means an
17 organization described in the federal Internal Revenue Code,
18 26 U.S.C. § 501(c)(3), which is exempt from income taxation
19 under 26 U.S.C. § 501(a).

20 NEW SUBSECTION. 44. "Division" means the division of job
21 service of the department of employment services created in
22 section 84A.1.

23 Sec. 8. REPEALS.

- 24 1. Section 96.7B, Code 1987, is repealed.
- 25 2. 1983 Iowa Acts, chapter 190, section 26, is repealed.

26 Sec. 9. APPLICABILITY.

27 1. This Act takes effect July 1, 1987 and is applicable to
28 contribution rates for calendar year 1988 and subsequent
29 calendar years.

30 2. Notwithstanding any other provision of chapter 96 or
31 this Act relating to the applicable contribution rate table
32 for calendar year 1988, the applicable contribution rate table
33 for calendar year 1988 is rate table three, as amended in this
34 Act.

35 3. Section 3 of this Act applies to benefit claims

1 effectively filed for and after the first full week in cal-
2 endar year 1988.

3

EXPLANATION

4 This bill adopts a benefit ratio unemployment compensation
5 contribution array system, applicable to employer contribution
6 rates for calendar year 1988 and subsequent calendar years.
7 Rather than ranking employers on a contribution rate table by
8 comparing each employer's contributions and benefit charges to
9 the employer's average taxable payroll over a number of years,
10 the benefit ratio array system ranks employers on the rate
11 table by comparing each employer's benefit charges to the
12 employer's average taxable payroll over a period of years.

13 Taxable wages for calendar year 1988 and subsequent
14 calendar years are set at 66 and 2/3 of the statewide average
15 annual wage, rounded to the next highest multiple of \$100.
16 Applicable to benefit claims effectively filed for or after
17 the first full week in calendar year 1988, the one-week
18 waiting period requirement is abolished.

19 The bill establishes an administrative contribution
20 surcharge equal in amount to 1/10 of one percent of federal
21 taxable wages, applicable to all employers other than
22 governmental entities and nonprofit organizations. Moneys in
23 the fund may be expended only upon appropriation by the
24 general assembly.

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1 Section 1. Section 96.3, subsection 4, unnumbered para-
2 graph 2, Code 1987, is amended by striking the unnumbered
3 paragraph.

4 Sec. 2. Section 96.3, subsection 5, unnumbered paragraph
5 2, Code 1987, is amended by striking the unnumbered paragraph.

6 Sec. 3. Section 96.4, subsection 7, Code 1987, is amended
7 by striking the subsection.

8 Sec. 4. Section 96.7, Code 1987, is amended to read as
9 follows:

10 96.7 EMPLOYER CONTRIBUTIONS AND REIMBURSEMENTS.

11 1. PAYMENT.

12 ~~a.--On and after July 17, 1936, contributions shall~~
13 Contributions accrue and are payable, in accordance with rules
14 adopted by the division, on all taxable wages paid by an
15 employer for insured work.

16 ~~b.--Such contributions shall become due and be paid to the~~
17 ~~division of job service for the fund at such times and in such~~
18 ~~manner as the commissioner by regulation prescribes.~~

19 ~~c.--In the payment of any contribution the fractional part~~
20 ~~of a cent shall be disregarded unless it amounts to one-half~~
21 ~~cent or more in which case it shall be increased to one cent.~~

22 ~~d.--Contributions required from an employer shall not be~~
23 ~~deducted in whole or in part from the wages paid to~~
24 ~~individuals in the employer's employ.~~

25 ~~2.--RATE OF CONTRIBUTION BY EMPLOYERS.--Each employer shall~~
26 ~~pay contributions equal to the following percentages of wages~~
27 ~~payable by the employer with respect to employment.~~

28 ~~a.--One and eight tenths percent with respect to employment~~
29 ~~for the six months' period beginning July 17, 1936, provided~~
30 ~~that if the total of such contributions at such one and eight-~~
31 ~~tenths percent rate equals less than nine tenths of one~~
32 ~~percent of the annual payroll of any employer for the calendar~~
33 ~~year 1936, such employer shall pay, at such time as the~~
34 ~~division of job service shall prescribe, an additional lump-~~
35 ~~sum contribution with respect to employment for such six~~

1 months' period beginning July 1, 1936, equal to the difference
 2 between nine-tenths of one percent of the employer's annual
 3 payroll for the calendar year 1936 and the total of the
 4 employer's contributions at such one and eight-tenths percent
 5 rate for such six months' period beginning July 1, 1936, and
 6 provided further that in no event shall employers'
 7 contributions at such one and eight-tenths percent rate exceed
 8 nine-tenths of one percent of the employer's annual payroll
 9 for the calendar year 1936;

10 b. -- One and eight-tenths percent with respect to employment
 11 in the calendar year 1937;

12 c. -- Two and seven-tenths percent with respect to employment
 13 during the calendar years 1938, 1939, 1940, and

14 d. -- Two and seven-tenths percent of wages paid by the
 15 employer during the calendar year 1941, and during each
 16 calendar year thereafter, with respect to employment occurring
 17 after December 31, 1940, except as may be otherwise prescribed
 18 in subsection 3 of this section;

19 3 2. FUTURE CONTRIBUTION RATES BASED ON BENEFIT
 20 EXPERIENCE.

21 a. (1) The division of job service shall maintain a
 22 separate account for each employer and shall credit each
 23 employer's account with all contributions which the employer
 24 has paid or which have been paid on the employer's behalf.

25 (2) The amount of regular benefits plus fifty percent of
 26 the amount of extended benefits, as determined under section
 27 96-29, paid to an eligible individual shall be charged against
 28 the account of the employers in the base period in the inverse
 29 chronological order in which the employment of the individual
 30 occurred.

31 PARAGRAPH DIVIDED. Provided, that in any case in which
 32 However, if the individual to whom the benefits are paid is in
 33 the employ of a base period employer at the time the
 34 individual is receiving the benefits, and the individual is
 35 receiving the same employment from the employer that the

1 individual received during the individual's base period, then
2 benefits paid to the individual shall not be charged against
3 the account of the employer. This provision applies to both
4 contributing contributory and reimbursable employers,
5 notwithstanding subparagraph (3) and section 96.8, subsection
6 ~~57-and-subparagraph-(3)-of-this-paragraph.~~

7 PARAGRAPH DIVIDED. An employer's account shall not be
8 charged with ~~benefit-payments-made~~ benefits paid to any an
9 individual who has left the work of the employer voluntarily
10 without good cause attributable to the employer or to an
11 individual who was discharged for misconduct in connection
12 with the individual's employment, but shall be charged to the
13 account of the next succeeding employer with whom the
14 individual requalified for benefits as determined respectively
15 under section 96.5, subsection 1, paragraph "g" and section
16 96.5, subsection 2, paragraph "a". However, the succeeding
17 employer's account shall first be charged with benefit
18 payments benefits paid to the individual due to wage credits
19 earned by the individual while employed by the succeeding
20 employer. After exhausting those wage credits, the succeeding
21 employer's account shall not be charged with ten weeks of
22 ~~benefit-payments~~ benefits paid to the individual due to wage
23 credits earned by the individual from a previous employer, but
24 rather the unemployment compensation ~~trust~~ fund shall be
25 charged. After exhausting the ten weeks of noncharging, the
26 succeeding employer's account shall again be charged with
27 ~~benefit-payments~~ the benefits paid.

28 PARAGRAPH DIVIDED. ~~Provided-further,-that-an~~ An employer's
29 account shall not be charged with ~~benefit-payments-made~~
30 benefits paid to an individual who ~~has-been-discharged-for~~
31 ~~misconduct-in-connection-with-the-individual's-employment,-and~~
32 ~~shall-not-be-charged-with-benefit-payments-made-to-an~~
33 ~~individual-after-the-individual-has~~ failed without good cause,
34 either to apply for available, suitable work or to accept
35 suitable work ~~or-to-return-to-customary-self-employment,~~ but

1 shall be charged to the account of the next succeeding
2 employer with whom the individual ~~requalifies~~ regualified for
3 benefits as determined ~~respectively~~ under section 96.5,
4 ~~subsections-2-and~~ subsection 3.

5 ~~However, with respect to a succeeding employer who employs~~
6 ~~an individual who has been discharged for misconduct by a~~
7 ~~previous employer, the succeeding employer's account shall~~
8 ~~first be charged with benefit payments to the individual due~~
9 ~~to wage credits earned by the individual while employed by the~~
10 ~~succeeding employer. After exhausting those wage credits, the~~
11 ~~succeeding employer's account shall not be charged with ten~~
12 ~~weeks of benefit payments to the individual due to wage~~
13 ~~credits earned by the individual from a previous employer, but~~
14 ~~rather the unemployment compensation trust fund shall be~~
15 ~~charged. After exhausting the ten weeks of noncharging, the~~
16 ~~succeeding employer's account shall again be charged with~~
17 ~~benefit payments.~~

18 The amount of benefits paid to an individual, which is
19 solely due to wage credits considered to be in an individual's
20 base period due to the exclusion and substitution of calendar
21 quarters from the individual's base period under section
22 96.23, shall be charged against the account of the employer
23 responsible for paying the workers' compensation benefits for
24 temporary total disability or during a healing period under
25 section 85.33, section 85.34, subsection 1, or section 85A.17,
26 or responsible for paying indemnity insurance benefits.

27 (3) The amount of regular benefits ~~so~~ charged ~~in any~~
28 ~~calendar quarter~~ against the account of any an employer for a
29 calendar quarter of the base period shall not exceed the
30 amount of ~~such~~ the individual's wage credits based on
31 employment with ~~that~~ the employer during that quarter. The
32 amount of extended benefits ~~so~~ charged ~~in any calendar quarter~~
33 against the account of any an employer for a calendar quarter
34 of the base period shall not exceed an additional fifty
35 percent of the amount of ~~such~~ the individual's wage credits

1 based on employment with ~~that~~ the employer during that quarter
2 ~~except-that-all.~~ However, the amount of extended benefits
3 ~~shall-be-so~~ charged to against the account of a government
4 governmental entity which is either a reimbursable or
5 contributing contributory employer, for a calendar quarter of
6 the base period shall not exceed an additional one hundred
7 percent of the amount of the individual's wage credits based
8 on employment with the governmental entity during that
9 quarter.

10 (4) The commissioner division shall ~~by-general-rule~~
11 prescribe adopt rules prescribing the manner in which benefits
12 shall be charged against the accounts of several employers for
13 whom which an individual performed employment during the same
14 calendar quarter.

15 (5) ~~Nothing-in-this~~ This chapter shall not be construed to
16 grant any an employer or ~~the-individuals~~ an individual in the
17 employer's service, prior claims claim or rights right to the
18 amounts amount paid by the employer into the unemployment
19 compensation fund either on the employer's own behalf or on
20 behalf of ~~such-individuals~~ the individual.

21 (6) ~~As-soon-as-practicable-after-the-close-of-each~~
22 ~~calendar-quarter,-and-in-any-event-within~~ Within forty days
23 after the close of such each calendar quarter, the division
24 shall notify each employer of the amount ~~that-has-been~~ of
25 benefits charged to the employer's account ~~for-benefits-paid~~
26 during such that quarter. ~~This-statement-to-the-employer~~ The
27 notification shall show the name of each ~~claimant~~ individual
28 to whom ~~such-benefit-payments~~ benefits were made paid, the
29 ~~claimant's~~ individual's social security number, and the amount
30 of benefits paid to ~~such-claimant~~ the individual. Any An
31 employer who which has not been notified as provided in
32 section 96.6, subsection 2, of the allowance of benefits to
33 ~~such-claimants~~ an individual, may within thirty days after the
34 ~~receipt-of-such-statement~~ date of mailing of the notification
35 appeal to the commissioner division for a hearing to determine

1 the eligibility of the claimant individual to receive such
2 benefits. The commissioner appeal shall refer-the-same be
3 referred to a hearing officer for hearing and both the
4 employer and the claimant individual shall receive notice of
5 the time and place of such the hearing.

6 ~~(7)--Any-employer-may-at-any-time-make-voluntary-payments~~
7 ~~to-the-employer's-account-in-excess-of-the-other-requirements~~
8 ~~of-this-chapter,-and-all-such-payments-shall-be-considered-on~~
9 ~~any-computation-date-as-contributions-required-under-the~~
10 ~~provisions-of-this-chapter-if-they-are-paid-by-the-employer~~
11 ~~not-later-than-the-next-December-15-after-such-computation~~
12 ~~date.--Voluntary-contributions-shall-not-exceed-the-maximum~~
13 ~~voluntary-contribution.--For-the-purposes-of-this-subparagraph~~
14 ~~"maximum-voluntary-contribution"-shall-equal-an-amount~~
15 ~~sufficient-to-lower-the-rate-of-contribution-of-an-employer-to~~
16 ~~the-lower-rate-of-contribution-assigned-in-the-next-lower~~
17 ~~percentage-of-excess-rank.--Provided-that-an-employer-shall~~
18 ~~not-contribute-an-amount-sufficient-to-reduce-the-rate-of~~
19 ~~contribution-of-the-employer-to-a-zero-contribution-rate.~~

20 b. In any case in which the If an enterprise or business,
21 or a clearly segregable and identifiable part of an enterprise
22 or business, for which contributions have been paid has been
23 is sold or otherwise transferred to a subsequent employing
24 unit, or in any case in which if one or more employing units
25 have been reorganized or merged into a single employing unit,
26 and the successor employer, having qualified as an employer as
27 defined in section 96.19, subsection 5, paragraph "b",
28 continues to operate such the enterprise or business, such the
29 successor employer shall assume the position of the
30 predecessor employer or employers with respect to such the
31 predecessors' payrolls, contributions, accounts, and
32 contribution rates to the same extent as if there had been no
33 change had taken place in the ownership or control of such the
34 enterprise or business. However, the successor employer shall
35 not assume the position of the predecessor employer or

1 employers with respect to the predecessor employer's or
2 employers' payrolls, contributions, accounts, and contribution
3 rates which are attributable to that part of the enterprise or
4 business transferred, unless the successor employer applies to
5 the division within sixty days from the date of the partial
6 transfer, and the succession is approved by the predecessor
7 employer or employers and the division.

8 ~~In any case in which a clearly segregable and identifiable~~
9 ~~part of an enterprise or business for which contributions have~~
10 ~~been paid has been sold or otherwise transferred to a~~
11 ~~subsequent employing unit, and such successor employing unit~~
12 ~~having qualified as an "employer" as defined under section~~
13 ~~96-197 subsection 5, paragraph "b", continues to operate such~~
14 ~~enterprise or business, such successor shall assume the~~
15 ~~position of the predecessor employer with respect to such~~
16 ~~predecessor's payrolls, contributions, accounts and~~
17 ~~contribution rates which are attributable to the part of the~~
18 ~~enterprise or business transferred to the same extent as if~~
19 ~~there has been no change in the ownership or control of such~~
20 ~~enterprise or business.~~

21 The contribution rate to be assigned to the acquiring
22 successor employer for the period beginning not earlier than
23 the date of the transfer succession and ending not later than
24 the beginning of the next following effective date of
25 contribution rates rate year, shall be the contribution rate
26 applicable to of the transferring predecessor employer with
27 respect to the period immediately preceding the date of the
28 transfer succession, provided that the acquiring successor
29 employer was not, prior to the transfer succession, a subject
30 employer, and only one transferring predecessor employer, or
31 only transferring predecessor employers having with identical
32 rates, are involved, ~~or a newly computed rate based on the~~
33 ~~experience of the transferring employer attributable to the~~
34 ~~part of the business transferred to the acquiring employer~~
35 ~~combined with the experience of the acquiring employer as of~~

1 ~~the last computation date.~~ If the predecessor employers'
2 rates are not identical and the successor employer is not a
3 subject employer prior to the succession, the division shall
4 assign the successor employer a rate for the remainder of the
5 rate year by combining the experience of the predecessor
6 employers. If the successor employer is a subject employer
7 prior to the succession, the successor employer may elect to
8 retain the employer's own rate for the remainder of the rate
9 year, or the successor employer may apply to the division to
10 have the employer's rate redetermined by combining the
11 employer's experience with the experience of the predecessor
12 employer or employers. However, if the successor employer is
13 a subject employer prior to the succession and has had a
14 partial transfer of the experience of the predecessor employer
15 or employers approved, then the division shall recompute the
16 successor employer's rate for the remainder of the rate year.

17 ~~The contribution rate to be assigned to the acquiring~~
18 ~~employer for the next following regular rate year, is a~~
19 ~~contribution rate based on the experience of the acquiring~~
20 ~~employer and only so much of the experience of the~~
21 ~~transferring employer as is attributable to the part of the~~
22 ~~business transferred.~~

23 ~~Provided, however, that application for such transfer of~~
24 ~~partial record is made within sixty days from the date of~~
25 ~~transfer and meets the approval of the predecessor and the~~
26 ~~commissioner, and provided further that such partial record~~
27 ~~shall include sufficient information for the proper~~
28 ~~administration of this chapter with respect to payment of~~
29 ~~unemployment benefits and computation of future rates based on~~
30 ~~benefit experience.~~

31 ~~In determining each employer's rate of contribution for the~~
32 ~~calendar year 1945, and for each year thereafter, such~~
33 ~~employer shall be given full credit for the payrolls,~~
34 ~~contributions, accounts and contribution rates of the~~
35 ~~employer's predecessor employer or employers to the same~~

1 extent-as-if-there-had-been-no-change-in-the-organization-or
2 the-ownership-of-the-business;--Provided, that-in-any-case-in
3 which-such-sale, transfer, merger-or-reorganization-has-taken
4 place-in-any-year-after-the-predecessor-employer's-rate-of
5 contribution-(hereafter-called-rate)-has-been-determined-for
6 such-year-the-employer's-rate-for-the-remainder-of-such-year,
7 shall, upon-the-employer's-application-to-the-division-be
8 determined-in-the-following-manner:

9 (1)--If-the-successor-employer-has-no-rate-or-if-the
10 successor-employer-has-a-rate-and-it-is-the-same-rate-as-that
11 of-the-successor-employer's-predecessor-employer-or-employers,
12 their-rates-being-the-same-rate, the-successor-employer's-rate
13 shall-be-that-of-the-predecessor-employer-or-employers;

14 (2)--If-the-rate-or-rates-of-the-predecessor-employers-are
15 not-the-same-rate, and-that-of-the-successor-employer, if-the
16 successor-employer-has-a-rate, is-not-the-same-rate-as-that-of
17 the-predecessor-employer-then-the-rate-of-the-successor
18 employer-shall-be-redetermined-under-the-combined-experience
19 of-the-predecessor-employer-or-employers-and-the-successor
20 employers;

21 c.--No-reduced-rate-of-contribution-shall-be-granted-to-a
22 contributing-employer-until-there-shall-have-been-twelve
23 consecutive-calendar-quarters-immediately-preceding-the-first
24 computation-date-throughout-which-the-employer's-account-has
25 been-chargeable-with-benefit-payments;--Provided, that-with
26 respect-to-the-calendar-year-commencing-January-1, 1972, and
27 each-calendar-year-thereafter-through-December-31, 1981,
28 except-as-provided-in-paragraph-"d"-of-this-subsection, a
29 contributing-employer-who-has-not-been-subject-to-this-chapter
30 for-a-sufficient-period-of-time-to-meet-the-twelve-quarter
31 requirement-shall-qualify-for-a-computed-rate-of-contribution
32 if-there-shall-have-been-a-lesser-period-throughout-which-the
33 employer's-account-has-been-chargeable, but-in-no-event-less
34 than-eight-consecutive-calendar-quarters-immediately-preceding
35 the-computation-date, provided-further, that-with-respect-to

1 the calendar years commencing January 1, 1972, and ending
2 December 31, 1977, except as provided in paragraph "d" of this
3 subsection, each contributing employer newly subject to this
4 chapter shall pay contributions at the rate of one and five-
5 tenths percent and beginning January 1, 1978, and ending
6 December 31, 1981, at the rate specified in the ninth
7 percentage of excess rank but not less than one and eight-
8 tenths percent until the end of the calendar year in which the
9 employer shall have had eight consecutive calendar quarters
10 immediately preceding the computation date throughout which
11 the employer's account has been chargeable with benefit
12 payments:

13 c. (1) Beginning January 1, 1982, a contributing A
14 nonconstruction contributory employer newly subject to this
15 chapter and not previously qualified for a computed rate shall
16 pay contributions at the rate specified in the ninth
17 percentage of excess twelfth benefit ratio rank but not less
18 than one and eight-tenths percent until the end of the
19 calendar year in which the employer's account has been
20 chargeable with benefit payments benefits for twenty
21 consecutive calendar quarters immediately preceding the
22 computation date; however, the employer shall pay
23 contributions at a computed rate if the employer's percentage
24 of excess is a negative number, the employer's account has
25 been chargeable with benefit payments for eight consecutive
26 calendar quarters immediately preceding the computation date,
27 and the employer's account has been charged with benefit
28 payments of more than twenty-six times the maximum weekly
29 benefit amount for an individual with four or more dependents
30 during the four consecutive calendar quarters immediately
31 preceding the computation date.

32 (2) A construction contributory employer, as defined under
33 rules adopted by the division, which is newly subject to this
34 chapter shall pay contributions at the rate specified in the
35 twenty-first benefit ratio rank until the end of the calendar

1 year in which the employer's account has been chargeable with
2 benefits for twelve consecutive calendar quarters immediately
3 preceding the computation date.

4 (3) Thereafter, the employer's contribution rate shall be
5 determined in accordance with paragraph "d" ~~of this~~
6 subsection, except that the employer's average annual taxable
7 payroll and benefit ratio may be computed, as determined by
8 the division, for less than five periods of four consecutive
9 calendar quarters immediately preceding the computation date.

10 d. The division ~~of job-service~~ shall determine the
11 contribution rate table to be in effect for the rate year
12 following the rate computation date, by determining the ratio
13 of the current reserve fund ratio to the highest benefit cost
14 rate ratio on the rate computation date. On or before the
15 fifth day of September the division shall make available to
16 employers the contribution rate table to be in effect for the
17 next rate year.

18 (1) The current reserve fund ratio ~~shall be~~ is computed by
19 dividing the total ~~trust~~ funds available for payment of
20 benefits, on the rate computation date, by the total wages
21 paid in covered employment excluding reimbursable employment
22 wages during the first four calendar quarters of the five
23 calendar quarters immediately preceding the rate computation
24 date.

25 (2) The highest benefit cost ~~shall be~~ ratio is the
26 highest of the resulting ratios computed by dividing the total
27 ~~benefit-payments~~ benefits paid, excluding reimbursable benefit
28 ~~payments~~ benefits paid, during each consecutive twelve-month
29 period, during the ten-year period ending on the rate
30 computation date, by the total wages, excluding reimbursable
31 employment wages, paid in the four calendar quarters ending
32 nearest and prior to the last day of such twelve-month period.

33 If the current reserve fund ratio, divided by the highest
34 benefit cost rate ratio:

35 Equals or But is The contribution rate

	<u>exceeds</u>	<u>less than</u>	<u>table in effect shall be</u>
2	0-0 ---	0-5 0.3	1
3	0-5 0.3	0-75 0.5	2
4	0-75 0.5	1-0 0.7	3
5	1-0 0.7	1-5 0.85	4
6	1-5 0.85	1-9 1.0	5
7	1-9 1.0	2-3 1.15	6
8	2-3 1.15	2-7 1.30	7
9	2-7 1.30	3-0 ---	8
10	3-0 -----		9

11 The term "percentage of excess" means a number computed to
 12 six decimal places on July 1 of each year obtained by dividing
 13 the excess of all contributions attributable to an employer
 14 over the sum of all benefits charged to an employer by the
 15 employer's average annual payroll. -- An employer's percentage
 16 of excess is a positive number when the total of all
 17 contributions paid to an employer's account for all past
 18 periods to and including those for the quarter immediately
 19 preceding the rate computation date exceeds the total benefits
 20 charged to such account for the same period. -- An employer's
 21 percentage of excess is a negative number when the total of
 22 all contributions paid to an employer's account for all past
 23 periods to and including those for the quarter immediately
 24 preceding the rate computation date is less than the total
 25 benefits charged to such account for the same period.

26 "Benefit ratio" means a number computed to six decimal
 27 places on July 1 of each year obtained by dividing the average
 28 of all benefits charged to an employer during the five periods
 29 of four consecutive calendar quarters immediately preceding
 30 the computation date by the employer's average annual taxable
 31 payroll.

32 Each employer qualified for an experience rating shall be
 33 assigned a contribution rate for each rate year that
 34 corresponds to the employer's percentage of excess benefit
 35 ratio rank in the contribution rate table effective for the

1 rate year from the following contribution rate tables. Each
 2 employer's percentage-of-excess benefit ratio rank shall be
 3 computed by listing all the employers by decreasing
 4 percentages-of-excess increasing benefit ratios, from the
 5 highest-positive-percentage-of-excess lowest benefit ratio to
 6 the highest negative-percentage-of-excess benefit ratio and
 7 grouping the employers so listed into twenty-one separate
 8 ranks containing as nearly as possible four point and seventy-
 9 six hundredths percent of the total taxable wages, excluding
 10 reimbursable employment wages, paid in covered employment
 11 during the first four completed calendar quarters immediately
 12 preceding the rate computation date. If an employer's taxable
 13 wages qualify the employer for two separate percentage-of
 14 excess benefit ratio ranks the employer shall be afforded the
 15 percentage-of-excess benefit ratio rank assigned the lower
 16 contribution rate. Employers with identical percentages-of
 17 excess benefit ratios shall be assigned to the same percentage
 18 of-excess benefit ratio rank.

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19 Percent-
 20 age-of

21 Excess Approximate
 22 Benefit Cumulative

Contribution Rate Tables

23 Ratio	24 Rank	25 Taxable Pay- roll Limit	26 1	27 2	28 3	29 4	30 5	31 6	32 7	33 8	34 9
1	1	4.8%	.5	.2	0	0	0	0	0	0	0
2	2	9.5%	.9	.6	.5	.3	0	0	0	0	0
3	3	14.3%	1.0	.7	.6	.5	.4	0	0	0	0
4	4	19.0%	1.1	.8	.7	.6	.5	.3	0	0	0
5	5	23.8%	1.2	.9	.8	.8	.6	.4	.2	0	0
6	6	28.6%	1.5	1.2	1.0	.9	.7	.5	.2	1	0
7	7	33.3%	1.9	1.5	1.2	1.0	.8	.6	.3	2	1
8	8	38.1%	2.1	1.7	1.4	1.1	.9	.7	.4	2	1
9	9	42.8%	2.3	2.1	1.6	1.2	1.0	.8	.5	3	2
10	10	47.6%	2.7	2.4	1.8	1.3	1.1	.9	.6	4	2
11	11	52.4%	3.3	2.9	2.1	1.5	1.2	1.0	.7	5	2

1	12	57.1%	3.8	3.4	2.5	1.7	1.3	1.1	.8	.6	.2
2	13	61.9%	4.3	4.0	2.8	2.0	1.5	1.3	.9	.7	.3
3	14	66.6%	4.9	4.6	3.1	2.4	1.7	1.5	1.1	.9	.5
4	15	71.4%	5.3	5.0	3.5	2.9	1.9	1.7	1.3	1.0	.5
5	16	76.2%	5.8	5.5	3.9	3.4	2.3	1.9	1.7	1.0	.7
6	17	80.9%	6.6	6.3	4.4	4.0	3.0	2.5	2.0	1.5	.8
7	18	85.7%	7.0	6.7	5.0	4.5	3.7	3.1	2.5	2.0	1.0
8	19	90.4%	7.0	6.8	5.5	5.0	4.4	3.8	3.2	2.5	1.8
9	20	95.2%	7.0	7.0	6.0	5.5	5.0	4.5	4.0	3.0	2.5
10	21	100.0%	7.0	7.0	6.0	6.0	5.5	5.0	4.5	4.0	4.0
11	1	4.8%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12	2	9.5%	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
13	3	14.3%	0.4	0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0
14	4	19.0%	0.7	0.4	0.3	0.2	0.1	0.0	0.0	0.0	0.0
15	5	23.8%	1.0	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0
16	6	28.6%	1.3	0.8	0.7	0.4	0.3	0.2	0.1	0.0	0.0
17	7	33.3%	1.6	1.1	0.9	0.6	0.4	0.3	0.2	0.1	0.0
18	8	38.1%	1.9	1.4	1.1	0.8	0.5	0.4	0.3	0.2	0.0
19	9	42.8%	2.2	1.7	1.3	1.0	0.6	0.5	0.4	0.3	0.0
20	10	47.6%	2.5	2.0	1.5	1.2	0.7	0.6	0.5	0.4	0.0
21	11	52.4%	2.8	2.4	1.8	1.4	0.8	0.7	0.6	0.5	0.0
22	12	57.1%	3.1	2.8	2.1	1.6	0.9	0.8	0.7	0.6	0.0
23	13	61.9%	3.6	3.2	2.4	1.8	1.1	0.9	0.8	0.7	0.0
24	14	66.6%	4.1	3.6	2.9	2.2	1.4	1.0	0.9	0.8	0.0
25	15	71.4%	4.7	4.2	3.4	2.6	1.8	1.1	1.0	0.9	0.0
26	16	76.2%	5.4	4.8	4.2	3.3	2.5	1.6	1.1	1.0	0.0
27	17	80.9%	6.1	5.4	5.4	4.3	3.5	2.4	1.6	1.1	0.0
28	18	85.7%	7.0	6.7	6.3	5.4	5.4	3.9	2.5	1.3	0.0
29	19	90.4%	8.0	8.0	7.3	6.6	6.0	5.4	3.9	2.3	0.0
30	20	95.2%	8.5	8.5	8.5	7.8	7.2	6.4	5.4	3.8	0.0
31	21	100.0%	9.0	9.0	9.0	9.0	8.4	7.4	6.4	5.4	0.0

32 Notwithstanding any other provision of this chapter relating
 33 to limiting contribution rates to those specified in the
 34 contribution rate table, an employer which employs individuals
 35 for construction as defined by the division of job service

1 pursuant-to-rules,-that-has-not-qualified-for-an-experience
2 rating-shall-pay-the-maximum-contribution-rate-assigned-to-any
3 employer-under-this-chapter,-including-the-additional
4 contributions-required-under-this-lettered-paragraph-of-an
5 employer-with-a-negative-balance-in-the-employer's-account,
6 until-such-time-as-the-employer-has-qualified-for-an
7 experience-rating.--However,-the-employer-shall-not-qualify
8 for-an-experience-rating-until-there-have-been-twelve
9 consecutive-calendar-quarters-immediately-preceding-the-rate
10 computation-date-throughout-which-the-employer's-account-has
11 been-chargeable-with-benefit-payments.

12 On-or-before-the-fifth-day-of-September-immediately
13 preceding-the-next-following-rate-period-the-division-shall
14 make-available-to-employers-the-table-which-will-apply-to-the
15 contribution-rates-in-the-following-rate-year.

16 During-any-rate-year-an-employer-assigned-a-contribution
17 rate-under-this-lettered-paragraph-is-not-required-to
18 contribute-to-the-unemployment-compensation-fund-if-the
19 employer's-percentage-of-excess-is-seven-and-five-tenths
20 percent-or-greater-for-the-rate-year-and-the-employer-has-not
21 been-charged-with-more-than-a-total-of-one-hundred-dollars-in
22 benefit-payments-for-any-time-within-the-twenty-four-calendar
23 quarters-immediately-preceding-the-computation-date-for-the
24 rate-year.--However,-notwithstanding-the-voluntary
25 contribution-provisions-of-section-96-77-subsection-3,
26 paragraph-"a"-subparagraph-(7)-if-the-employer's-account-has
27 not-been-charged-with-more-than-a-total-of-one-hundred-dollars
28 in-benefit-payments-during-the-twenty-four-calendar-quarters
29 immediately-preceding-the-computation-date-and-the-employer's
30 percentage-of-excess-is-less-than-seven-and-five-tenths
31 percent,-the-employer-shall-not-be-required-to-contribute-to
32 the-unemployment-compensation-fund-for-the-rate-year-if-the
33 employer-makes-a-voluntary-contribution-which-raises-the
34 employer's-percentage-of-excess-to-seven-and-five-tenths
35 percent-or-greater-and-which-equals-or-exceeds-the-amount-of

1 any-benefit-charge, of no more than one hundred dollars within
2 the preceding twenty-four calendar quarters, to the employer's
3 account. -- If an employer is not required to contribute for a
4 rate year to the fund under this unnumbered paragraph but
5 would be required to contribute for the next rate year under
6 this lettered paragraph, the employer's contribution rate for
7 the next rate year is either the employer's experience rate
8 computed under this lettered paragraph or one and eight-tenths
9 percent, whichever is less. -- For subsequent years, either the
10 employer is not required to contribute under this unnumbered
11 paragraph or the employer's contribution rate is the
12 employer's experience rate computed under this lettered
13 paragraph. -- However, the employer's experience rate shall be
14 limited for each of the next three consecutive rate years.
15 For the first rate year, the employer's rate shall be limited
16 to the rate in the percentage of excess rank which is no more
17 than three percentage of excess ranks higher numerically than
18 the rank containing the one and eight-tenths percent rate or
19 the next lower rate. -- For each of the next two rate years, the
20 employer's rate shall be limited to the rate in the percentage
21 of excess rank which is no more than three percentage of
22 excess ranks higher numerically than the rank in which the
23 employer was placed for the immediate past rate year.

24 Notwithstanding any other provision of this chapter
25 relating to limiting contribution rates to those specified in
26 the contribution rate table, if an employer qualified for an
27 experience rating has a negative balance in the employer's
28 account on the rate computation date and had a negative
29 balance on the previous rate computation date, the employer
30 shall contribute an additional one percent of taxable wages
31 above the contribution rate assigned the employer by the
32 effective rate contribution table. -- For each subsequent and
33 consecutive rate computation date on which the employer still
34 has a negative balance in the employer's account, the employer
35 shall contribute an additional one percent of taxable wages.

1 ~~Beginning with the initial surcharge of one percent each~~
2 ~~subsequent and consecutive surcharge of one percent of taxable~~
3 ~~wages shall be cumulative, except that the cumulative~~
4 ~~surcharge shall not exceed an amount sufficient to make the~~
5 ~~employer's combined contribution rate equal to nine percent of~~
6 ~~taxable wages.~~

7 e. ~~Based upon the formula above provided in this section~~
8 ~~the~~ The ~~division shall fix the rate of contribution rate for~~
9 ~~each employer. The division shall~~ and ~~notify the employer of~~
10 ~~the rate so fixed.~~ An employer may appeal to the division for
11 a revision of the contribution rate of contribution so fixed
12 within thirty days from the date of the notice to such the
13 employer. After providing an opportunity for a hearing,
14 the division after such hearing may affirm, set aside, or
15 modify its former determination ~~or modify it~~ and may grant the
16 employer a new contribution rate of contribution. The
17 division shall notify the employer of ~~this determination its~~
18 decision by certified regular mail. Judicial review of action
19 of the division may be sought ~~in accordance with the terms of~~
20 the Iowa Administrative Procedure Act pursuant to chapter 17A.

21 If an employer's account has been charged with benefits as
22 the result of a decision allowing benefits and the decision is
23 reversed, the employer may appeal, within thirty days from the
24 date of the next contribution rate notice, for a recomputation
25 of the rate. If a base period employer's account has been
26 charged with benefits paid to an employee at a time when the
27 employee was employed by the base period employer in the same
28 employment as in the base period, the employer may appeal,
29 within thirty days from the date of the first notice of the
30 employer's contribution rate which is based on the charges,
31 for a recomputation of the rate. ~~The division shall remove~~
32 ~~the benefit charges from the rate computation, recompute the~~
33 ~~contribution rate, and notify the employer of the recomputed~~
34 ~~contribution rate.~~

35 f. If an employer has not filed a contribution ~~er~~ and

1 payroll quarterly report, as required under pursuant to
2 section 96.11, subsection 7, for a calendar quarter which
3 precedes the computation date and upon which the employer's
4 rate of contribution is computed, the employer's average
5 annual taxable payroll shall be computed by adding considering
6 the delinquent quarterly reports as containing zero taxable
7 wages in-the-appropriate-quarterly-reports-on-file-and
8 dividing-that-sum-by-the-number-of-years-and-quarters-of-years
9 for-which-quarterly-reports-are-on-file.

10 If a delinquent quarterly report is received by November-15
11 immediately September 30 following the computation date the
12 contribution rate of-contribution shall be recomputed by using
13 the taxable wages in all the appropriate quarterly reports on
14 file to determine the average annual taxable payroll.

15 If a delinquent quarterly report is received after November
16 15 September 30 following the computation date the
17 contribution rate of-contribution shall not be recomputed,
18 unless the rate is appealed in writing to the division under
19 paragraph "e" of-this-subsection and the delinquent quarterly
20 report received-after-November-15 is also submitted not later
21 than thirty days after the division notifies the employer of
22 the rate under paragraph "e" of-this-subsection.

23 4 3. DETERMINATION AND ASSESSMENT OF CONTRIBUTIONS.

24 a. As soon as practicable and in any event within two
25 years after an employer has filed reports, as required by-the
26 division-of-job-service pursuant to section 96.11, subsection
27 7, the division shall examine such the reports and determine
28 the correct amount of contributions due, and the amount so
29 determined by the division shall be the contributions payable.
30 If the contributions found due shall-be are greater than the
31 amount theretofore paid, the division shall send a notice by
32 certified mail to the employer with respect to the additional
33 contributions, together-with-any and interest and-penalty,
34 shall-be-sent-by-certified-mail assessed. A lien shall attach
35 as provided in section 96.14, subsection 3, if the assessment

1 is not paid or appealed within thirty days of the date of the
2 notice of assessment.

3 b. If the division discovers from the examination of the
4 reports required pursuant to section 96.11, subsection 7 or
5 otherwise in some other manner that wages, or any portion of
6 wages, payable for employment, or any part thereof, have not
7 been listed in the reports, or that ~~no~~ reports were not filed
8 when due, or that reports have been filed showing
9 contributions due but ~~no~~ contributions in fact have not been
10 paid, ~~it may~~ the division shall at any time within five years
11 after the time ~~such~~ the reports were due, determine the
12 correct amount of contributions payable, together with
13 interest and any applicable penalty as provided in this
14 chapter. The division shall send a notice by certified mail
15 to the employer of the amount so-determined-shall-be assessed
16 and a lien shall attach as provided in paragraph "a" ~~of this~~
17 subsection.

18 c. The certificate of the division to the effect that
19 contributions have not been paid, that reports have not been
20 filed, or that information has not been furnished, as required
21 under the provisions of this chapter, ~~shall-be~~ is prima-facie
22 evidence thereof of the failure to pay contributions, file
23 reports, or furnish information.

24 d 4. EMPLOYER LIABILITY DETERMINATION. The division shall
25 initially determine all questions relating to the liability of
26 an employing unit or employer, including the amount of
27 contribution, the contribution rate of-contribution, and
28 successorship. A copy of the initial determination shall be
29 sent by regular mail to the last address, according to the
30 records of the division, of each affected employing unit or
31 employer.

32 The affected employing unit or employer may appeal in
33 writing to the division from the initial determination. An
34 appeal shall not be entertained for any reason by the division
35 unless the appeal is filed with the division within thirty

1 days from the date on which the initial determination is
 2 mailed. If an appeal is not so filed, the initial
 3 determination shall with the expiration of the appeal period
 4 become final and conclusive in all respects and for all
 5 purposes.

6 A hearing on an appeal shall be conducted according to the
 7 ~~regulations and rules promulgated~~ adopted by the division. A
 8 copy of the decision of the hearing officer shall be sent by
 9 regular mail to the last address, according to the records of
 10 the division, of each affected employing unit or employer.

11 The division's decision on the appeal shall be final and
 12 conclusive as to the liability of the employing unit or
 13 employer unless the employing unit or employer files an appeal
 14 for judicial review within thirty days after the date of
 15 mailing of the decision as provided in subsection 6 of this
 16 section 5.

17 ~~5.---REVISION-OF-CONTRIBUTIONS---An-employer-may-appeal-to~~
 18 ~~the-division-of-job-service-for-revision-of-the-contributions~~
 19 ~~and-interest-assessed-against-such-employer-at-any-time-within~~
 20 ~~thirty-days-from-the-date-of-the-notice-of-the-assessment-of~~
 21 ~~such-contributions-and-interest---The-division-shall-grant-a~~
 22 ~~hearing-thereon-and-if,-upon-such-hearing,-it-shall-determine~~
 23 ~~that-the-amount-of-contributions-payable-with-interest-thereon~~
 24 ~~is-incorrect,-it-shall-revise-the-same-according-to-the-law~~
 25 ~~and-the-facts-and-adjust-the-computation-of-the-contributions~~
 26 ~~and-interest-accordingly---The-division-shall-notify-the~~
 27 ~~employer-by-certified-mail-of-its-findings-~~

28 6 5. JUDICIAL REVIEW. Notwithstanding the terms of the
 29 Iowa administrative procedure Act chapter 17A, petitions for
 30 judicial review may be filed in the district court of the
 31 county in which such the employer resides, or in which such
 32 the employer's principal place of business is located, or in
 33 the case of a nonresident not maintaining a place of business
 34 in this state either in any a county in which the wages
 35 payable for employment were earned or paid or in Polk county,

1 within thirty days after the date of the notice to such the
2 ~~employer notifying such employer of the employer's rate of~~
3 ~~contribution, or of the division of job service's~~ division's
4 final determination as provided for in subsection 3 ~~of this~~
5 ~~section or subsection 5 of this section~~ 2, 3, or 4.

6 The petitioner shall file with the clerk of said the
7 district court a bond for the use of the respondent, with
8 sureties approved by the clerk, ~~in~~ with any penalty to be
9 fixed and approved by the clerk ~~of said court.~~ ~~In no case~~
10 ~~shall the~~ The bond shall not be less than fifty dollars and
11 shall be conditioned that on the petitioner ~~shall perform~~
12 petitioner's performance of the orders of the court. In all
13 other respects, the judicial review shall be in accordance
14 ~~with the terms of the Iowa administrative procedure Act~~
15 chapter 17A.

16 ~~An appeal may be taken by the employer or the division to~~
17 ~~the supreme court of this state, irrespective of the amount~~
18 ~~involved.~~

19 7 6. JEOPARDY ASSESSMENTS. If the division ~~of job service~~
20 believes that the ~~assessment or~~ collection of contributions
21 payable or benefits reimbursable will be jeopardized by delay,
22 the division may immediately make an assessment of the
23 estimated amount of contributions due or benefits
24 reimbursable, together with ~~all~~ interest and ~~penalty thereon~~
25 ~~as provided by this chapter~~ applicable penalty, and demand
26 payment thereof from the employer. If such the payment is not
27 made, ~~a distress warrant may be issued or~~ the division may
28 immediately file a lien ~~filed~~ against such the employer
29 immediately which may be followed by the issuance of a
30 distress warrant.

31 The division shall be permitted to accept a bond from the
32 employer to satisfy collection until the amount of
33 contributions ~~legally due shall be~~ is determined. ~~Such The~~
34 ~~bond to~~ shall be in an amount deemed necessary, but not more
35 than double the amount of the contributions involved, and with

1 securities satisfactory to the division.

2 8 7. FINANCING BENEFITS PAID TO EMPLOYEES OF THE STATE OR
3 POLITICAL SUBDIVISIONS OF THE STATE AND THEIR
4 INSTRUMENTALITIES GOVERNMENTAL ENTITIES.

5 a. A government governmental entity which is an employer
6 under the provisions of this chapter shall make benefit
7 payments pay benefits in a manner provided for a government
8 reimbursable employer unless the employer governmental entity
9 elects to pay unemployment compensation benefits make
10 contributions as a contributing contributory employer.

11 ~~Government entities may establish a group account as provided~~
12 ~~in this section. Any~~ The election under this subsection to be
13 a government contributing employer shall be effective for a
14 minimum of one calendar year and may be changed if an election
15 is made to be become a government reimbursable employer prior
16 to December 1 for a minimum of the following calendar year.

17 However, if on the effective date of the election the
18 governmental entity has a negative balance in its contributory
19 account, the governmental entity shall pay to the fund within
20 a time period determined by the division the amount of the
21 negative balance and shall immediately become liable to
22 reimburse the unemployment compensation fund for benefits paid
23 in lieu of contributions. Regular or extended benefits paid
24 after the effective date of the election, including those
25 based on wages paid while the governmental entity was a
26 contributory employer, shall be billed to the governmental
27 entity as a reimbursable employer.

28 ~~b. For the purposes of this subsection "government~~
29 ~~contributing employer" means a government entity electing to~~
30 ~~contribute for a minimum period of one calendar year at a~~
31 ~~contribution rate determined by the division of job service in~~
32 ~~the following manner:~~

33 (1) ~~For the calendar year beginning January 1, 1978, the~~
34 ~~contribution rate shall be one percent.~~

35 (2) ~~For the calendar year beginning January 1, 1979, the~~

1 contribution-rate-shall-be-one-percent,-provided-that-the
2 division-may-reduce-the-contribution-rate-by-fifteen
3 hundredths-of-one-percent-or-increase-the-contribution-rate-by
4 not-more-than-one-percent;--A-rate-adjustment-shall-be-made
5 only-in-an-amount-necessary-to-raise-sufficient-funds-from
6 contributing-employers-to-finance-an-amount-equal-to-the
7 benefits-for-the-previous-calendar-year-and-the-amount-by
8 which-the-benefits-of-the-preceding-calendar-year-exceeded-the
9 employers'-contributions:

10 (3)--For-the-calendar-year-beginning-January-1,-1980-the
11 contribution-rate-shall-be-computed-by-the-division
12 immediately-preceding-the-rate-computation-date-by-using-the
13 potential-benefit-charges-of-all-government-contributing
14 employers-for-calendar-year-1978-divided-by-the-total-of-all
15 taxable-wages-of-government-contributing-employers-for
16 calendar-year-1978-

17 (4) b. For-the-calendar-year-beginning-January-1,-1981
18 and-each-subsequent-year,-each-government-contributing A
19 governmental entity electing to make contributions as a
20 contributory employer, with at least eight consecutive
21 calendar quarters immediately preceding the rate computation
22 date throughout which the employer's account has been
23 chargeable with benefit-payments benefits, shall be assigned a
24 contribution rate under the-provisions-of this subparagraph
25 paragraph. Contribution rates shall be assigned by listing
26 all such-government-contributing governmental contributory
27 employers by decreasing percentages of excess from the highest
28 positive percentage of excess to the highest negative
29 percentage of excess. The employers so listed shall be
30 grouped into seven separate percentage of excess ranks each
31 containing as nearly as possible one-seventh of the total
32 taxable wages of government governmental entities eligible to
33 be assigned a rate under this subparagraph paragraph.

34 As used in this subsection, "percentage of excess" means a
35 number computed to six decimal places on July 1 of each year

1 obtained by dividing the excess of all contributions
2 attributable to an employer over the sum of all benefits
3 charged to an employer by the employer's average annual
4 payroll. An employer's percentage of excess is a positive
5 number when the total of all contributions paid to an
6 employer's account for all past periods to and including those
7 for the quarter immediately preceding the rate computation
8 date exceeds the total benefits charged to such account for
9 the same period. An employer's percentage of excess is a
10 negative number when the total of all contributions paid to an
11 employer's account for all past periods to and including those
12 for the quarter immediately preceding the rate computation
13 date is less than the total benefits charged to such account
14 for the same period.

15 As used in this subsection, "average annual taxable
16 payroll" means the average of the total amount of taxable
17 wages paid by an employer for insured work during the three
18 periods of four consecutive calendar quarters immediately
19 preceding the computation date. However, for an employer
20 which qualifies on any computation date for a computed rate on
21 the basis of less than twelve consecutive calendar quarters of
22 chargeability immediately preceding the computation date,
23 "average annual taxable payroll" means the average of the
24 employer's total amount of taxable wages for the two periods
25 of four consecutive calendar quarters immediately preceding
26 the computation date.

27 PARAGRAPH DIVIDED. The division shall annually calculate a
28 base rate for each calendar year. The base rate is equal to
29 the sum of the ~~benefit-payments~~ benefits charged to government
30 ~~contributing governmental contributory~~ employers in the
31 ~~preceding~~ calendar year ~~at-the-time-of~~ immediately preceding
32 the rate computation date plus or minus the difference between
33 the total benefits ~~less~~ and contributions made paid by
34 ~~government-contributing governmental contributory~~ employers
35 ~~since January 1, 1980 which sum is divided by the total~~

1 taxable-wages-of-government-contributing-employers-for during
 2 the preceding calendar year immediately preceding the
 3 computation date, rounded to the next highest one-tenth of a
 4 percentage-point one percent. ~~If total contributions since~~
 5 ~~January-17-1980 exceed total benefit payments for government~~
 6 ~~contributing employers, the difference shall be subtracted~~
 7 ~~from the benefit payments of the preceding year:--if benefits~~
 8 ~~since January-17-1980 exceed total contributions for~~
 9 ~~government-contributing employers the difference shall be~~
 10 ~~added to the benefit payment of the preceding year: Excess~~
 11 ~~contributions for from the years 1978 and 1979 will shall be~~
 12 ~~used to offset benefit payments benefits paid in any calendar~~
 13 ~~year where total benefit payments benefits exceed total~~
 14 ~~contributions of government-contributing governmental~~

15 contributory employers. The contribution rate as a percentage
 16 of taxable wages of the employer shall be assigned as follows:

17 If the percentage	The contribution	Approximate
18 of excess rank is:	rate shall be:	cumulative
19		taxable payroll:
20 1	Base Rate - 0.9	14.3
21 2	Base Rate - 0.6	28.6
22 3	Base Rate - 0.3	42.9
23 4	Base Rate	57.2
24 5	Base Rate + 0.3	71.5
25 6	Base Rate + 0.6	85.8
26 7	Base Rate + 0.9	100.0

27 PARAGRAPH DIVIDED. If a government-contributing
 28 governmental contributory employer is grouped into two
 29 separate percentage of excess ranks, the employer shall be
 30 assigned the lower contribution rate of the two percentage of
 31 excess ranks. Notwithstanding the provisions of this
 32 subparagraph, a government-contributing governmental
 33 contributory employer shall not be assigned a contribution
 34 rate less than one-tenth of one percent of taxable wages
 35 unless the employer has a positive percentage of excess

1 greater than five percent. For-the-purposes-of-this
2 subsection-percentage-of-excess-has-the-meaning-provided-in
3 subsection-37-paragraph-"d"-of-this-section.

4 For-the-calendar-year-beginning-January-17-1981, government
5 Governmental entities electing to be government-contributing
6 contributory employers which are not otherwise eligible to be
7 assigned a contribution rate under this subparagraph paragraph
8 shall be assigned the base rate for-the-calendar-year as a
9 contribution rate for the calendar year.

10 A-government-entity-electing-to-contribute-at-a-fixed
11 contribution-rate-in-lieu-to-making-payments-as-a-government
12 reimbursable-employer-may-elect-to-finance-benefits-as-a
13 government-reimbursable-employer-however-the-government-entity
14 shall-be-obligated-to-pay-within-a-time-period-determined-by
15 the-division-of-job-service-to-the-fund-the-amount-by-which
16 benefit-payments-for-the-government-entity-exceed
17 contributions-by-the-government-entity-on-the-effective-date
18 of-the-election.

19 c. For the purposes of this subsection, "government
20 governmental reimbursable employer" means an employer paying
21 which makes payments to the division for the unemployment
22 compensation fund in an amount equal to the sum-of-the regular
23 and extended benefits attributable to paid, which are based on
24 wages paid for service in the employ of the employer and prior
25 to-January-17-1979, plus one-half-of-the-extended-benefits
26 paid-for-service-in-the-employ-of-the-employer, and beginning
27 January-17-1979, plus all-of-the-extended-benefits-paid-for
28 service-in-the-employ-of-the-employer. Benefits paid to an
29 eligible individual shall be charged against the base period
30 employers in the inverse chronological order in which the
31 employment of the individual occurred. However, the amount of
32 benefits charged against an employer for a calendar quarter of
33 the base period shall not exceed the amount of the
34 individual's wage credits based upon employment with that
35 employer during that quarter. At the end of each calendar

1 quarter, the division shall bill each governmental
2 reimbursable employer for benefits paid during that quarter.
3 Payments by a governmental reimbursable employer shall be made
4 in accordance with the provisions of subsection 9 8, paragraph
5 "b" of this section, subparagraphs (2) through (5).

6 d. A state agency, board, commission, or department,
7 except a state board of regents regents' institution or the
8 state fair board, shall, after approval of the billing for a
9 governmental reimbursable employer as provided in subsection 9
10 8, paragraph "b" of this section, submit the billing to the
11 director of revenue and finance. The director of revenue and
12 finance shall pay the approved billings billing out of any
13 funds in the state treasury not otherwise appropriated. A
14 state agency, board, commission, or department shall reimburse
15 the director of revenue and finance out of any revolving,
16 special, trust, or federal fund from which all or a portion of
17 the billing can be paid, for payments made by the director of
18 revenue and finance on behalf of the agency, board,
19 commission, or department.

20 9 8. FINANCING BENEFITS PAID TO EMPLOYEES OF NONPROFIT
21 ORGANIZATIONS. ~~Benefits paid to employees of nonprofit~~
22 ~~organizations or of any state-owned hospital or institution of~~
23 ~~higher education shall be financed in accordance with the~~
24 ~~provisions of this subsection. For the purpose of this~~
25 ~~subsection and section 96:197, a nonprofit organization is an~~
26 ~~organization described in the U.S. Internal Revenue Code, 26~~
27 ~~U.S.C. 501(c)(3), which is exempt from income tax under 26~~
28 ~~U.S.C. 501(a) of such Code.~~

29 a. ~~Any state-owned hospital or institution of higher~~
30 ~~education, which, pursuant to section 96:197, subsection 5,~~
31 ~~paragraph "h", or any~~ A nonprofit organization which, pursuant
32 ~~to section 96:197, subsection 5, paragraph "i",~~ is, or becomes,
33 subject to this chapter on or after January 17, 1972, shall pay
34 contributions under ~~the provisions of~~ subsections 17 and 2,
35 ~~and 3 of this section,~~ unless it the nonprofit organization

1 elects, in accordance with this paragraph, to pay-to-the
2 ~~division-of-job-service-for~~ reimburse the unemployment
3 compensation fund for benefits paid in an amount equal to the
4 amount of regular benefits and of one-half of the extended
5 benefits paid, ~~that-is-attributable-to-service-in-the-employ~~
6 ~~of-such-nonprofit-organization,-to-individuals-for-weeks-of~~
7 unemployment which begin are based on wages paid for service
8 in the employ of the nonprofit organization during the
9 effective period of such the election.

10 (1) Any A nonprofit organization or-any-state-owned
11 ~~hospital-or-institution-of-higher-education-which-is,-or~~
12 ~~becomes,-subject-to-this-chapter-on-January-17-1972,~~ may elect
13 to become liable-for-payments-in-lieu-of-contributions a
14 reimbursable employer for a period of not less than two
15 calendar years commencing-January-17-1972,-provided-it-files
16 by filing with the division a written notice of its election
17 ~~within-the-thirty-day-period-immediately-following-such-date~~
18 ~~or-within-a-like-period-immediately-following-the-effective~~
19 ~~date-of-this-Act,-whichever-occurs-later~~ not later than thirty
20 days prior to the beginning of the calendar year for which the
21 election is to be effective.

22 (2) ~~Any-nonprofit-organization-or-any-state-owned-hospital~~
23 ~~or-institution-of-higher-education,-which-becomes-subject-to~~
24 ~~this-chapter-after-January-17-1972,-may-elect-to-become-liable~~
25 ~~for-payments-in-lieu-of-contributions-for-a-period-of-not-less~~
26 ~~than-two-calendar-years-following-the-date-on-which-such~~
27 ~~subjectivity-begins-by-filing-a-written-notice-of-its-election~~
28 ~~with-the-division-not-later-than-thirty-days-immediately~~
29 ~~following-the-date-of-the-determination-of-such-subjectivity,-~~

30 (3) (2) A nonprofit organization or-any-state-owned
31 ~~hospital-or-institution-of-higher-education,~~ which makes an
32 election in accordance with subparagraphs subparagraph (1) or
33 (2)-of-this-paragraph shall continue to be liable-for-payments
34 in-lieu-of-contributions a reimbursable employer until it the
35 nonprofit organization files with the division a written

1 notice terminating its election not later than thirty days
2 prior to the beginning of the taxable calendar year for which
3 such the termination shall-first is to be effective.

4 ~~(4) Any nonprofit organization or any state-owned hospital~~
5 ~~or institution of higher education, which has been paying~~
6 ~~contributions under this chapter for a period on or after~~
7 ~~January 1, 1972, may change to a reimbursable basis by filing~~
8 ~~with the division not later than thirty days prior to the~~
9 ~~beginning of any taxable year a written notice of election to~~
10 ~~become liable for payments in lieu of contributions. Such~~
11 ~~election shall not be terminable by the organization for that~~
12 ~~and the next year.~~

13 (5) (3) The division may for good cause extend the period
14 within which a notice of election, or a notice of termination,
15 of election must be filed and may permit an election or
16 termination of election to be retroactive but not any earlier
17 than with respect to benefits paid after December 31, 1969.

18 (6) (4) The division, in accordance with such regulations
19 as it may prescribe rules, shall notify each nonprofit
20 organization of any determination which it may make made by
21 the division of its the status of the nonprofit organization
22 as an employer and of the effective date of any election which
23 it makes and of any or termination of such election. Such
24 determinations shall be A determination is subject to
25 reconsideration, appeal and review in accordance with the
26 provisions of subsections 5 4 and 6 of this section 5.

27 b. Payments Reimbursements for benefits paid in lieu of
28 contributions shall be made in accordance with the following:

29 (1) At the end of each calendar quarter, ~~or at the end of~~
30 ~~any other period as determined by the division,~~ the division
31 shall bill each nonprofit organization which has elected to
32 make payments reimburse the unemployment compensation fund for
33 benefits paid in lieu of contributions for an amount equal to
34 the full amount of regular benefits plus and one-half of the
35 amount of extended benefits paid during such the quarter or

1 other-prescribed-period-that-is-attributable-to which are
2 based on wages paid for service in the employ of such the
3 organization. Unless-federal-funds-are-otherwise-provided,-at
4 the-end-of-each-calendar-quarter-or-other-period-determined-by
5 the-division,-the-division-shall-also-bill-each-governmental
6 entity-the-amount-of-regular-plus-extended-benefits-owed-as-a
7 governmental-reimbursable-employer-for-benefits-paid-during
8 the-quarter-or-period-for-such-organization-electing
9 governmental-reimbursable-status-including-any-benefits-paid
10 for-a-government-entity-for-claims-filed-while-the-government
11 entity-was-a-contributing-employer-prior-to-an-election-to
12 become-a-government-reimbursable-employer-which-were-paid
13 during-the-quarter-or-period- Benefits paid to an individual
14 shall be charged against the base period employers in the
15 inverse chronological order in which the employment of the
16 individual occurred. However, the amount of benefits charged
17 against an employer for a calendar quarter of the base period
18 shall not exceed the amount of the individual's wage credits
19 based upon employment with that employer during that quarter.

20 (2) Payment-of-any-bill-rendered-shall-be-made The
21 nonprofit organization shall pay the bill not later than
22 thirty days after such the bill was mailed or otherwise
23 delivered to the last known address of the nonprofit
24 organization or-was-otherwise-delivered-to-it, unless there
25 the nonprofit organization has been filed an application for
26 review-and redetermination in accordance with subparagraph (4)
27 of-this-paragraph.

28 (3) Payments Reimbursements made by any a nonprofit
29 organization under-the-provisions-of-this-subsection shall not
30 be deducted or-deductible, in whole or in part, from the
31 remuneration wages of individuals in the employ of the
32 nonprofit organization.

33 (4) The amount due specified in any a bill from the
34 division shall-be is conclusive on-the-organization unless,
35 not later than fifteen days following the date the bill was

1 mailed or otherwise delivered to its the last known address or
2 ~~otherwise-delivered-to-it~~ of the nonprofit organization, the
3 nonprofit organization files an application for
4 redetermination by with the division setting forth the grounds
5 for such the application. The division shall promptly review
6 ~~and-reconsider~~ the amount due specified in the bill and shall
7 thereafter issue a redetermination ~~in-any-case-in-which-such~~
8 ~~application-for-redetermination-has-been-filed~~. Any-such The
9 redetermination ~~shall-be~~ is conclusive on the nonprofit
10 organization unless, not later than sixty thirty days after
11 the redetermination was mailed or otherwise delivered to its
12 the last known address or otherwise-delivered-to-it of the
13 nonprofit organization, the nonprofit organization files an
14 appeal to the district court pursuant to subsection 6-of-this
15 section 5.

16 (5) The provisions for collection of contributions under
17 section 96.14 ~~shall-be~~ are applicable to payments
18 reimbursements for benefits paid in lieu of contributions.

19 § 9. PROVISION-OF BOND OR OTHER SECURITY DEPOSITS.

20 A nonprofit organization which elects, on or after July 1,
21 1975, to become ~~liable-for-payments-in-lieu-of-contributions~~ a
22 reimbursable employer shall be required within thirty days
23 after the effective date of the election to either execute and
24 file with the division ~~of-job-service~~ a surety bond approved
25 by the division or ~~the-nonprofit-organization-may-elect~~
26 ~~instead-to~~ deposit with the division money or securities. The
27 ~~amount-of-the-bond-or-deposit-shall-be-determined-in~~
28 ~~accordance-with-this-subsection~~.

29 a. The amount of the bond or deposit ~~required-by-this~~
30 ~~subsection~~ shall be equal to two and seven-tenths percent of
31 the nonprofit organization's total taxable wages paid for
32 employment for during the four calendar quarters immediately
33 preceding the effective date of the election, or the renewal
34 date ~~in-the-case~~ of a bond, ~~or-the-anniversary-of-the~~
35 ~~effective-date-of-election-in-the-case-of~~ or a deposit of

1 money or securities, whichever date ~~shall be~~ is most recent
2 and applicable. If the nonprofit organization did not pay
3 wages in each of such the four calendar quarters, the amount
4 of the bond or deposit shall be as determined by the division.

5 b. Any A bond deposited filed under this subsection shall
6 be in force for a period of not less than two taxable years
7 and shall be renewed with the approval of the division, at
8 such times as the division may prescribe, but not less
9 frequently than at two-year intervals ~~as long as the~~
10 ~~organization continues to be liable for payments in lieu of~~
11 ~~contributions.~~ The division shall require adjustments to be
12 made in a previously filed bond as it deems appropriate. If
13 the bond is to be increased or decreased, the adjusted bond
14 shall be filed by the nonprofit organization within thirty
15 days of the date notice of the required adjustment was mailed
16 or otherwise delivered ~~to it.~~ Failure by any a nonprofit
17 organization covered by such a bond to pay the full amount of
18 payments in lieu of contributions fully reimburse the
19 unemployment compensation fund for benefits paid when due,
20 together with any applicable interest and penalties provided
21 for in section 96.14 shall render the surety liable on said
22 bond for the due and unpaid reimbursements and any interest
23 and penalty due as provided in section 96.14 to the extent of
24 the bond, ~~as though the surety was such organization.~~

25 c. Any ~~deposit of money~~ Money or securities deposited in
26 accordance with this subsection shall be retained by the
27 division in an escrow account until the nonprofit
28 organization's liability under the election is terminated, at
29 which time ~~it~~ the money or securities shall be returned to the
30 nonprofit organization, less any deductions ~~as hereinafter~~
31 provided made by the division. The division may deduct make
32 deductions from the money deposited ~~under this paragraph by a~~
33 ~~nonprofit organization~~ or sell the securities ~~it has so~~
34 ~~deposited to the extent~~ if necessary to satisfy any due and
35 unpaid payments in lieu of contributions reimbursements and

1 any applicable interest and penalties penalty due as provided
2 for in section 96.14. ~~The division shall require the~~
3 ~~organization within thirty days following any deduction from a~~
4 ~~money deposit or sale of deposited securities under the~~
5 ~~provisions of this paragraph to deposit sufficient additional~~
6 ~~money or securities to make whole the organization's deposit~~
7 ~~at the prior level. Any cash remaining from the sale of such~~
8 ~~securities shall be a part of the organization's escrow~~
9 ~~account.~~ The division may, at any time, review the adequacy
10 of the deposit made by any a nonprofit organization. If, as a
11 ~~result of such review, it~~ the division determines that an
12 adjustment is necessary, ~~it~~ the division shall require the
13 organization to make an additional deposit within thirty days
14 of written notice of ~~its~~ the determination or shall return to
15 ~~it such~~ the nonprofit organization the portion of the deposit
16 ~~as it~~ no longer ~~considers~~ considered necessary, ~~whichever~~
17 ~~action is appropriate.~~ Disposition of income from securities
18 held in escrow or any cash remaining from the sale of
19 securities shall be governed by the applicable provisions of
20 the Code.

21 ~~ii. AUTHORITY TO TERMINATE ELECTIONS.~~

22 d. If any a nonprofit organization fails to file a bond or
23 make a deposit, or to file a bond ~~in an increased amount or to~~
24 ~~increase or make whole the amount of a previously made deposit~~
25 or make a deposit to meet an adjustment, the division of job
26 ~~service~~ may terminate ~~such~~ the nonprofit organization's
27 election to ~~make payments~~ reimburse the unemployment
28 compensation fund for benefits paid in lieu of making
29 contributions ~~and such.~~ The termination shall continue for
30 not less than ~~the four consecutive calendar quarter period~~
31 four consecutive calendar quarters beginning with the quarter
32 in which ~~such~~ the termination becomes effective, ~~provided,~~
33 that. However, the division may extend for good cause the
34 applicable filing, deposit, or adjustment period by not more
35 than thirty days.

1 12:--ALLOCATION-OF-BENEFIT-COST.--Each-employer-that-is
2 liable-for-payments-in-lieu-of-contributions-shall-pay-to-the
3 division-of-job-service-for-the-fund-the-amount-of-regular
4 benefits-and-unless-a-government-entity-plus-the-amount-of
5 one-half-of-extended-benefits-paid-during-each-quarter-that
6 are-attributable-to-service-in-the-employ-of-such-employer.--A
7 government-entity-shall-make-benefit-payments-in-the-amounts
8 provided-for-a-government-reimbursable-employer.--If-benefits
9 paid-to-an-individual-are-based-on-wages-paid-by-more-than-one
10 employer-and-one-or-more-of-such-employers-are-liable-for
11 payments-in-lieu-of-contributions, the-amount-payable-to-the
12 fund-by-each-employer-that-is-liable-for-such-payment-shall-be
13 payable-each-quarter-by-the-base-period-employers-in-inverse
14 chronological-order-in-which-the-employment-of-such-individual
15 occurred.--Provided, that-the-amount-of-any-such-employer's
16 liability-in-any-calendar-quarter-shall-not-exceed-the-amount
17 of-such-individual's-wage-credits-and-unless-a-government
18 entity-plus-one-half-the-amount-of-extended-benefits-based-on
19 employment-with-such-employer-during-such-quarter-of-the-base
20 period.--A-government-entity's-liability-in-any-calendar
21 quarter-shall-not-exceed-the-amount-of-the-individual's-wage
22 credits-plus-that-amount-of-extended-benefits-a-government
23 entity-is-required-to-pay-as-a-government-reimbursable
24 employer.

25 13 10. GROUP ACCOUNTS. Two or more employers-that
26 nonprofit organizations or two or more governmental entities
27 which have become liable-for-payments-in-lieu-of
28 contributions, reimbursable employers in accordance with the
29 provisions-of subsection 8-and 7 or subsection 9 8, paragraph
30 "a", of-this-section may file a joint application to the
31 division of-job-service for the establishment of a group
32 account for the purpose of sharing the cost of benefits paid
33 that which are attributable to service in the employ of such
34 the employers. Each-such The application shall identify and
35 authorize a group representative to act as the group's agent

1 for the purposes of this subsection. Upon its approval of the
2 application, the division shall establish a group account for
3 such the employers effective as of the beginning of the
4 calendar quarter in which it the division receives the
5 application and shall notify the group's representative agent
6 of the effective date of the account. ~~Such~~ The account shall
7 remain in effect for not less than one year ~~and-thereafter~~
8 until terminated at the discretion of the division or upon
9 application by the group. Upon establishment of the account,
10 each employer member of the group shall be liable for payments
11 benefit reimbursements in lieu of contributions with respect
12 to each calendar quarter in the an amount that which bears the
13 same ratio to the total benefits paid in such the quarter that
14 which are attributable to service performed in the employ of
15 all members of the group, as the total wages paid for service
16 performed in employment-by-such the employ of the member in
17 such the quarter bear to the total wages paid ~~during-such~~
18 quarter for service performed in the employ of all members of
19 the group in the quarter. The division shall ~~prescribe-such~~
20 ~~regulations-as-it-deems-necessary~~ adopt rules with respect to
21 applications for establishment, maintenance, and termination
22 of group accounts ~~that-are-authorized-by-this-subsection~~, for
23 addition of new members to, and withdrawal of active members
24 ~~from-such~~ group accounts, and for the determination of the
25 amounts that which are payable ~~under-this-subsection~~ by
26 members of the group and the time and manner of such the
27 payments.

28 ~~14--NONPROFIT-ORGANIZATION-ELECTION-~~

29 ~~a--Notwithstanding-any-provisions-in-subsection-9-of-this~~
30 ~~section-any-nonprofit-organization-that-prior-to-January-17~~
31 ~~1969-paid-contributions-required-by-this-section-and~~
32 ~~pursuant-to-subsection-9-of-this-section-effects-before-April~~
33 ~~17-1972-to-make-payments-in-lieu-of-contributions-shall-not~~
34 ~~be-required-to-make-any-such-payment-on-account-of-any-regular~~
35 ~~or-extended-benefits-paid-on-the-basis-of-wages-paid-by-such~~

1 organization-to-individuals-for-weeks-of-unemployment-which
2 begin-on-or-after-the-effective-date-of-such-election-until
3 the-total-amount-of-such-benefits-equals-the-amount-of-the
4 positive-balance-in-the-experience-rating-account-of-such
5 organization-

6 b.--A-nonprofit-organization-or-group-not-required-to-be
7 covered-employment-prior-to-January-17-1978,-that-paid
8 contributions-as-an-employer-prior-to-October-20,-1976,-and
9 which-elects-within-thirty-days-after-January-17-1978,-to-make
10 payments-in-lieu-of-contributions-shall-not-be-required-to
11 make-any-such-payment-for-regular-or-extended-benefits-paid
12 after-its-election-until-the-total-amount-of-benefits-equal
13 the-amount-of-the-positive-balance-in-the-experience-rating
14 account-of-such-organization-

15 15 11. TEMPORARY EMERGENCY TAX SURCHARGE. If on the first
16 day of the third month in any calendar quarter, the division
17 of-job-service has an outstanding balance of interest accrued
18 on advance moneys received from the federal government for the
19 payment of unemployment compensation benefits, or is projected
20 to have an outstanding balance of accruing federal interest
21 for that calendar quarter, the commissioner division shall
22 collect a uniform temporary emergency surcharge for that
23 calendar quarter, retroactive to the beginning of that
24 calendar quarter. The surcharge shall be a percentage of
25 employer contribution rates and shall be set at a uniform
26 percentage, for all employers subject to the surcharge,
27 necessary to pay the interest accrued on the moneys advanced
28 to the division by the federal government, and to pay any
29 additional federal interest which will accrue for the
30 remainder of that calendar quarter. The surcharge shall apply
31 to all employers except government governmental entities,
32 nonprofit organizations, and employers assigned a zero
33 contribution rate. The commissioner division shall prescribe
34 adopt rules prescribing the manner in which the surcharge will
35 be collected. Interest shall accrue on all unpaid surcharges

1 under this subsection at the same rate as on regular
2 contributions and shall be collectible in the same manner.
3 The surcharge shall not affect the computation of regular
4 contributions under this chapter.

5 A special fund to be known as the temporary emergency
6 surcharge fund is created in the state treasury. The special
7 fund is separate and distinct from the unemployment
8 compensation trust fund. All contributions collected from the
9 temporary emergency surcharge shall be deposited in the
10 special fund. The special fund shall be used only to pay
11 interest accruing on advance moneys received from the federal
12 government for the payment of unemployment compensation
13 benefits. Interest earned upon moneys in the special fund
14 shall be deposited in and credited to the special fund.

15 If the division determines on June 1 that no outstanding
16 balance of interest due has accrued on advanced moneys
17 received from the federal government for the payment of
18 unemployment compensation benefits, and that no outstanding
19 balance is projected to accrue for the remainder of the
20 calendar year, the division shall notify the treasurer of
21 state of its determination. The treasurer of state shall
22 immediately transfer all moneys, including accrued interest,
23 in the temporary emergency surcharge fund to the unemployment
24 compensation fund for the payment of benefits.

25 ~~16.---ADVANCE-PAYMENT.---If-on-March-17-1983,-the-total~~
26 ~~unemployment-compensation-trust-funds-available-for-the~~
27 ~~payment-of-benefits-are-less-than-ten-times-the-average-total~~
28 ~~weekly-benefits-paid-during-four-consecutive-weeks-of-January~~
29 ~~and-February,1983,-the-division-of-job-service-may-require-an~~
30 ~~advance-payment-of-all-or-a-portion-of-the-actual-or-projected~~
31 ~~employer-contributions-due-for-the-calendar-quarter-ending~~
32 ~~March-31,1983,-payable-on-March-31,1983.~~

33 12. ADMINISTRATIVE CONTRIBUTION SURCHARGE -- FUND.

34 a. An employer other than a governmental entity or a
35 nonprofit organization, subject to this chapter, shall pay an

1 administrative contribution surcharge equal in amount to one-
 2 tenth of one percent of federal taxable wages, as defined in
 3 section 96.19, subsection 20, paragraph "b". The division
 4 shall recompute the amount as a percentage of taxable wages,
 5 as defined in section 96.19, subsection 20, and shall add the
 6 percentage surcharge to the employer's contribution rate
 7 determined under this section. The division shall adopt rules
 8 prescribing the manner in which the surcharge will be
 9 collected. Interest shall accrue on all unpaid surcharges
 10 under this subsection at the same rate as on regular
 11 contributions and shall be collectible in the same manner.

12 b. A special fund to be known as the administrative
 13 contribution surcharge fund is created in the state treasury.
 14 The fund is separate and distinct from the unemployment
 15 compensation fund. All contributions collected from the
 16 administrative contribution surcharge shall be deposited in
 17 the fund. Interest earned upon moneys in the fund shall be
 18 deposited in and credited to the fund.

3989 19 c. Moneys in the fund shall be used by the division only
 20 upon appropriation by the general assembly and only for
 21 personnel and nonpersonnel costs of rural and satellite job
 22 service offices in population centers of less than twenty
 23 thousand. After the end of a state fiscal year the treasurer
 24 of state shall promptly transfer all moneys in the fund which
 25 have not been appropriated or which have been appropriated but
 26 remain unencumbered or unobligated to the unemployment
 27 compensation fund.

4270 28 Sec. 5. Section 96.9, subsection 2, unnumbered paragraph
 29 2, Code 1987, is amended to read as follows:

30 Interest paid upon the trust-fund moneys deposited with the
 31 secretary of the treasury of the United States under the
 32 provisions of this subsection 2 of this section for any
 33 calendar year shall be allocated and credited to and become a
 34 part of each employer's reserve account; said allocation to be
 35 made in the following manner:--For the calendar year 1950 and

1 each-~~calendar-year-thereafter~~,~~-the-division-shall-add-and~~
2 ~~credit-to-each-employer's-reserve-account~~,~~-the-percentage-of~~
3 ~~the-total-interest-paid-upon-the-aggregate-of-the-reserve~~
4 ~~accounts-of-all-of-the-employers-in-the-state-in-said-year~~
5 ~~that-each-such-employer's-individual-reserve-account-bears-to~~
6 ~~said-aggregate-reserve-account~~ the unemployment compensation
7 fund. ~~Said-interest-shall-be-credited-and-applied-in-the-same~~
8 ~~manner-as-a-voluntary-contribution-made-by-each-such-employer.~~

9 Sec. 6. Section 96.19, subsections 1, 20, and 38, Code
10 1987, are amended to read as follows:

11 1. ~~"ANNUAL-PAYROLL"~~,~~--The-term~~ "Average annual taxable
12 payroll" ~~as-used-in-subsection-3-d-of-section-96.7-means-the~~
13 ~~total-amount-of-taxable-wages-paid-by-an-employer-for-insured~~
14 ~~work-during-the-period-of-four-consecutive-calendar-quarters~~
15 ~~ending-on-June-30-of-each-year~~,~~-and-the-term-"average-annual~~
16 ~~payroll"-as-used-in-said-subsection~~ means the average of the
17 ~~"annual-payrolls"~~ of total amount of taxable wages paid by an
18 employer for insured work during the last three five periods
19 of four consecutive calendar quarters immediately preceding
20 the computation date. ~~Except-that-for-an-employer-who~~
21 ~~qualifies-on-any-computation-date-for-a-computed-rate-on-the~~
22 ~~basis-of-less-than-twelve-consecutive-calendar-quarters-of~~
23 ~~chargeability-immediately-preceding-the-computation-date~~,~~-the~~
24 ~~term-average-annual-payroll-shall-be-the-average-of-the-annual~~
25 ~~payrolls-for-the-last-two-periods-of-four-consecutive-calendar~~
26 ~~quarters-immediately-preceding-the-computation-date.~~

27 20. ~~"TAXABLE-WAGES"~~,~~--For-the-purposes-of-section-96.7,~~
28 ~~subsections-1-and-2-and-for-the-period-beginning-January-17~~
29 ~~1972-and-ending-December-31,1977,taxable-wages-shall-not~~
30 ~~include-that-part-of-remuneration-which,-after-remuneration~~
31 ~~equal-to-four-thousand-two-hundred-dollars-has-been-paid-in-a~~
32 ~~calendar-year-to-an-individual-by-an-employer-or-the~~
33 ~~employer's-predecessor-with-respect-to-employment-during-any~~
34 ~~calendar-year,-is-paid-to-such-individual-by-such-employer~~
35 ~~during-such-calendar-year-unless-that-part-of-the-remuneration~~

1 is subject to a tax under a federal law imposing a tax against
2 which credit may be taken for contributions required to be
3 paid into a state unemployment fund, except that for the
4 calendar years 1976 and 1977 the remuneration figure shall be
5 six thousand dollars.

6 For the purposes of this subsection, the term "employment"
7 includes service constituting employment under any
8 unemployment compensation law of another state provided such
9 other state will consider service performed in Iowa in
10 determining the contribution base.

11 For the calendar year beginning January 1, 1978, and each
12 subsequent calendar year, taxable "Taxable wages" means an
13 amount of wages upon which an employer shall be is required to
14 contribute based upon remuneration wages which has have been
15 paid in during a calendar year to an individual by an employer
16 or the employer's predecessor, in this state or another state
17 which extends a like comity to this state, with respect to
18 employment during any calendar year shall be equal to, upon
19 which the employer is required to contribute, which equals the
20 greater of the following:

21 a. Sixty-six and two-thirds percent of the statewide
22 average annual weekly wage paid to employees in insured work
23 which was used during the previous calendar year to determine
24 maximum weekly benefit amounts, multiplied by fifty-two and
25 rounded to the next highest multiple of one hundred dollars
26 based upon the calculation made during the previous calendar
27 year used to determine the maximum weekly benefit amount, or.

28 b. That portion of remuneration wages subject to a tax
29 under a federal law imposing a tax against which credit may be
30 taken for contributions required to be paid into a state
31 unemployment compensation fund.

32 However, the amount of taxable wages otherwise determined
33 under this subsection shall be increased by six hundred
34 dollars for calendar year 1984, by eleven hundred dollars for
35 calendar year 1985, and by sixteen hundred dollars for

1 ~~calendar-year-1986-and-subsequent-calendar-years:~~

2 38. "Government Governmental entity"; means a state, a
3 state instrumentality, a political subdivision or an
4 instrumentality of a political subdivision instrumentality, or
5 a combination of one or more of the preceding.

6 Sec. 7. Section 96.19, Code 1987, is amended by adding the
7 following new subsections:

8 NEW SUBSECTION. 42. "Statewide average weekly wage" means
9 the amount computed by the division at least once a year on
10 the basis of the aggregate amount of wages reported by em-
11 ployers in the preceding twelve-month period ending on
12 December 31 and divided by the product of fifty-two times the
13 average mid-month employment reported by employers for the
14 same twelve-month period. In determining the aggregate amount
15 of wages paid statewide, the division shall disregard any
16 limitation on the amount of wages subject to contributions
17 under this chapter.

18 NEW SUBSECTION. 43. "Nonprofit organization" means an
19 organization described in the federal Internal Revenue Code,
20 26 U.S.C. § 501(c)(3), which is exempt from income taxation
21 under 26 U.S.C. § 501(a).

22 NEW SUBSECTION. 44. "Division" means the division of job
23 service of the department of employment services created in
24 section 84A.1.

25 Sec. 8. REPEALS.

26 1. Section 96.7B, Code 1987, is repealed.

27 2. 1983 Iowa Acts, chapter 190, section 26, is repealed.

28 Sec. 9. APPLICABILITY.

29 1. This Act takes effect July 1, 1987 and is applicable to
30 contribution rates for calendar year 1988 and subsequent
31 calendar years.

32 2. Notwithstanding any other provision of chapter 96 or
33 this Act relating to the applicable contribution rate table
34 for calendar year 1988, the applicable contribution rate table
35 for calendar year 1988 is rate table three, as amended in this

1 Act.

2 3. Section 3 of this Act applies to benefit claims
3 effectively filed for and after the first full week in cal-
4 endar year 1988.

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SF 507
rg/cc/85

SENATE FILE 507

H-4351

1 Amend Senate File 507, as passed and reprinted by
2 the Senate as follows:

3 1. Title page, line 3, by inserting after the word
4 "applicability" the words "and providing for the future
5 repeals of certain portions of this Act".

H-4351 FILED MAY 8, 1987

BY SHERZAN of Polk

ADOPTED BY UNANIMOUS CONSENT

(p. 2233)

SENATE FILE 507

H-4270

1 Amend Senate File 507, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 38, lines 1 and 2, by striking the word
4 "one-tenth" and inserting the following: "five-
5 hundredths".

6 2. Page 38, by inserting after line 27 the
7 following:

8 "d. This subsection is repealed July 1, 1990, and
9 the repeal is applicable to contribution rates for
10 calendar year 1991 and subsequent calendar years."

BY SHERZAN of Polk

H-4270 FILED MAY 7, 1987

COREY of Louisa

B- Adopted, A. w/d 5/5/87 (p. 2223)

SENATE FILE 507

H-4350

1 Amend Senate File 507, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 13, by inserting after line 18 the
4 following:

5 "Notwithstanding any other provision of this
6 chapter which assigns an employer a contribution rate
7 which corresponds to the employer's benefit ratio rank
8 in the contribution rate table, an employer qualified
9 for an experience rating shall contribute at the rate
10 specified in the twenty-first benefit ratio rank for
11 the next calendar year if the following two conditions
12 are met: as of the computation date the total
13 benefits paid by the employer during the five periods
14 of four consecutive calendar quarters immediately
15 preceding the computation date exceed the
16 contributions paid by the employer for that same
17 period; and for the previous computation date the
18 total benefits paid by the employer during the five
19 periods of four consecutive calendar quarters
20 immediately preceding that previous computation date
21 exceeded the total contributions paid by the employer
22 for that same period."

23 2. Page 42, by inserting after line 4 the
24 following:

25 "Sec. ____ . FUTURE REPEAL. Sections 1, 2, 4, and
26 5, section 6 except for the amendment to section
27 96.19, subsection 20, and sections 7 and 9 of this Act
28 are repealed effective July 1, 1988, and the repeals
29 are applicable to contribution rates for calendar year
30 1989 and subsequent calendar years. The Code sections
31 amended by sections 1, 2, 4, and 5, section 6 except
32 for the amendment to section 96.19, subsection 20, and
33 section 7 of this Act revert on July 1, 1988,
34 applicable to contribution rates for calendar year
35 1989 and subsequent calendar years, to their content
36 before amendment by this Act, and the Code sections as
37 they existed before amendment by this Act are
38 reenacted in that form."

H-4350 FILED MAY 8, 1987

BY SHERZAN of Polk

ADOPTED (p. 2222)

HOUSE AMENDMENT TO
SENATE FILE 507

4087

1 Amend Senate File 507, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 13, by inserting after line 18 the
4 following:

5 "Notwithstanding any other provision of this
6 chapter which assigns an employer a contribution rate
7 which corresponds to the employer's benefit ratio rank
8 in the contribution rate table, an employer qualified
9 for an experience rating shall contribute at the rate
10 specified in the twenty-first benefit ratio rank for
11 the next calendar year if the following two conditions
12 are met: as of the computation date the total
13 benefits paid by the employer during the five periods
14 of four consecutive calendar quarters immediately
15 preceding the computation date exceed the
16 contributions paid by the employer for that same
17 period; and for the previous computation date the
18 total benefits paid by the employer during the five
19 periods of four consecutive calendar quarters
20 immediately preceding that previous computation date
21 exceeded the total contributions paid by the employer
22 for that same period."

23 2. Page 38, by inserting after line 27 the
24 following:

25 "d. This subsection is repealed July 1, 1990, and
26 the repeal is applicable to contribution rates for
27 calendar year 1991 and subsequent calendar years."

28 3. Page 42, by inserting after line 4 the
29 following:

30 "Sec. ____ . FUTURE REPEAL. Sections 1, 2, 4, and
31 5, section 6 except for the amendment to section
32 96.19, subsection 20, and sections 7 and 9 of this Act
33 are repealed effective July 1, 1988, and the repeals
34 are applicable to contribution rates for calendar year
35 1989 and subsequent calendar years. The Code sections
36 amended by sections 1, 2, 4, and 5, section 6 except
37 for the amendment to section 96.19, subsection 20, and
38 section 7 of this Act revert on July 1, 1988,
39 applicable to contribution rates for calendar year
40 1989 and subsequent calendar years, to their content
41 before amendment by this Act, and the Code sections as
42 they existed before amendment by this Act are
43 reenacted in that form."

44 4. Title page, line 3, by inserting after the
45 word "applicability" the words "and providing for the
46 future repeals of certain portions of this Act".

47 5. By renumbering, relettering, or redesignating
48 and correcting internal references as necessary.

-4087

Filed May 9, 1987

Senate Concurred 5/9/87 (p. 1846)

RECEIVED FROM THE HOUSE

SENATE FILE 507

AN ACT

RELATING TO THE ADOPTION OF A BENEFIT RATIO UNEMPLOYMENT COMPENSATION CONTRIBUTION ARRAY SYSTEM AND PROVIDING FOR THE ACT'S APPLICABILITY AND PROVIDING FOR THE FUTURE REPEALS OF CERTAIN PORTIONS OF THIS ACT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 96.3, subsection 4, unnumbered paragraph 2, Code 1987, is amended by striking the unnumbered paragraph.

Sec. 2. Section 96.3, subsection 5, unnumbered paragraph 2, Code 1987, is amended by striking the unnumbered paragraph.

Sec. 3. Section 96.4, subsection 7, Code 1987, is amended by striking the subsection.

Sec. 4. Section 96.7, Code 1987, is amended to read as follows:

96.7 EMPLOYER CONTRIBUTIONS AND REIMBURSEMENTS.

1. PAYMENT.

~~a--On and after July 1, 1936, contributions shall~~
Contributions accrue and are payable, in accordance with rules adopted by the division, on all taxable wages paid by an employer for insured work.

~~b--Such contributions shall become due and be paid to the division of job service for the fund at such times and in such manner as the commissioner by regulation prescribes:~~

~~c--In the payment of any contribution the fractional part of a cent shall be disregarded unless it amounts to one-half cent or more in which case it shall be increased to one cent:~~

~~d--Contributions required from an employer shall not be deducted in whole or in part from the wages paid to individuals in the employer's employ:~~

~~2--RATE OF CONTRIBUTION BY EMPLOYERS: Each employer shall pay contributions equal to the following percentages of wages payable by the employer with respect to employment:~~

~~a--One and eight-tenths percent with respect to employment for the six months' period beginning July 1, 1936, provided that if the total of such contributions at such one and eight-tenths percent rate equals less than nine-tenths of one percent of the annual payroll of any employer for the calendar year 1936, such employer shall pay, at such time as the division of job service shall prescribe, an additional lump-sum contribution with respect to employment for such six months' period beginning July 1, 1936, equal to the difference between nine-tenths of one percent of the employer's annual payroll for the calendar year 1936 and the total of the employer's contributions at such one and eight-tenths percent rate for such six months' period beginning July 1, 1936, and provided further that in no event shall employers' contributions at such one and eight-tenths percent rate exceed nine-tenths of one percent of the employer's annual payroll for the calendar year 1936;~~

~~b--One and eight-tenths percent with respect to employment in the calendar year 1937;~~

~~c--Two and seven-tenths percent with respect to employment during the calendar years 1938, 1939, 1940, and~~

~~d--Two and seven-tenths percent of wages paid by the employer during the calendar year 1941, and during each calendar year thereafter, with respect to employment occurring after December 31, 1940, except as may be otherwise prescribed in subsection 3 of this section;~~

3 2. PHURE CONTRIBUTION RATES BASED ON BENEFIT EXPERIENCE.

a. (1) The division of job service shall maintain a separate account for each employer and shall credit each employer's account with all contributions which the employer has paid or which have been paid on the employer's behalf.

(2) The amount of regular benefits plus fifty percent of the amount of extended benefits ~~as determined under section 96.29~~ paid to an eligible individual shall be charged against the account of the employers in the base period in the inverse chronological order in which the employment of the individual occurred.

PARAGRAPH DIVIDED. ~~Provided that in any case in which~~ However, if the individual to whom the benefits are paid is in the employ of a base period employer at the time the individual is receiving the benefits, and the individual is receiving the same employment from the employer that the individual received during the individual's base period, then benefits paid to the individual shall not be charged against the account of the employer. This provision applies to both contributing contributory and reimbursable employers, notwithstanding subparagraph (3) and section 96.8, subsection 57 and subparagraph (3) of this paragraph.

PARAGRAPH DIVIDED. An employer's account shall not be charged with benefit payments benefits paid to any an individual who has left the work of the employer voluntarily without good cause attributable to the employer or to an individual who was discharged for misconduct in connection with the individual's employment, but shall be charged to the account of the next succeeding employer with whom the individual requalified for benefits as determined respectively under section 96.5, subsection 1, paragraph "g" and section 96.5, subsection 2, paragraph "a". However, the succeeding employer's account shall first be charged with benefit payments benefits paid to the individual due to wage credits earned by the individual while employed by the succeeding employer. After exhausting those wage credits, the succeeding employer's account shall not be charged with ten weeks of benefit payments benefits paid to the individual due to wage credits earned by the individual from a previous employer, but rather the unemployment compensation trust fund shall be charged. After exhausting the ten weeks of noncharging, the

succeeding employer's account shall again be charged with benefit payments the benefits paid.

PARAGRAPH DIVIDED. ~~Provided further that an~~ An employer's account shall not be charged with benefit payments made benefits paid to an individual who has been discharged for ~~misconduct in connection with the individual's employment and shall not be charged with benefit payments made to an individual after the individual has failed without good cause, either to apply for available, suitable work or to accept suitable work or to return to customary self-employment, but shall be charged to the account of the next succeeding employer with whom the individual requalifies~~ requalified for benefits as determined respectively under section 96.5, subsections 2 and subsection 3.

~~However, with respect to a succeeding employer who employs an individual who has been discharged for misconduct by a previous employer, the succeeding employer's account shall first be charged with benefit payments to the individual due to wage credits earned by the individual while employed by the succeeding employer. After exhausting those wage credits, the succeeding employer's account shall not be charged with ten weeks of benefit payments to the individual due to wage credits earned by the individual from a previous employer, but rather the unemployment compensation trust fund shall be charged. After exhausting the ten weeks of noncharging, the succeeding employer's account shall again be charged with benefit payments.~~

The amount of benefits paid to an individual, which is solely due to wage credits considered to be in an individual's base period due to the exclusion and substitution of calendar quarters from the individual's base period under section 96.23, shall be charged against the account of the employer responsible for paying the workers' compensation benefits for temporary total disability or during a healing period under section 85.33, section 85.34, subsection 1, or section 85A.17, or responsible for paying indemnity insurance benefits.

(3) The amount of regular benefits so charged in any calendar quarter against the account of any an employer for a calendar quarter of the base period shall not exceed the amount of such the individual's wage credits based on employment with that the employer during that quarter. The amount of extended benefits so charged in any calendar quarter against the account of any an employer for a calendar quarter of the base period shall not exceed an additional fifty percent of the amount of such the individual's wage credits based on employment with that the employer during that quarter except that all. However, the amount of extended benefits shall be so charged to against the account of a government governmental entity which is either a reimbursable or contributing contributory employer, for a calendar quarter of the base period shall not exceed an additional one hundred percent of the amount of the individual's wage credits based on employment with the governmental entity during that quarter.

(4) The commissioner division shall by general rule prescribe adopt rules prescribing the manner in which benefits shall be charged against the accounts of several employers for whom which an individual performed employment during the same calendar quarter.

(5) Nothing in this This chapter shall not be construed to grant any an employer or the individuals an individual in the employer's service, prior claims claim or rights right to the amounts amount paid by the employer into the unemployment compensation fund either on the employer's own behalf or on behalf of such individuals the individual.

(6) As soon as practicable after the close of each calendar quarter, and in any event within Within forty days after the close of such each calendar quarter, the division shall notify each employer of the amount that has been of benefits charged to the employer's account for benefits paid during such that quarter. This statement to the employer The notification shall show the name of each claimant individual

to whom such benefit payments benefits were made paid, the claimant's individual's social security number, and the amount of benefits paid to such claimant the individual. Any An employer who which has not been notified as provided in section 96.6, subsection 2, of the allowance of benefits to such claimants an individual, may within thirty days after the receipt of such statement date of mailing of the notification appeal to the commissioner division for a hearing to determine the eligibility of the claimant individual to receive such benefits. The commissioner appeal shall refer the same be referred to a hearing officer for hearing and both the employer and the claimant individual shall receive notice of the time and place of such the hearing.

(7) Any employer may at any time make voluntary payments to the employer's account in excess of the other requirements of this chapter, and all such payments shall be considered on any computation date as contributions required under the provisions of this chapter if they are paid by the employer not later than the next December 15 after such computation date. Voluntary contributions shall not exceed the maximum voluntary contribution. For the purposes of this subparagraph "maximum voluntary contribution" shall equal an amount sufficient to lower the rate of contribution of an employer to the lower rate of contribution assigned in the next lower percentage of excess rank. Provided that an employer shall not contribute an amount sufficient to reduce the rate of contribution of the employer to a zero contribution rate.

b. In any case in which the If an enterprise or business, or a clearly segregable and identifiable part of an enterprise or business, for which contributions have been paid has been is sold or otherwise transferred to a subsequent employing unit, or in any case in which if one or more employing units have been reorganized or merged into a single employing unit, and the successor employer, having qualified as an employer as defined in section 96.19, subsection 5, paragraph "b", continues to operate such the enterprise or business, such the

successor employer shall assume the position of the predecessor employer or employers with respect to such the predecessors' payrolls, contributions, accounts, and contribution rates to the same extent as if there had been no change had taken place in the ownership or control of such the enterprise or business. However, the successor employer shall not assume the position of the predecessor employer or employers with respect to the predecessor employer's or employers' payrolls, contributions, accounts, and contribution rates which are attributable to that part of the enterprise or business transferred, unless the successor employer applies to the division within sixty days from the date of the partial transfer, and the succession is approved by the predecessor employer or employers and the division.

~~In any case in which a clearly segregable and identifiable part of an enterprise or business for which contributions have been paid has been sold or otherwise transferred to a subsequent employing unit, and such successor employing unit having qualified as an "employer" as defined under section 96-19, subsection 5, paragraph "b", continues to operate such enterprise or business, such successor shall assume the position of the predecessor employer with respect to such predecessor's payrolls, contributions, accounts and contribution rates which are attributable to the part of the enterprise or business transferred to the same extent as if there has been no change in the ownership or control of such enterprise or business.~~

The contribution rate to be assigned to the acquiring successor employer for the period beginning not earlier than the date of the transfer succession and ending not later than the beginning of the next following effective date of contribution rates rate year, shall be the contribution rate applicable to of the transferring predecessor employer with respect to the period immediately preceding the date of the transfer succession, provided that the acquiring successor employer was not, prior to the transfer succession, a subject

employer, and only one transferring predecessor employer, or only transferring predecessor employers having with identical rates, are involved, or a newly-computed rate based on the experience of the transferring employer attributable to the part of the business transferred to the acquiring employer combined with the experience of the acquiring employer as of the last computation date. If the predecessor employers' rates are not identical and the successor employer is not a subject employer prior to the succession, the division shall assign the successor employer a rate for the remainder of the rate year by combining the experience of the predecessor employers. If the successor employer is a subject employer prior to the succession, the successor employer may elect to retain the employer's own rate for the remainder of the rate year, or the successor employer may apply to the division to have the employer's rate redetermined by combining the employer's experience with the experience of the predecessor employer or employers. However, if the successor employer is a subject employer prior to the succession and has had a partial transfer of the experience of the predecessor employer or employers approved, then the division shall recompute the successor employer's rate for the remainder of the rate year.

~~The contribution rate to be assigned to the acquiring employer for the next following regular rate year, is a contribution rate based on the experience of the acquiring employer and only so much of the experience of the transferring employer as is attributable to the part of the business transferred.~~

~~Provided, however, that application for such transfer of partial record is made within sixty days from the date of transfer and meets the approval of the predecessor and the commissioner, and provided further that such partial record shall include sufficient information for the proper administration of this chapter with respect to payment of unemployment benefits and computation of future rates based on benefit experience.~~

In determining each employer's rate of contribution for the calendar year 1945 and for each year thereafter, such employer shall be given full credit for the payrolls, contributions, accounts and contribution rates of the employer's predecessor employer or employers to the same extent as if there had been no change in the organization or the ownership of the business. -- Provided, that in any case in which such sale, transfer, merger or reorganization has taken place in any year after the predecessor employer's rate of contribution (hereafter called rate) has been determined for such year the employer's rate for the remainder of such year shall, upon the employer's application to the division be determined in the following manner:

(1) -- If the successor employer has no rate or if the successor employer has a rate and it is the same rate as that of the successor employer's predecessor employer or employers, their rates being the same rate, the successor employer's rate shall be that of the predecessor employer or employers.

(2) -- If the rate or rates of the predecessor employers are not the same rate and that of the successor employer, if the successor employer has a rate, is not the same rate as that of the predecessor employer then the rate of the successor employer shall be redetermined under the combined experience of the predecessor employer or employers and the successor employers.

c. -- No reduced rate of contribution shall be granted to a contributing employer until there shall have been twelve consecutive calendar quarters immediately preceding the first computation date throughout which the employer's account has been chargeable with benefit payments. -- Provided, that with respect to the calendar year commencing January 1, 1972 and each calendar year thereafter through December 31, 1981, except as provided in paragraph "d" of this subsection, a contributing employer who has not been subject to this chapter for a sufficient period of time to meet the twelve quarter requirement shall qualify for a computed rate of contribution

if there shall have been a lesser period throughout which the employer's account has been chargeable, but in no event less than eight consecutive calendar quarters immediately preceding the computation date, provided further that with respect to the calendar years commencing January 1, 1972, and ending December 31, 1977, except as provided in paragraph "d" of this subsection, each contributing employer newly subject to this chapter shall pay contributions at the rate of one and five tenths percent and beginning January 1, 1978, and ending December 31, 1981, at the rate specified in the ninth percentage of excess rank but not less than one and eight tenths percent until the end of the calendar year in which the employer shall have had eight consecutive calendar quarters immediately preceding the computation date throughout which the employer's account has been chargeable with benefit payments.

c. (1) Beginning January 1, 1982, a contributing A nonconstruction contributory employer newly subject to this chapter and not previously qualified for a computed rate shall pay contributions at the rate specified in the ninth percentage of excess twelfth benefit ratio rank but not less than one and eight tenths percent until the end of the calendar year in which the employer's account has been chargeable with benefit payments benefits for twenty consecutive calendar quarters immediately preceding the computation date; however, the employer shall pay contributions at a computed rate if the employer's percentage of excess is a negative number; the employer's account has been chargeable with benefit payments for eight consecutive calendar quarters immediately preceding the computation date; and the employer's account has been charged with benefit payments of more than twenty six times the maximum weekly benefit amount for an individual with four or more dependents during the four consecutive calendar quarters immediately preceding the computation date.

(2) A construction contributory employer, as defined under rules adopted by the division, which is newly subject to this chapter, shall pay contributions at the rate specified in the twenty-first benefit ratio rank until the end of the calendar year in which the employer's account has been chargeable with benefits for twelve consecutive calendar quarters immediately preceding the computation date.

(3) Thereafter, the employer's contribution rate shall be determined in accordance with paragraph "d" of this subsection, except that the employer's average annual taxable payroll and benefit ratio may be computed, as determined by the division, for less than five periods of four consecutive calendar quarters immediately preceding the computation date.

d. The division of job-service shall determine the contribution rate table to be in effect for the rate year following the rate computation date, by determining the ratio of the current reserve fund ratio to the highest benefit cost rate ratio on the rate computation date. On or before the fifth day of September the division shall make available to employers the contribution rate table to be in effect for the next rate year.

(1) The current reserve fund ratio shall be is computed by dividing the total trust funds available for payment of benefits, on the rate computation date, by the total wages paid in covered employment excluding reimbursable employment wages during the first four calendar quarters of the five calendar quarters immediately preceding the rate computation date.

(2) The highest benefit cost rate shall be ratio is the highest of the resulting ratios computed by dividing the total benefit payments benefits paid, excluding reimbursable benefit payments benefits paid, during each consecutive twelve-month period, during the ten-year period ending on the rate computation date, by the total wages, excluding reimbursable employment wages, paid in the four calendar quarters ending nearest and prior to the last day of such twelve-month period.

If the current reserve fund ratio, divided by the highest benefit cost rate ratio:

Equals or exceeds	But is less than	The contribution rate table in effect shall be
0-0 ---	0-5 0.3	1
0-5 0.3	0-75 0.5	2
0-75 0.5	1-0 0.7	3
1-0 0.7	1-5 0.85	4
1-5 0.85	1-9 1.0	5
1-9 1.0	2-3 1.15	6
2-3 1.15	2-7 1.30	7
2-7 1.30	3-0 ---	8
3-0 -----		9

The term "percentage of excess" means a number computed to six decimal places on July 1 of each year obtained by dividing the excess of all contributions attributable to an employer over the sum of all benefits charged to an employer by the employer's average annual payroll. An employer's percentage of excess is a positive number when the total of all contributions paid to an employer's account for all past periods to and including those for the quarter immediately preceding the rate computation date exceeds the total benefits charged to such account for the same period. An employer's percentage of excess is a negative number when the total of all contributions paid to an employer's account for all past periods to and including those for the quarter immediately preceding the rate computation date is less than the total benefits charged to such account for the same period.

"Benefit ratio" means a number computed to six decimal places on July 1 of each year obtained by dividing the average of all benefits charged to an employer during the five periods of four consecutive calendar quarters immediately preceding the computation date by the employer's average annual taxable payroll.

Each employer qualified for an experience rating shall be assigned a contribution rate for each rate year that

corresponds to the employer's percentage-of-excess benefit ratio rank in the contribution rate table effective for the rate year from the following contribution rate tables. Each employer's percentage-of-excess benefit ratio rank shall be computed by listing all the employers by decreasing percentages-of-excess increasing benefit ratios, from the highest-positive-percentage-of-excess lowest benefit ratio to the highest negative-percentage-of-excess benefit ratio and grouping the employers so listed into twenty-one separate ranks containing as nearly as possible four point and seventy-six hundredths percent of the total taxable wages, excluding reimbursable employment wages, paid in covered employment during the first four completed calendar quarters immediately preceding the rate computation date. If an employer's taxable wages qualify the employer for two separate percentage-of-excess benefit ratio ranks the employer shall be afforded the percentage-of-excess benefit ratio rank assigned the lower contribution rate. Employers with identical percentages-of-excess benefit ratios shall be assigned to the same percentage-of-excess benefit ratio rank.

Notwithstanding any other provision of this chapter which assigns an employer a contribution rate which corresponds to the employer's benefit ratio rank in the contribution rate table, an employer qualified for an experience rating shall contribute at the rate specified in the twenty-first benefit ratio rank for the next calendar year if the following two conditions are met: as of the computation date the total benefits paid by the employer during the five periods of four consecutive calendar quarters immediately preceding the computation date exceed the contributions paid by the employer for that same period; and for the previous computation date the total benefits paid by the employer during the five periods of four consecutive calendar quarters immediately preceding that previous computation date exceeded the total contributions paid by the employer for that same period.

Percent-

Age-of-Excess Benefit Ratio Rank	Approximate Cumulative Taxable Pay-roll Limit	Contribution Rate Tables								
		1	2	3	4	5	6	7	8	9
1	4.8%	.5	.2	.0	.0	.0	.0	.0	.0	.0
2	9.5%	.9	.6	.5	.3	.0	.0	.0	.0	.0
3	14.3%	1.0	.7	.6	.5	.4	.0	.0	.0	.0
4	19.0%	1.1	.8	.7	.6	.5	.3	.0	.0	.0
5	23.8%	1.2	.9	.8	.0	.6	.4	.2	.0	.0
6	28.6%	1.5	1.2	1.0	.9	.7	.5	.2	.1	.0
7	33.3%	1.9	1.5	1.2	1.0	.8	.6	.3	.2	.1
8	38.1%	2.1	1.7	1.4	1.1	.9	.7	.4	.2	.1
9	42.8%	2.3	2.1	1.6	1.2	1.0	.8	.5	.3	.2
10	47.6%	2.7	2.4	1.8	1.3	1.1	.9	.6	.4	.2
11	52.4%	3.3	2.9	2.1	1.5	1.2	1.0	.7	.5	.2
12	57.2%	3.8	3.4	2.5	1.7	1.3	1.1	.8	.6	.2
13	62.0%	4.3	4.0	2.8	2.0	1.5	1.3	.9	.7	.3
14	66.8%	4.9	4.6	3.1	2.4	1.7	1.5	1.1	.9	.5
15	71.6%	5.3	5.0	3.5	2.9	1.9	1.7	1.3	1.0	.5
16	76.4%	5.8	5.5	3.9	3.4	2.3	1.9	1.7	1.0	.7
17	80.9%	6.6	6.3	4.4	4.0	3.0	2.5	2.0	1.5	.8
18	85.7%	7.0	6.7	5.0	4.5	3.7	3.1	2.5	2.0	1.0
19	90.4%	7.0	6.8	5.5	5.0	4.4	3.8	3.2	2.5	1.0
20	95.2%	7.0	7.0	6.0	5.5	5.0	4.5	4.0	3.0	2.5
21	100.0%	7.0	7.0	6.0	6.0	5.5	5.0	4.5	4.0	4.0
1	4.8%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2	9.5%	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3	14.3%	0.4	0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0
4	19.0%	0.7	0.4	0.3	0.2	0.1	0.0	0.0	0.0	0.0
5	23.8%	1.0	0.6	0.5	0.3	0.2	0.1	0.0	0.0	0.0
6	28.6%	1.3	0.8	0.7	0.4	0.3	0.2	0.1	0.0	0.0
7	33.3%	1.6	1.1	0.9	0.6	0.4	0.3	0.2	0.1	0.1
8	38.1%	1.9	1.4	1.1	0.8	0.5	0.4	0.3	0.2	0.2
9	42.8%	2.2	1.7	1.3	1.0	0.6	0.5	0.4	0.3	0.3
10	47.6%	2.5	2.0	1.5	1.2	0.7	0.6	0.5	0.4	0.4

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11	52.44	2.8	2.4	1.8	1.4	0.8	0.7	0.6	0.5
12	57.14	3.1	2.8	2.1	1.6	0.9	0.8	0.7	0.6
13	61.94	3.6	3.2	2.4	1.8	1.1	0.9	0.8	0.7
14	66.64	4.1	3.6	2.9	2.2	1.4	1.0	0.9	0.8
15	71.44	4.7	4.2	3.4	2.6	1.8	1.1	1.0	0.9
16	76.24	5.4	4.8	4.2	3.3	2.5	1.6	1.1	1.0
17	80.94	6.1	5.4	5.4	4.3	3.5	2.4	1.6	1.1
18	85.74	7.0	6.7	6.3	5.4	5.4	3.9	2.5	1.3
19	90.44	8.0	8.0	7.3	6.6	6.0	5.4	3.9	2.3
20	95.24	8.5	8.5	8.5	7.8	7.2	6.4	5.4	3.8
21	100.04	9.0	9.0	9.0	9.0	8.4	7.4	6.4	5.4

Notwithstanding any other provision of this chapter relating to limiting contribution rates to those specified in the contribution rate table, an employer which employs individuals for construction as defined by the division of job service pursuant to rules, that has not qualified for an experience rating shall pay the maximum contribution rate assigned to any employer under this chapter, including the additional contributions required under this lettered paragraph of an employer with a negative balance in the employer's account, until such time as the employer has qualified for an experience rating. However, the employer shall not qualify for an experience rating until there have been twelve consecutive calendar quarters immediately preceding the rate computation date throughout which the employer's account has been chargeable with benefit payments.

On or before the fifth day of September immediately preceding the next following rate period the division shall make available to employers the table which will apply to the contribution rates in the following rate year.

During any rate year an employer assigned a contribution rate under this lettered paragraph is not required to contribute to the unemployment compensation fund if the employer's percentage of excess is seven and five tenths percent or greater for the rate year and the employer has not been charged with more than a total of one hundred dollars in

benefit payments for any time within the twenty-four calendar quarters immediately preceding the computation date for the rate year. However, notwithstanding the voluntary contribution provisions of section 96-77 subsection 37 paragraph "a" subparagraph (7), if the employer's account has not been charged with more than a total of one hundred dollars in benefit payments during the twenty-four calendar quarters immediately preceding the computation date and the employer's percentage of excess is less than seven and five tenths percent, the employer shall not be required to contribute to the unemployment compensation fund for the rate year if the employer makes a voluntary contribution which raises the employer's percentage of excess to seven and five tenths percent or greater and which equals or exceeds the amount of any benefit charge, of no more than one hundred dollars within the preceding twenty-four calendar quarters, to the employer's account. If an employer is not required to contribute for a rate year to the fund under this unnumbered paragraph but would be required to contribute for the next rate year under this lettered paragraph, the employer's contribution rate for the next rate year is either the employer's experience rate computed under this lettered paragraph or one and eight tenths percent, whichever is less. For subsequent years, either the employer is not required to contribute under this unnumbered paragraph or the employer's contribution rate is the employer's experience rate computed under this lettered paragraph. However, the employer's experience rate shall be limited for each of the next three consecutive rate years. For the first rate year, the employer's rate shall be limited to the rate in the percentage of excess rank which is no more than three percentage of excess ranks higher numerically than the rank containing the one and eight tenths percent rate or the next lower rate. For each of the next two rate years, the employer's rate shall be limited to the rate in the percentage of excess rank which is no more than three percentage of excess ranks higher numerically than the rank in which the employer was placed for the immediate past rate year.

Notwithstanding any other provision of this chapter relating to limiting contribution rates to those specified in the contribution rate table, if an employer qualified for an experience rating has a negative balance in the employer's account on the rate computation date and had a negative balance on the previous rate computation date, the employer shall contribute an additional one percent of taxable wages above the contribution rate assigned the employer by the effective rate contribution table. For each subsequent and consecutive rate computation date on which the employer still has a negative balance in the employer's account, the employer shall contribute an additional one percent of taxable wages. Beginning with the initial surcharge of one percent each subsequent and consecutive surcharge of one percent of taxable wages shall be cumulative, except that the cumulative surcharge shall not exceed an amount sufficient to make the employer's combined contribution rate equal to nine percent of taxable wages.

e. Based upon the formula above provided in this section the The division shall fix the rate of contribution rate for each employer. The division shall and notify the employer of the rate so fixed. An employer may appeal to the division for a revision of the contribution rate of contribution so fixed within thirty days from the date of the notice to such the employer. The After providing an opportunity for a hearing, the division after such hearing may affirm, set aside, or modify its former determination or modify it and may grant the employer a new contribution rate of contribution. The division shall notify the employer of this determination its decision by certified regular mail. Judicial review of action of the division may be sought in accordance with the terms of the Iowa administrative procedure Act pursuant to chapter 17A.

If an employer's account has been charged with benefits as the result of a decision allowing benefits and the decision is reversed, the employer may appeal, within thirty days from the date of the next contribution rate notice, for a recomputation

of the rate. If a base period employer's account has been charged with benefits paid to an employee at a time when the employee was employed by the base period employer in the same employment as in the base period, the employer may appeal, within thirty days from the date of the first notice of the employer's contribution rate which is based on the charges, for a recomputation of the rate. ~~The division shall remove the benefit charges from the rate computation, recompute the contribution rate, and notify the employer of the recomputed contribution rate.~~

f. If an employer has not filed a contribution or and payroll quarterly report, as required under pursuant to section 96.11, subsection 7, for a calendar quarter which precedes the computation date and upon which the employer's rate of contribution is computed, the employer's average annual taxable payroll shall be computed by adding considering the delinquent quarterly reports as containing zero taxable wages in the appropriate quarterly reports on file and dividing that sum by the number of years and quarters of years for which quarterly reports are on file.

If a delinquent quarterly report is received by November 15 immediately September 30 following the computation date the contribution rate of contribution shall be recomputed by using the taxable wages in all the appropriate quarterly reports on file to determine the average annual taxable payroll.

If a delinquent quarterly report is received after November 15 September 30 following the computation date the contribution rate of contribution shall not be recomputed, unless the rate is appealed in writing to the division under paragraph "e" of this subsection and the delinquent quarterly report received after November 15 is also submitted not later than thirty days after the division notifies the employer of the rate under paragraph "e" of this subsection.

4]. DETERMINATION AND ASSESSMENT OF CONTRIBUTIONS.

a. As soon as practicable and in any event within two years after an employer has filed reports, as required by the

division-of-job-service pursuant to section 96.11, subsection 7, the division shall examine ~~such~~ the reports and determine the correct amount of contributions due, and the amount so determined by the division shall be the contributions payable. If the contributions found due ~~shall be~~ are greater than the amount theretofore paid, the division shall send a notice by certified mail to the employer with respect to the additional contributions, ~~together with any and interest and penalty shall be sent by certified mail~~ assessed. A lien shall attach as provided in section 96.14, subsection 3, if the assessment is not paid or appealed within thirty days of the date of the notice of assessment.

b. If the division discovers from the examination of the reports required pursuant to section 96.11, subsection 7 or otherwise in some other manner that wages, or any portion of wages, payable for employment, or any part thereof, have not been listed in the reports, or that no reports were not filed when due, or that reports have been filed showing contributions due but no contributions in fact have not been paid, ~~it may~~ the division shall at any time within five years after the time such the reports were due, determine the correct amount of contributions payable, together with interest and any applicable penalty as provided in this chapter. The division shall send a notice by certified mail to the employer of the amount so-determined shall be assessed and a lien shall attach as provided in paragraph "a" of this subsection.

c. The certificate of the division to the effect that contributions have not been paid, that reports have not been filed, or that information has not been furnished, as required under the provisions of this chapter, shall be is prima-facie evidence thereof of the failure to pay contributions, file reports, or furnish information.

d 4. EMPLOYER LIABILITY DETERMINATION. The division shall initially determine all questions relating to the liability of an employing unit or employer, including the amount of

contribution, the contribution rate of contribution, and successorship. A copy of the initial determination shall be sent by regular mail to the last address, according to the records of the division, of each affected employing unit or employer.

The affected employing unit or employer may appeal in writing to the division from the initial determination. An appeal shall not be entertained for any reason by the division unless the appeal is filed with the division within thirty days from the date on which the initial determination is mailed. If an appeal is not so filed, the initial determination shall with the expiration of the appeal period become final and conclusive in all respects and for all purposes.

A hearing on an appeal shall be conducted according to the regulations and rules promulgated adopted by the division. A copy of the decision of the hearing officer shall be sent by regular mail to the last address, according to the records of the division, of each affected employing unit or employer.

The division's decision on the appeal shall be final and conclusive as to the liability of the employing unit or employer unless the employing unit or employer files an appeal for judicial review within thirty days after the date of mailing of the decision as provided in subsection 6-of-this section 5.

5--REVISION-OF-CONTRIBUTIONS--An-employer-may-appeal-to the-division-of-job-service-for-revision-of-the-contributions and-interest-assessed-against-such-employer-at-any-time-within thirty-days-from-the-date-of-the-notice-of-the-assessment-of such-contributions-and-interest--The-division-shall-grant-a hearing-thereon-and-if, upon-such-hearing, it-shall-determine that-the-amount-of-contributions-payable-with-interest-thereon is-incorrect, it-shall-revise-the-same-according-to-the-law and-the-facts-and-adjust-the-computation-of-the-contributions and-interest-accordingly--The-division-shall-notify-the employer-by-certified-mail-of-its-findings-

6 5. JUDICIAL REVIEW. Notwithstanding the terms of the Iowa administrative procedure Act chapter 17A, petitions for judicial review may be filed in the district court of the county in which such the employer resides, or in which such the employer's principal place of business is located, or in the case of a nonresident not maintaining a place of business in this state either in any a county in which the wages payable for employment were earned or paid or in Polk county, within thirty days after the date of the notice to such the employer notifying such employer of the employer's rate of contribution or of the division of job service's division's final determination as provided for in subsection 3 of this section or subsection 5 of this section 2, 3, or 4.

The petitioner shall file with the clerk of said the district court a bond for the use of the respondent, with sureties approved by the clerk, in with any penalty to be fixed and approved by the clerk of said court. In no case shall the The bond shall not be less than fifty dollars and shall be conditioned that on the petitioner shall perform petitioner's performance of the orders of the court. In all other respects, the judicial review shall be in accordance with the terms of the Iowa administrative procedure Act chapter 17A.

An appeal may be taken by the employer or the division to the supreme court of this state, irrespective of the amount involved.

7 6. JEOPARDY ASSESSMENTS. If the division of job service believes that the assessment or collection of contributions payable or benefits reimbursable will be jeopardized by delay, the division may immediately make an assessment of the estimated amount of contributions due or benefits reimbursable, together with all interest and penalty thereon as provided by this chapter applicable penalty, and demand payment thereof from the employer. If such the payment is not made, a distress warrant may be issued or the division may immediately file a lien filed against such the employer

immediately which may be followed by the issuance of a distress warrant.

The division shall be permitted to accept a bond from the employer to satisfy collection until the amount of contributions legally due shall be is determined. Such The bond to shall be in an amount deemed necessary, but not more than double the amount of the contributions involved, and with securities satisfactory to the division.

8 7. FINANCING BENEFITS PAID TO EMPLOYEES OF THE STATE OR POLITICAL SUBDIVISIONS OF THE STATE AND THEIR INSTRUMENTALITIES GOVERNMENTAL ENTITIES.

a. A government governmental entity which is an employer under the provisions of this chapter shall make benefit payments pay benefits in a manner provided for a government reimbursable employer unless the employer governmental entity elects to pay unemployment compensation benefits make contributions as a contributing contributory employer. Government entities may establish a group account as provided in this section. Any The election under this subsection to be a government contributing employer shall be effective for a minimum of one calendar year and may be changed if an election is made to be become a government reimbursable employer prior to December 1 for a minimum of the following calendar year.

However, if on the effective date of the election the governmental entity has a negative balance in its contributory account, the governmental entity shall pay to the fund within a time period determined by the division the amount of the negative balance and shall immediately become liable to reimburse the unemployment compensation fund for benefits paid in lieu of contributions. Regular or extended benefits paid after the effective date of the election, including those based on wages paid while the governmental entity was a contributory employer, shall be billed to the governmental entity as a reimbursable employer.

b. For the purposes of this subsection "government contributing employer" means a government entity electing to

contribute for a minimum period of one calendar year at a contribution rate determined by the division of job service in the following manner:

- (1) -- For the calendar year beginning January 1, 1978, the contribution rate shall be one percent;
- (2) -- For the calendar year beginning January 1, 1979, the contribution rate shall be one percent, provided that the division may reduce the contribution rate by fifteen hundredths of one percent or increase the contribution rate by not more than one percent. -- A rate adjustment shall be made only in an amount necessary to raise sufficient funds from contributing employers to finance an amount equal to the benefits for the previous calendar year and the amount by which the benefits of the preceding calendar year exceeded the employers' contributions;

(3) -- For the calendar year beginning January 1, 1980, the contribution rate shall be computed by the division immediately preceding the rate computation date by using the potential benefit charges of all government contributing employers for calendar year 1978 divided by the total of all taxable wages of government contributing employers for calendar year 1978:

(4) b. For the calendar year beginning January 1, 1981 and each subsequent year, each government contributing governmental entity electing to make contributions as a contributory employer, with at least eight consecutive calendar quarters immediately preceding the rate computation date throughout which the employer's account has been chargeable with benefit payments benefits, shall be assigned a contribution rate under the provisions of this subparagraph paragraph. Contribution rates shall be assigned by listing all such government contributing governmental contributory employers by decreasing percentages of excess from the highest positive percentage of excess to the highest negative percentage of excess. The employers so listed shall be grouped into seven separate percentage of excess ranks each

containing as nearly as possible one-seventh of the total taxable wages of government governmental entities eligible to be assigned a rate under this subparagraph paragraph.

As used in this subsection, "percentage of excess" means a number computed to six decimal places on July 1 of each year obtained by dividing the excess of all contributions attributable to an employer over the sum of all benefits charged to an employer by the employer's average annual payroll. An employer's percentage of excess is a positive number when the total of all contributions paid to an employer's account for all past periods to and including those for the quarter immediately preceding the rate computation date exceeds the total benefits charged to such account for the same period. An employer's percentage of excess is a negative number when the total of all contributions paid to an employer's account for all past periods to and including those for the quarter immediately preceding the rate computation date is less than the total benefits charged to such account for the same period.

As used in this subsection, "average annual taxable payroll" means the average of the total amount of taxable wages paid by an employer for insured work during the three periods of four consecutive calendar quarters immediately preceding the computation date. However, for an employer which qualifies on any computation date for a computed rate on the basis of less than twelve consecutive calendar quarters of chargeability immediately preceding the computation date, "average annual taxable payroll" means the average of the employer's total amount of taxable wages for the two periods of four consecutive calendar quarters immediately preceding the computation date.

PARAGRAPH DIVIDED. The division shall annually calculate a base rate for each calendar year. The base rate is equal to the sum of the benefit payments benefits charged to government contributing governmental contributory employers in the preceding calendar year at the time of immediately preceding

the rate computation date plus or minus the difference between the total benefits less and contributions made paid by government-contributing governmental contributory employers since January 17, 1980 which sum is divided by the total taxable wages of government-contributing employers for during the preceding calendar year immediately preceding the computation date, rounded to the next highest one-tenth of a percentage point one percent. If total contributions since January 17, 1980 exceed total benefit payments for government contributing employers, the difference shall be subtracted from the benefit payments of the preceding year; if benefits since January 17, 1980 exceed total contributions for government-contributing employers the difference shall be added to the benefit payment of the preceding year. Excess contributions for from the years 1978 and 1979 will shall be used to offset benefit payments benefits paid in any calendar year where total benefit payments benefits exceed total contributions of government-contributing governmental contributory employers. The contribution rate as a percentage of taxable wages of the employer shall be assigned as follows:

If the percentage of excess rank is:	The contribution rate shall be:	Approximate cumulative taxable payroll:
1	Base Rate - 0.9	14.3
2	Base Rate - 0.6	28.6
3	Base Rate - 0.3	42.9
4	Base Rate	57.2
5	Base Rate + 0.3	71.5
6	Base Rate + 0.6	85.8
7	Base Rate + 0.9	100.0

PARAGRAPH DIVIDED. If a government-contributing governmental contributory employer is grouped into two separate percentage of excess ranks, the employer shall be assigned the lower contribution rate of the two percentage of excess ranks. Notwithstanding the provisions of this subparagraph, a government-contributing governmental

contributory employer shall not be assigned a contribution rate less than one-tenth of one percent of taxable wages unless the employer has a positive percentage of excess greater than five percent. For the purposes of this subsection percentage of excess has the meaning provided in subsection 37 paragraph "d" of this section.

For the calendar year beginning January 1, 1981, government Governmental entities electing to be government-contributing contributory employers which are not otherwise eligible to be assigned a contribution rate under this subparagraph paragraph shall be assigned the base rate for the calendar year as a contribution rate for the calendar year.

A government entity electing to contribute at a fixed contribution rate in lieu to making payments as a government reimbursable employer may elect to finance benefits as a government reimbursable employer however the government entity shall be obligated to pay within a time period determined by the division of job service to the fund the amount by which benefit payments for the government entity exceed contributions by the government entity on the effective date of the election.

c. For the purposes of this subsection, "government governmental reimbursable employer" means an employer paying which makes payments to the division for the unemployment compensation fund in an amount equal to the sum of the regular and extended benefits attributable to paid, which are based on wages paid for service in the employ of the employer and prior to January 17, 1979 plus one-half of the extended benefits paid for service in the employ of the employer; and beginning January 17, 1979 plus all of the extended benefits paid for service in the employ of the employer. Benefits paid to an eligible individual shall be charged against the base period employers in the inverse chronological order in which the employment of the individual occurred. However, the amount of benefits charged against an employer for a calendar quarter of the base period shall not exceed the amount of the

individual's wage credits based upon employment with that employer during that quarter. At the end of each calendar quarter, the division shall bill each governmental reimbursable employer for benefits paid during that quarter. Payments by a governmental reimbursable employer shall be made in accordance with the provisions of subsection 9 8, paragraph "b" of this section, subparagraphs (2) through (5).

d. A state agency, board, commission, or department, except a state board of regents regents' institution or the state fair board, shall, after approval of the billing for a governmental reimbursable employer as provided in subsection 9 8, paragraph "b" of this section, submit the billing to the director of revenue and finance. The director of revenue and finance shall pay the approved billings billing out of any funds in the state treasury not otherwise appropriated. A state agency, board, commission, or department shall reimburse the director of revenue and finance out of any revolving, special, trust, or federal fund from which all or a portion of the billing can be paid, for payments made by the director of revenue and finance on behalf of the agency, board, commission, or department.

9 8. FINANCING BENEFITS PAID TO EMPLOYEES OF NONPROFIT ORGANIZATIONS. Benefits paid to employees of nonprofit organizations or of any state-owned hospital or institution of higher education shall be financed in accordance with the provisions of this subsection. For the purpose of this subsection and section 96:19, a nonprofit organization is an organization described in the U.S. Internal Revenue Code, 26 U.S.C. 501(c)(3), which is exempt from income tax under 26 U.S.C. 501(a) of such Code.

a. Any state-owned hospital or institution of higher education, which pursuant to section 96:19, subsection 5, paragraph "h", or any A nonprofit organization which pursuant to section 96:19, subsection 5, paragraph "i", is, or becomes, subject to this chapter on or after January 17, 1992, shall pay contributions under the provisions of subsections 17 and 2,

and 3 of this section; unless it the nonprofit organization elects, in accordance with this paragraph, to pay to the division of job service for reimburse the unemployment compensation fund for benefits paid in an amount equal to the amount of regular benefits and of one-half of the extended benefits paid, that is attributable to service in the employ of such nonprofit organization, to individuals for weeks of unemployment which begin are based on wages paid for service in the employ of the nonprofit organization during the effective period of such the election.

(1) Any A nonprofit organization or any state-owned hospital or institution of higher education which is, or becomes, subject to this chapter on January 17, 1992, may elect to become liable for payments in lieu of contributions a reimbursable employer for a period of not less than two calendar years commencing January 17, 1992, provided it files by filing with the division a written notice of its election within the thirty-day period immediately following such date or within a like period immediately following the effective date of this Act, whichever occurs later not later than thirty days prior to the beginning of the calendar year for which the election is to be effective.

(2) Any nonprofit organization or any state-owned hospital or institution of higher education, which becomes subject to this chapter after January 17, 1992, may elect to become liable for payments in lieu of contributions for a period of not less than two calendar years following the date on which such subjectivity begins by filing a written notice of its election with the division not later than thirty days immediately following the date of the determination of such subjectivity.

(3) Any (2) A nonprofit organization or any state-owned hospital or institution of higher education, which makes an election in accordance with subparagraphs subparagraph (1) or (2) of this paragraph shall continue to be liable for payments in lieu of contributions a reimbursable employer until it the nonprofit organization files with the division a written

notice terminating its election not later than thirty days prior to the beginning of the taxable calendar year for which such the termination shall first be effective.

(4) ~~Any nonprofit organization or any state-owned hospital or institution of higher education, which has been paying contributions under this chapter for a period on or after January 17, 1972, may change to a reimbursable basis by filing with the division not later than thirty days prior to the beginning of any taxable year a written notice of election to become liable for payments in lieu of contributions. Such election shall not be terminable by the organization for that and the next year.~~

(5) (3) The division may for good cause extend the period within which a notice of election, or a notice of termination, of election must be filed and may permit an election or termination of election to be retroactive but not any earlier than with respect to benefits paid after December 31, 1969.

(6) (4) The division, in accordance with such regulations as it may prescribe rules, shall notify each nonprofit organization of any determination which it may make made by the division of its the status of the nonprofit organization as an employer and of the effective date of any election which it makes and of any or termination of such election. Such determinations shall be A determination is subject to reconsideration, appeal and review in accordance with the provisions of subsections 5 4 and 6 of this section 5.

b. Payments Reimbursements for benefits paid in lieu of contributions shall be made in accordance with the following:

(1) At the end of each calendar quarter, or at the end of any other period as determined by the division, the division shall bill each nonprofit organization which has elected to make payments reimburse the unemployment compensation fund for benefits paid in lieu of contributions for an amount equal to the full amount of regular benefits plus and one-half of the amount of extended benefits paid during such the quarter or other prescribed period that is attributable to which are

based on wages paid for service in the employ of such the organization. Unless federal funds are otherwise provided, at the end of each calendar quarter or other period determined by the division, the division shall also bill each governmental entity the amount of regular plus extended benefits owed as a governmental reimbursable employer for benefits paid during the quarter or period for such organization electing governmental reimbursable status including any benefits paid for a government entity for claims filed while the government entity was a contributing employer prior to an election to become a government reimbursable employer which were paid during the quarter or period. Benefits paid to an individual shall be charged against the base period employers in the inverse chronological order in which the employment of the individual occurred. However, the amount of benefits charged against an employer for a calendar quarter of the base period shall not exceed the amount of the individual's wage credits based upon employment with that employer during that quarter.

(2) Payment of any bill rendered shall be made The nonprofit organization shall pay the bill not later than thirty days after such the bill was mailed or otherwise delivered to the last known address of the nonprofit organization or was otherwise delivered to it, unless there the nonprofit organization has been filed an application for review and redetermination in accordance with subparagraph (4) of this paragraph.

(3) Payments Reimbursements made by any a nonprofit organization under the provisions of this subsection shall not be deducted or deductible, in whole or in part, from the remuneration wages of individuals in the employ of the nonprofit organization.

(4) The amount due specified in any a bill from the division shall be is conclusive on the organization unless, not later than fifteen days following the date the bill was mailed or otherwise delivered to its the last known address or otherwise delivered to it of the nonprofit organization, the

nonprofit organization files an application for redetermination by with the division setting forth the grounds for such the application. The division shall promptly review and reconsider the amount due specified in the bill and shall thereafter issue a redetermination in-any-case-in-which-such application-for-redetermination-has-been-filed. Any-such The redetermination shall-be is conclusive on the nonprofit organization unless, not later than sixty thirty days after the redetermination was mailed or otherwise delivered to its the last known address or otherwise delivered to it of the nonprofit organization, the nonprofit organization files an appeal to the district court pursuant to subsection 6-of-this section 5.

(5) The provisions for collection of contributions under section 96.14 shall-be are applicable to payments reimbursements for benefits paid in lieu of contributions.

10 9. PROVISION-OF BOND OR OTHER SECURITY DEPOSITS. A nonprofit organization which elects, on or after July 1, 1975, to become liable-for-payments-in-lieu-of-contributions a reimbursable employer shall be required within thirty days after the effective date of the election to either execute and file with the division of-job-service a surety bond approved by the division or the nonprofit-organization-may-elect instead-to deposit with the division money or securities. The amount-of-the-bond-or-deposit-shall-be-determined-in accordance-with-this-subsection:

a. The amount of the bond or deposit required-by-this subsection shall be equal to two and seven-tenths percent of the nonprofit organization's total taxable wages paid for employment for during the four calendar quarters immediately preceding the effective date of the election, or the renewal date in-the-case of a bond-or-the-biennial-anniversary-of-the effective-date-of-election-in-the-case-of or a deposit of money or securities, whichever date shall-be is most recent and applicable. If the nonprofit organization did not pay wages in each of such the four calendar quarters, the amount of the bond or deposit shall be as determined by the division.

b. Any A bond deposited filed under this subsection shall be in force for a period of not less than two taxable years and shall be renewed with the approval of the division, at such times as the division may prescribe, but not less frequently than at two-year intervals as-long-as-the organization-continues-to-be-liable-for-payments-in-lieu-of contributions. The division shall require adjustments to be made in a previously filed bond as it deems appropriate. If the bond is to be increased or decreased, the adjusted bond shall be filed by the nonprofit organization within thirty days of the date notice of the required adjustment was mailed or otherwise delivered to-it. Failure by any a nonprofit organization covered by such a bond to pay-the-full-amount-of payments-in-lieu-of-contributions fully reimburse the unemployment compensation fund for benefits paid when due, together-with-any-applicable-interest-and-penalties-provided for-in-section-96:14 shall render the surety liable on-said bond for the due and unpaid reimbursements and any interest and penalty due as provided in section 96.14 to the extent of the bond-as-though-the-surety-was-such-organization.

c. Any-deposit-of-money Money or securities deposited in accordance with this subsection shall be retained by the division in an escrow account until the nonprofit organization's liability under the election is terminated, at which time it the money or securities shall be returned to the nonprofit organization, less any deductions as-hereinafter provided made by the division. The division may deduct make deductions from the money deposited under-this-paragraph-by-a nonprofit-organization or sell the securities it-has-so deposited to-the-extent if necessary to satisfy any due and unpaid payments-in-lieu-of-contributions reimbursements and any applicable interest and penalties penalty due as provided for in section 96.14. The-division-shall-require-the organization-within-thirty-days-following-any-deduction-from-a money-deposit-or-sale-of-deposited-securities-under-the provisions-of-this-paragraph-to-deposit-sufficient-additional

money or securities to make whole the organization's deposit at the prior level. Any cash remaining from the sale of such securities shall be a part of the organization's escrow account. The division may, at any time, review the adequacy of the deposit made by any a nonprofit organization. If as a result of such review, it the division determines that an adjustment is necessary, it the division shall require the organization to make an additional deposit within thirty days of written notice of its the determination or shall return to it such the nonprofit organization the portion of the deposit as it no longer considers considered necessary, whichever action is appropriate. Disposition of income from securities held in escrow or any cash remaining from the sale of securities shall be governed by the applicable provisions of the Code.

11. AUTHORITY TO TERMINATE BENEFITS:

d. If any a nonprofit organization fails to file a bond or make a deposit, or to file a bond in an increased amount or to increase or make whole the amount of a previously made deposit or make a deposit to meet an adjustment, the division of job service may terminate such the nonprofit organization's election to make payments reimburse the unemployment compensation fund for benefits paid in lieu of making contributions and such. The termination shall continue for not less than the four consecutive calendar quarter period four consecutive calendar quarters beginning with the quarter in which such the termination becomes effective, provided that. However, the division may extend for good cause the applicable filing, deposit, or adjustment period by not more than thirty days.

12. ALLOCATION OF BENEFIT COST. Each employer that is liable for payments in lieu of contributions shall pay to the division of job service for the fund the amount of regular benefits and unless a government entity plus the amount of one-half of extended benefits paid during each quarter that are attributable to service in the employ of such employer. A

government entity shall make benefit payments in the amounts provided for a government reimbursable employer. If benefits paid to an individual are based on wages paid by more than one employer and one or more of such employers are liable for payments in lieu of contributions, the amount payable to the fund by each employer that is liable for such payment shall be payable each quarter by the base period employers in inverse chronological order in which the employment of such individual occurred. Provided, that the amount of any such employer's liability in any calendar quarter shall not exceed the amount of such individual's wage credits and unless a government entity plus one-half the amount of extended benefits based on employment with such employer during such quarter of the base period. A government entity's liability in any calendar quarter shall not exceed the amount of the individual's wage credits plus that amount of extended benefits a government entity is required to pay as a government reimbursable employer.

13 10. GROUP ACCOUNTS. Two or more employers that nonprofit organizations or two or more governmental entities which have become liable for payments in lieu of contributions, reimbursable employers in accordance with the provisions of subsection 8 and 7 or subsection 9 8, paragraph "a", of this section may file a joint application to the division of job service for the establishment of a group account for the purpose of sharing the cost of benefits paid that which are attributable to service in the employ of such the employers. Each such The application shall identify and authorize a group representative to act as the group's agent for the purposes of this subsection. Upon its approval of the application, the division shall establish a group account for such the employers effective as of the beginning of the calendar quarter in which it the division receives the application and shall notify the group's representative agent of the effective date of the account. Such The account shall remain in effect for not less than one year and thereafter

until terminated at the discretion of the division or upon application by the group. Upon establishment of the account, each employer member of the group shall be liable for payments benefit reimbursements in lieu of contributions with respect to each calendar quarter in the an amount that which bears the same ratio to the total benefits paid in such the quarter that which are attributable to service performed in the employ of all members of the group, as the total wages paid for service performed in employment-by-such the employ of the member in such the quarter bear to the total wages paid during-such quarter for service performed in the employ of all members of the group in the quarter. The division shall prescribe-such regulations-as-it-deems-necessary adopt rules with respect to applications for establishment, maintenance, and termination of group accounts that-are-authorized-by-this-subsection, for addition of new members to, and withdrawal of active members from such group accounts, and for the determination of the amounts that which are payable under this-subsection by members of the group and the time and manner of such the payments.

14--NONPROFIT-ORGANIZATION-ELECTION:

a--Notwithstanding-any-provisions-in-subsection-9-of-this section,-any-nonprofit-organization-that-prior-to-January-17 1969,-paid-contributions-required-by-this-section-and, pursuant to subsection 9 of this section, elects,-before-April 17,1972,-to-make-payments-in-lieu-of-contributions,-shall-not be-required-to-make-any-such-payment-on-account-of-any-regular or-extended-benefits-paid,-on-the-basis-of-wages-paid-by-such organization-to-individuals-for-weeks-of-unemployment-which begin-on-or-after-the-effective-date-of-such-election-until the-total-amount-of-such-benefits-equals-the-amount-of-the positive-balance-in-the-experience-rating-account-of-such organization:

b--A-nonprofit-organization-or-group-not-required-to-be covered-employment-prior-to-January-17,1970,-that-paid contributions-as-an-employer-prior-to-October-20,1976,-and

which-elects-within-thirty-days-after-January-17,1978,-to-make payments-in-lieu-of-contributions-shall-not-be-required-to make-any-such-payment-for-regular-or-extended-benefits-paid after-its-election-until-the-total-amount-of-benefits-equals the-amount-of-the-positive-balance-in-the-experience-rating account-of-such-organization:

15 11. TEMPORARY EMERGENCY TAX SURCHARGE. If on the first day of the third month in any calendar quarter, the division of job-service has an outstanding balance of interest accrued on advance moneys received from the federal government for the payment of unemployment compensation benefits, or is projected to have an outstanding balance of accruing federal interest for that calendar quarter, the commissioner division shall collect a uniform temporary emergency surcharge for that calendar quarter, retroactive to the beginning of that calendar quarter. The surcharge shall be a percentage of employer contribution rates and shall be set at a uniform percentage, for all employers subject to the surcharge, necessary to pay the interest accrued on the moneys advanced to the division by the federal government, and to pay any additional federal interest which will accrue for the remainder of that calendar quarter. The surcharge shall apply to all employers except government governmental entities, nonprofit organizations, and employers assigned a zero contribution rate. The commissioner division shall prescribe adopt rules prescribing the manner in which the surcharge will be collected. Interest shall accrue on all unpaid surcharges under this subsection at the same rate as on regular contributions and shall be collectible in the same manner. The surcharge shall not affect the computation of regular contributions under this chapter.

A special fund to be known as the temporary emergency surcharge fund is created in the state treasury. The special fund is separate and distinct from the unemployment compensation trust fund. All contributions collected from the temporary emergency surcharge shall be deposited in the

special fund. The special fund shall be used only to pay interest accruing on advance moneys received from the federal government for the payment of unemployment compensation benefits. Interest earned upon moneys in the special fund shall be deposited in and credited to the special fund.

If the division determines on June 1 that no outstanding balance of interest due has accrued on advanced moneys received from the federal government for the payment of unemployment compensation benefits, and that no outstanding balance is projected to accrue for the remainder of the calendar year, the division shall notify the treasurer of state of its determination. The treasurer of state shall immediately transfer all moneys, including accrued interest, in the temporary emergency surcharge fund to the unemployment compensation fund for the payment of benefits.

~~16. -- ADVANCE PAYMENT -- If on March 1, 1983, the total unemployment compensation trust funds available for the payment of benefits are less than ten times the average total weekly benefits paid during four consecutive weeks of January and February, 1983, the division of job service may require an advance payment of all or a portion of the actual or projected employer contributions due for the calendar quarter ending March 31, 1983, payable on March 31, 1983.~~

12. ADMINISTRATIVE CONTRIBUTION SURCHARGE -- FUND.

a. An employer other than a governmental entity or a nonprofit organization, subject to this chapter, shall pay an administrative contribution surcharge equal in amount to one-tenth of one percent of federal taxable wages, as defined in section 96.19, subsection 20, paragraph "b". The division shall recompute the amount as a percentage of taxable wages, as defined in section 96.19, subsection 20, and shall add the percentage surcharge to the employer's contribution rate determined under this section. The division shall adopt rules prescribing the manner in which the surcharge will be collected. Interest shall accrue on all unpaid surcharges under this subsection at the same rate as on regular contributions and shall be collectible in the same manner.

b. A special fund to be known as the administrative contribution surcharge fund is created in the state treasury. The fund is separate and distinct from the unemployment compensation fund. All contributions collected from the administrative contribution surcharge shall be deposited in the fund. Interest earned upon moneys in the fund shall be deposited in and credited to the fund.

c. Moneys in the fund shall be used by the division only upon appropriation by the general assembly and only for personnel and nonpersonnel costs of rural and satellite job service offices in population centers of less than twenty thousand. After the end of a state fiscal year the treasurer of state shall promptly transfer all moneys in the fund which have not been appropriated or which have been appropriated but remain unencumbered or unobligated to the unemployment compensation fund.

d. This subsection is repealed July 1, 1990, and the repeal is applicable to contribution rates for calendar year 1991 and subsequent calendar years.

Sec. 5. Section 96.9, subsection 2, unnumbered paragraph 2, Code 1987, is amended to read as follows:

Interest paid upon the trust fund moneys deposited with the secretary of the treasury of the United States under the provisions of this subsection 2 of this section for any calendar year shall be allocated and credited to and become a part of each employer's reserve account; said allocation to be made in the following manner: -- For the calendar year 1988 and each calendar year thereafter, the division shall add and credit to each employer's reserve account, the percentage of the total interest paid upon the aggregate of the reserve accounts of all of the employers in the state in said year that each such employer's individual reserve account bears to said aggregate reserve account the unemployment compensation fund. Said interest shall be credited and applied in the same manner as a voluntary contribution made by each such employer.

Sec. 6. Section 96.19, subsections 1, 20, and 38, Code 1987, are amended to read as follows:

1. "ANNUAL PAYROLL" -- The term "Average annual taxable payroll" as used in subsection 3 "d" of section 96.7 means the total amount of taxable wages paid by an employer for insured work during the period of four consecutive calendar quarters ending on June 30 of each year, and the term "average annual payroll" as used in said subsection means the average of the "annual payrolls" of total amount of taxable wages paid by an employer for insured work during the last three five periods of four consecutive calendar quarters immediately preceding the computation date. Except that for an employer who qualifies on any computation date for a computed rate on the basis of less than twelve consecutive calendar quarters of chargeability immediately preceding the computation date, the term average annual payroll shall be the average of the annual payrolls for the last two periods of four consecutive calendar quarters immediately preceding the computation date.

20. "TAKABLE WAGES" -- For the purposes of section 96.7, subsections 1 and 2 and for the period beginning January 1, 1972 and ending December 31, 1977, taxable wages shall not include that part of remuneration which, after remuneration equal to four thousand two hundred dollars has been paid in a calendar year to an individual by an employer or the employer's predecessor with respect to employment during any calendar year, is paid to such individual by such employer during such calendar year unless that part of the remuneration is subject to a tax under a federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund, except that for the calendar years 1976 and 1977 the remuneration figure shall be six thousand dollars.

For the purposes of this subsection, the term "employment" includes service constituting employment under any unemployment compensation law of another state provided such other state will consider service performed in Iowa in determining the contribution base.

For the calendar year beginning January 1, 1978, and each subsequent calendar year, taxable "Taxable wages" means an amount of wages upon which an employer shall be is required to contribute based upon remuneration wages which has have been paid in during a calendar year to an individual by an employer or the employer's predecessor, in this state or another state which extends a like comity to this state, with respect to employment during any calendar year shall be equal to, upon which the employer is required to contribute, which equals the greater of the following:

- a. Sixty-six and two-thirds percent of the statewide average annual weekly wage paid to employees in insured work which was used during the previous calendar year to determine maximum weekly benefit amounts, multiplied by fifty-two and rounded to the next highest multiple of one hundred dollars based upon the calculation made during the previous calendar year used to determine the maximum weekly benefit amount, or
- b. That portion of remuneration wages subject to a tax under a federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund.

However, the amount of taxable wages otherwise determined under this subsection shall be increased by six hundred dollars for calendar year 1984, by eleven hundred dollars for calendar year 1985, and by sixteen hundred dollars for calendar year 1986 and subsequent calendar years.

38. "Governmental entity" means a state, a state instrumentality, a political subdivision or an instrumentality of a political subdivision instrumentality, or a combination of one or more of the preceding.

Sec. 7. Section 96.19, Code 1987, is amended by adding the following new subsections:

NEW SUBSECTION. 42. "Statewide average weekly wage" means the amount computed by the division at least once a year on the basis of the aggregate amount of wages reported by employers in the preceding twelve-month period ending on

December 31 and divided by the product of fifty-two times the average mid-month employment reported by employers for the same twelve-month period. In determining the aggregate amount of wages paid statewide, the division shall disregard any limitation on the amount of wages subject to contributions under this chapter.

NEW SUBSECTION. 43. "Nonprofit organization" means an organization described in the federal Internal Revenue Code, 26 U.S.C. § 501(c)(3), which is exempt from income taxation under 26 U.S.C. § 501(a).

NEW SUBSECTION. 44. "Division" means the division of job service of the department of employment services created in section 84A.1.

Sec. 8. REPEALS.

1. Section 96.7B, Code 1987, is repealed.
2. 1983 Iowa Acts, chapter 190, section 26, is repealed.

Sec. 9. APPLICABILITY.

1. This Act takes effect July 1, 1987 and is applicable to contribution rates for calendar year 1988 and subsequent calendar years.

2. Notwithstanding any other provision of chapter 96 or this Act relating to the applicable contribution rate table for calendar year 1988, the applicable contribution rate table for calendar year 1988 is rate table three, as amended in this Act.

3. Section 3 of this Act applies to benefit claims effectively filed for and after the first full week in calendar year 1988.

Sec. 10. FUTURE REPEAL. Sections 1, 2, 4, and 5, section 6 except for the amendment to section 96.19, subsection 20, and sections 7 and 9 of this Act are repealed effective July 1, 1988, and the repeals are applicable to contribution rates for calendar year 1989 and subsequent calendar years. The Code sections amended by sections 1, 2, 4, and 5, section 6 except for the amendment to section 96.19, subsection 20, and section 7 of this Act revert on July 1, 1988, applicable to

contribution rates for calendar year 1989 and subsequent calendar years, to their content before amendment by this Act, and the Code sections as they existed before amendment by this Act are reenacted in that form.

JO ANN ZIMMERMAN
President of the Senate

DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 507, Seventy-second General Assembly.

Approved  , 1987

JOHN F. DWYER
Secretary of the Senate

TERRY E. BRANSTAD
Governor

S.F. 507