70206.0100

Sixtieth
Legislative Assembly
of North Dakota

Introduced by

FIRST DRAFT:
Prepared by the Legislative Council staff for the
Industry, Business, and Labor Committee
September 2006

1   A BILL for an Act to amend and reenact subdivision d of subsection 5 of section 52-04-05 of the

2   North Dakota Century Code, relating to determination of unemployment insurance tax rates.

3   **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4   **SECTION 1. AMENDMENT.** Subdivision d of subsection 5 of section 52-04-05 of the

5   North Dakota Century Code is amended and reenacted as follows:

6   d.   The tax rate necessary to generate the amount of income needed to reach a

7   solvency balance must be calculated by dividing the solvency balance by the

8   amount of income estimated as needed to pay benefits and multiplying the

9   resulting ratio times each rate, within the positive and negative rate arrays,

10   with a minimum multiplier of one hundred percent for the negative rate array,

11   as determined under this section to meet the average required rate needed to

12   pay benefits as defined by subdivision a. The ratio calculated under this

13   subdivision must also be multiplied by any rate calculated as required by

14   subsection 6 to arrive at a final rate for a new business. All results calculated

15   under this subdivision must be rounded to the nearest one-hundredth of one

16   percent.