

H. 3/27/01 Do Pass  
H. 4/12/01

FILED JAN 31 '01

SENATE FILE 98  
BY COMMITTEE ON BUSINESS  
AND LABOR RELATIONS

(SUCCESSOR TO SF 13)

Passed Senate, <sup>(P. 333)</sup> Date 2/14/01 Passed House, <sup>(P. 1737)</sup> Date 5/2/01  
Vote: Ayes 47 Nays 0 Vote: Ayes 97 Nays 0

Approved May 25, 2001

<sup>(P. 1531)</sup> Re Passed 5/17/01  
Vote 45-0

A BILL FOR

- 1 An Act concerning unemployment compensation by relieving
- 2 unemployment compensation charges for employees who become
- 3 unemployed due to a presidentially declared disaster.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

**SENATE FILE 98**

S-3065

- 1 Amend Senate File 98 as follows:
- 2 1. Page 1, by inserting after line 12 the
- 3 following:
- 4 "Sec. 100. Section 96.7, subsection 12, paragraph
- 5 d, Code 2001, is amended to read as follows:
- 6 d. This subsection is repealed July 1, ~~2001~~ 2004,
- 7 and the repeal is applicable to contribution rates for
- 8 calendar year ~~2002~~ 2005 and subsequent calendar years.
- 9 Sec. \_\_\_\_ . EFFECTIVE DATE. Section 100 of this Act
- 10 takes effect June 30, 2001."
- 11 2. Title page, line 3, by inserting after the
- 12 word "disaster" the following: "and by continuing the
- 13 employment security administrative contribution
- 14 surcharge and providing an effective date".
- 15 3. By renumbering as necessary.

By MARK SHEARER  
BETTY A. SOUKUP  
JOHNIE HAMMOND  
PATRICIA HARPER  
BILL FINK

PATRICK J. DELUHERY  
JOE BOLKCOM  
MATT MCCOY  
MICHAEL E. GRONSTAL  
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S-3065 FILED FEBRUARY 14, 2001  
RULED OUT OF ORDER (P. 333)

TLSE 1319SV 79  
rh/cls/14

SF 98

1 Section 1. Section 96.7, subsection 2, paragraph a,  
2 subparagraph (2), Code 2001, is amended by adding the  
3 following new unnumbered paragraph:

4 NEW UNNUMBERED PARAGRAPH. The account of an employer shall  
5 not be charged with benefits paid to an individual for  
6 unemployment that is directly caused by a major natural  
7 disaster declared by the president of the United States,  
8 pursuant to the federal Disaster Relief Act of 1974, if the  
9 individual would have been eligible for federal disaster  
10 unemployment assistance benefits with respect to that  
11 unemployment but for the individual's receipt of regular  
12 benefits.

13 EXPLANATION

14 This bill amends Code section 96.7 to provide that an  
15 employer shall be relieved of charges for unemployment  
16 benefits paid to an individual due to a major natural disaster  
17 declared by the president. The proposed relief of charges  
18 applies to a contributory employer but not to an employer who  
19 is required or has elected to reimburse the unemployment  
20 compensation fund.

21 SENATE FILE 98

22 H-1724

23 1 Amend Senate File 98, as passed by the Senate, as  
24 2 follows:

25 3 1. Page 1, by inserting after line 12, the  
26 4 following:

27 5 "Sec. \_\_\_\_ . EFFECTIVE AND RETROACTIVE APPLICABILITY  
28 6 DATES. This Act, being deemed of immediate  
29 7 importance, takes effect upon enactment, and applies  
30 8 retroactively to January 1, 2001, to employer accounts  
31 9 for benefits paid to individuals as provided in  
32 10 section 1 of this Act."

33 11 2. Title page, line 3, by inserting after the  
34 12 word "disaster" the following: "and providing  
35 13 effective and retroactive applicability dates".

14 3. By renumbering as necessary.

By DOLECHECK of Ringgold

H-1724 FILED APRIL 26, 2001

*Adopted 5/2/01 (p. 1734)*

HOUSE AMENDMENT TO  
SENATE FILE 98

S-3612

- 1 Amend Senate File 98, as passed by the Senate, as  
2 follows:  
3 1. Page 1, by inserting after line 12, the  
4 following:  
5 "Sec. \_\_\_\_: EFFECTIVE AND RETROACTIVE APPLICABILITY  
6 DATES. This Act, being deemed of immediate  
7 importance, takes effect upon enactment, and applies  
8 retroactively to January 1, 2001, to employer accounts  
9 for benefits paid to individuals as provided in  
10 section 1 of this Act."  
11 2. Title page, line 3, by inserting after the  
12 word "disaster" the following: "and providing  
13 effective and retroactive applicability dates".  
14 3. By renumbering as necessary.

RECEIVED FROM THE HOUSE

S-3612 FILED MAY 2, 2001

*Senate Concurred*

*5-7-01*

*(p. 1530)*

**SENATE FILE 98  
FISCAL NOTE**

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A fiscal note for **Senate File 98** is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

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Senate File 98 provides that an employer will not be charged for unemployment benefits paid due to a major natural disaster declared by the President of the United States. The employer would need to be a contributory employer and not one who is required or has elected to reimburse the unemployment compensation fund.

**ASSUMPTIONS**

1. Iowa Workforce Development has used its experience with the 1993 floods to determine the impact.
2. Mid-range economic assumptions regarding employment growth, wage growth, and insured unemployment levels were used.
3. Noncharging of benefits will have an impact on the distribution of employer tax rates, but it does not have a significant impact on total Unemployment Trust Fund revenue received.

**FISCAL IMPACT**

The estimated fiscal impact of Senate File 98 in the event of a major natural disaster to the Unemployment Trust Fund is \$4.2 million. Currently, the trust fund balance is approximately \$750 million, and \$4.2 million would represent 0.56% of the fund.

**SOURCE**

Iowa Workforce Development

(LSB 1319sv, AAW)

FILED MARCH 28, 2001

BY DENNIS PROUTY, FISCAL DIRECTOR

to employer accounts for benefits paid to individuals as provided in section 1 of this Act.

SENATE FILE 98

AN ACT

CONCERNING UNEMPLOYMENT COMPENSATION BY RELIEVING UNEMPLOYMENT COMPENSATION CHARGES FOR EMPLOYEES WHO BECOME UNEMPLOYED DUE TO A PRESIDENTIALLY DECLARED DISASTER AND PROVIDING EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.

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

Section 1. Section 96.7, subsection 2, paragraph a, subparagraph (2), Code 2001, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The account of an employer shall not be charged with benefits paid to an individual for unemployment that is directly caused by a major natural disaster declared by the president of the United States, pursuant to the federal Disaster Relief Act of 1974, if the individual would have been eligible for federal disaster unemployment assistance benefits with respect to that unemployment but for the individual's receipt of regular benefits.

Sec. 2. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES. This Act, being deemed of immediate importance, takes effect upon enactment, and applies retroactively to January 1, 2001,

\_\_\_\_\_  
MARY E. KRAMER  
President of the Senate

\_\_\_\_\_  
BRENT SIEGRIST  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 98, Seventy-ninth General Assembly.

\_\_\_\_\_  
MICHAEL E. MARSHALL  
Secretary of the Senate

Approved May 25, 2001

\_\_\_\_\_  
THOMAS J. VILSACK  
Governor