PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1135

That the House accede to the Senate amendments as printed on page 1012 of the House Journal and page 838 of the Senate Journal and that Engrossed House Bill No. 1135 be further amended as follows:

- Page 1, line 1, remove the second "and" and after "52-04-09" insert ", and 52-06-05"
- Page 1, line 3, replace "and" with a comma and after "rates" insert ", and maximum potential benefits"
- Page 1, line 7, overstrike "2000" and insert immediately thereafter "1999"
- Page 1, line 15, replace "October" with "January" and replace "1999" with "2000"
- Page 2, line 6, replace "Progress towards achieving the targeted amount" with "The trust fund reserve target will be achieved over a seven-year period from January 1, 2000. Progress toward achieving the targeted amount of the trust fund reserve is measured by reducing any difference between one and the average high-cost multiple of the state by an amount that is at least equal to the ratio of the number of years left to reach the targeted amount of the trust fund reserve to the difference between the trust fund reserve and the targeted amount."
- Page 2, remove lines 7 through 9
- Page 2, line 10, replace "amount and if" with "If"
- Page 2, line 15, after the underscored period insert "<u>In setting tax rates, the amount of the trust</u> <u>fund reserve may not be allowed to fall below three hundred percent from a standard</u> <u>margin of error for the targeted amount of the trust fund reserve. The executive director</u> <u>may make reasonable adjustments to the tax rates set for a calendar year to prevent</u> <u>significant rate variations between calendar years.</u>"
- Page 2, line 16, after the underscored period insert "<u>If while achieving the trust fund reserve</u> target the trigger of above three percent insured unemployment rate and an increase of more than one hundred ten percent of the average of the two preceding years has been in effect for two or more consecutive years, the period of time to achieve the trust fund reserve target is extended to seven years from the end date of the last year in which the trigger was in effect. If this trigger has been in effect for one year, the amount of tax increase towards achieving the targeted amount of the trust fund reserve must be determined using the number of years remaining of the seven-year period, excluding the year the trigger is in effect."
- Page 4, line 5, after the period insert "During the building of the trust fund reserve, the rate assigned to an employer may not exceed one hundred thirty percent of the previous year's rate for that employer and an employer may not receive more than a ten percent decrease in that employer's rate from the previous year's tax rate, for the calendar years 2000, 2001, and 2002. The executive director may provide any negative employer whose contributions paid into the trust fund are greater than the benefit charges against that employer's account, for a minimum of three consecutive years

immediately preceding the computation date or subject to the law as required, with up to a thirty percent reduction to that employer's rate for any year if that employer has in place a plan approved by the bureau which addresses substantive changes to that employer's business operation and ensures that any rate reduction provided will not put the employer account back into a negative status."

Page 4, line 31, overstrike "2000" and insert immediately thereafter "1999"

- Page 5, line 8, replace "October" with "January" and replace "1999" with "2000"
- Page 5, line 23, replace "Progress towards achieving the targeted amount" with "The trust fund reserve target will be achieved over a seven-year period from January 1, 2000. Progress toward achieving the targeted amount of the trust fund reserve is measured by reducing any difference between one and the average high-cost multiple of the state by an amount that is at least equal to the ratio of the number of years left to reach the targeted amount of the trust fund reserve to the difference between the trust fund reserve and the targeted amount."
- Page 5, remove lines 24 through 26
- Page 5, line 27, replace "amount and if" with "If"
- Page 6, line 1, after the underscored period insert "In setting tax rates, the amount of the trust fund reserve may not be allowed to fall below three hundred percent from a standard margin of error for the targeted amount of the trust fund reserve. The executive director may make reasonable adjustments to the tax rates set for a calendar year to prevent significant rate variations between calendar years."
- Page 6, line 2, after the underscored period insert "<u>If while achieving the trust fund reserve</u> target the trigger of above three percent insured unemployment rate and an increase of more than one hundred ten percent of the average of the two preceding years has been in effect for two or more consecutive years, the period of time to achieve the trust fund reserve target is extended to seven years from the end date of the last year in which the trigger was in effect. If this trigger has been in effect for one year, the amount of tax increase towards achieving the targeted amount of the trust fund reserve must be determined using the number of years remaining of the seven-year period, excluding the year the trigger is in effect."
- Page 7, line 15, after the period insert "During the building of the trust fund reserve, the rate assigned to an employer may not exceed one hundred thirty percent of the previous year's rate for that employer and an employer may not receive more than a ten percent decrease in that employer's rate from the previous year's rate, for the calendar years 2000, 2001, and 2002. The executive director may provide any negative employer whose contributions paid into the trust fund are greater than the benefit charges against that employer's account, for a minimum of three consecutive years immediately preceding the computation date or subject to the law as required, with up to a thirty percent reduction to that employer's rate for any year if that employer has in place a plan approved by the bureau which addresses substantive changes to that employer's business operation and ensures that any rate reduction provided will not put the employer account back into a negative status."

"**SECTION 4. AMENDMENT.** Section 52-06-05 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

## 52-06-05. (Effective through December 31, 1999) Maximum potential benefits.

1. Except as provided in subsection 2, any otherwise eligible individual is entitled during the individual's benefit year to benefits for the number of times the individual's weekly benefit amount appearing in the following table on the line that includes the individual's ratio of total base-period wages to highest quarter base-period wages:

Ratio of Total Base-Period	Times Weekly
Wages to High Quarter	Benefit Amount
1.50 to 2.29	12
2.30 to 2.44	14
2.45 to 2.59	16
2.60 to 2.74	18
2.75 to 2.89	20
2.90 to 3.04	22
3.05 to 3.19	24
3.20 or more	26

2. Any otherwise eligible individual whose entire with at least sixty percent of that individual's base-period earnings were paid by an employer belonging to industry group number 161, highway and street construction, except elevated highways, pursuant to the standard industrial classification manual is entitled during the individual's benefit year to benefits for the number of times the individual's weekly benefit amount appearing in the following table on the line that includes the individual's ratio of total base-period wages to highest quarter base-period wages:

Ratio of Total Base-Period	Times Weekly
Wages to High Quarter	Benefit Amount
1.50 to 1.73	12
1.74 to 1.97	14
1.98 to 2.21	16
2.22 to 2.45	18
2.46 to 2.69	20
2.70 to 2.93	22
2.94 to 3.17	24
3.18 or more	26

(Effective after December 31, 1999) Maximum potential benefits. Any otherwise eligible individual is entitled during the individual's benefit year to benefits for the number of times the individual's weekly benefit amount appearing in the following table on the line which includes the individual's ratio of total base-period wages to highest quarter base-period wages:

Ratio of Total Base-Period	Times Weekly
Wages to High Quarter	Benefit Amount
1.50 to 2.29	12
2.30 to 2.44	14
2.45 to 2.59	16
2.60 to 2.74	18
2.75 to 2.89	20
2.90 to 3.04	22
3.05 to 3.19	24
3.20 or more	26

SECTION 5. JOB SERVICE NORTH DAKOTA - REPORT TO LEGISLATIVE COUNCIL - LEGISLATIVE COUNCIL RECOMMENDATIONS. During the 1999-2000 interim, job service North Dakota shall review possible incentives to encourage an employee to decrease the length of time that employee receives unemployment compensation benefits and to encourage a negative employer to become a positive employer and job service North Dakota shall report the results of this review to the legislative council. The legislative council shall report its recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly."

Renumber accordingly