

State of South Dakota

EIGHTY-SIXTH SESSION
LEGISLATIVE ASSEMBLY, 2011

616S0121

SENATE BILL NO. 57

Introduced by: Senators Maher, Frerichs, and Peters and Representatives Greenfield, Brunner, and Kirkeby

1 FOR AN ACT ENTITLED, An Act to revise the investment fee rate for certain employers.

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

3 Section 1. That § 61-5-24.1 be amended to read as follows:

4 61-5-24.1. Employers required by this title to pay contributions, except employers that
5 pursuant to chapter 61-5A reimburse the unemployment compensation trust fund for benefits
6 paid in lieu of contributions, shall also pay an employer's investment in South Dakota's future
7 fee, hereinafter "investment fee," on wages as defined by this title. The fee rate for employers
8 not eligible for experience rating, as defined in § 61-5-20.2, shall be seventy hundredths percent
9 through calendar year 2006 and fifty-five hundredths percent on and after January 1, 2007. If
10 an employer is eligible for experience rating, ~~his~~ the employer's reserve ratio shall be determined
11 pursuant to § 61-5-18.14 and ~~his~~ the employer's investment fee rate shall be the rate appearing
12 in column "A" on the same line on which ~~his~~ the employer's reserve ratio appears in column "B"
13 of the following rate schedules.

14 From January 1, 1993, to December 31, 2006, inclusive:



1	Column "A"	Column "B"
2	Investment Fee Rate	Reserve Ratio
3	0.70%	Less than 0.80%
4	0.60%	0.80% and Less than 1.00%
5	0.50%	1.00% and Less than 1.20%
6	0.40%	1.20% and Less than 1.30%
7	0.30%	1.30% and Less than 1.40%
8	0.20%	1.40% and Less than 1.50%
9	0.10%	1.50% and Less than 1.60%
10	0.00%	1.60% and Over

11 From January 1, 2007, to December 31, 2007, inclusive:

12	Column "A"	Column "B"
13	Investment Fee Rate	Reserve Ratio
14	0.60%	Less than 1.00%
15	0.50%	1.00% and Less than 1.20%
16	0.40%	1.20% and Less than 1.30%
17	0.30%	1.30% and Less than 1.40%
18	0.20%	1.40% and Less than 1.50%
19	0.10%	1.50% and Less than 1.60%
20	0.00%	1.60% and Over

21 From January 1, 2008, to December 31, 2008, inclusive:

22	Column "A"	Column "B"
23	Investment Fee Rate	Reserve Ratio
24	0.58%	Less than 1.00%
25	0.50%	1.00% and Less than 1.20%
26	0.40%	1.20% and Less than 1.30%
27	0.30%	1.30% and Less than 1.40%

1	0.20%	1.40% and Less than 1.50%
2	0.10%	1.50% and Less than 1.60%
3	0.00%	1.60% and Over

4 From January 1, 2009, to December 31, 2009, inclusive:

5	Column "A"	Column "B"
6	Investment Fee Rate	Reserve Ratio
7	0.56%	Less than 1.00%
8	0.50%	1.00% and Less than 1.20%
9	0.40%	1.20% and Less than 1.30%
10	0.30%	1.30% and Less than 1.40%
11	0.20%	1.40% and Less than 1.50%
12	0.10%	1.50% and Less than 1.60%
13	0.00%	1.60% and Over

14 ~~Beginning~~ From January 1, 2010, to December 31, 2011, inclusive:

15	Column "A"	Column "B"
16	Investment Fee Rate	Reserve Ratio
17	0.55%	Less than 1.00%
18	0.50%	1.00% and Less than 1.20%
19	0.40%	1.20% and Less than 1.30%
20	0.30%	1.30% and Less than 1.40%
21	0.20%	1.40% and Less than 1.50%
22	0.10%	1.50% and Less than 1.60%
23	0.00%	1.60% and Over

24 Beginning January 1, 2011:

25	<u>Column "A"</u>	<u>Column "B"</u>
26	<u>Investment Fee Rate</u>	<u>Reserve Ratio</u>

1	<u>0.53%</u>	<u>Less than 1.00%</u>
2	<u>0.50%</u>	<u>1.00% and Less than 1.20%</u>
3	<u>0.40%</u>	<u>1.20% and Less than 1.30%</u>
4	<u>0.30%</u>	<u>1.30% and Less than 1.40%</u>
5	<u>0.20%</u>	<u>1.40% and Less than 1.50%</u>
6	<u>0.10%</u>	<u>1.50% and Less than 1.60%</u>
7	<u>0.00%</u>	<u>1.60% and Over</u>

8 The terms and conditions of this title which apply to the payment and collection of
9 contributions also apply to the payment and collection of the investment fee. Proceeds from the
10 investment fee shall be deposited in the clearing account of the unemployment compensation
11 fund for clearance only and may not become part of the fund. After clearance, the money
12 derived from such payments, less refunds made pursuant to the provisions of this title, shall be
13 deposited in the employer's investment in South Dakota's future special revenue fund as
14 provided for in § 61-5-24.2. Investment fee payments may not be credited to the employer's
15 experience rating account and may not be deducted in whole or in part by any employer from
16 the wages of individuals in its employ.

17 The investment fee rate may not be increased over the applicable 1987 investment fee rate
18 for any employer with a positive balance in ~~his~~ the employer's experience rating account on the
19 computation date, as established in rules promulgated by the secretary of labor pursuant to
20 chapter 1-26, for the current year and the year preceding the current year.

21 The investment rates provided in this section apply to and are retroactive to taxable wages
22 paid on and after January 1, 1993.