

Sixty-sixth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1060

Introduced by

Representatives Roers Jones, Headland, Dockter

Senators Meyer, Unruh, Poolman, Myrdal

A BILL ~~for an Act to create and enact a new subsection to section 52-04-06 of the North Dakota Century Code, relating to surcharges paid by employers for employees who receive unemployment insurance benefits at a rate exceeding contributions paid into the system by the employer; and to provide an effective date.~~ for an Act to create and enact two new subsections to section 52-04-06 of the North Dakota Century Code, relating to surcharges paid by employers for employees who receive unemployment insurance benefits at a rate exceeding contributions paid into the system by the employer; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

~~**SECTION 1.** A new subsection to section 52-04-06 of the North Dakota Century Code is created and enacted as follows:~~

~~Notwithstanding any other provision of law, on January first of each calendar year, the bureau shall assess a surcharge amount to each employer equal to ten percent of the amount of cumulative benefits paid to the employees of the employer in excess of one hundred fifty percent of the cumulative contributions paid by the employer in the preceding year. The employer shall pay the assessment amount by October thirty-first of each year. The assessment must be placed in the unemployment insurance trust fund and credited to the employer.~~

~~**SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after December 31, 2019.~~

SECTION 1. A new subsection to section 52-04-06 of the North Dakota Century Code is created and enacted as follows:

Notwithstanding any other provision of law, if the amount of cumulative benefits charged to an employer's account exceeds the amount of cumulative contributions

made by the employer by January thirty-first of each calendar year, the bureau shall assess a surcharge amount to the employer as follows:

Cumulative benefits divided

by cumulative contributions	Surcharge percentage
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100 to 149 percent	3 percent
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150 to 199 percent	7 percent
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200 percent and greater	10 percent
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SECTION 2. A new subsection to section 52-04-06 of the North Dakota Century Code is created and enacted as follows:

The surcharge amount must equal the surcharge percentage multiplied by the cumulative benefits charged to the employer's account in excess of the cumulative contributions paid by the employer as of December thirty-first of the most recent completed calendar year. The employer shall pay the assessment amount by October thirty-first of the year in which the surcharge is assessed. The assessment must be placed in the unemployment insurance trust fund and credited to the employer's account. Payments may not be used as credit in the payment of contributions. If an employer makes a voluntary contribution as provided under section 52-04-06 which would reduce or eliminate the assessed surcharge, the surcharge assessment must be recalculated and provided to the employer. Surcharges unpaid when due must bear interest at the rate of one and one-half percent per month or fraction thereof from the due date. The interest collected must be paid into the federal advance interest repayment fund.

SECTION 3. EFFECTIVE DATE. This Act is effective for taxable years beginning after December 31, 2019.