

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)

COMMITTEE SUBSTITUTE

FOR HOUSE BILL NO. 2174

By: McCorkell

COMMITTEE SUBSTITUTE

An Act relating to economic development; amending 40 O.S. 1991, Sections 2-207, 2-406, 3-109 and 3-113, which relate to unemployment compensation; making legislative findings; providing short title; creating revolving fund; stating purposes for use of fund; stating permissible uses of fund; providing for custodian, deposit and investment of fund; providing for certain assessment and offset of assessment by reduction in certain taxes; exempting certain employers from assessment; providing for deposit of monies in fund and limiting fund to certain balance; requiring determination of deposit level; prohibiting Oklahoma Employment Security Commission from making assessment under certain conditions; providing for rules; providing for Job Development Advisory Committees for certain districts; providing for members, appointment, terms of office, vacancies and compensation; authorizing State Board of Vocational and Technical Education to exercise certain authority over programs; stating responsibilities and powers of Board; providing for annual budget, report and audit; authorizing certain contracts and awarding of grants; providing for allocation of grants on certain basis and for reallocation under certain circumstances; requiring evaluation of projects; specifying eligibility criteria for grants; prohibiting impairment of certain contracts; stating maximum award of funds; requiring matching funds for grants; providing for certain contracts; providing for replenishment contributions; authorizing payment of administrative expenses; identifying contract terms; authorizing portion of grants be awarded to small businesses; providing for assistance from and use of certain agencies and programs; providing for certain reduction in contribution rate of certain employers; conforming language; modifying provisions related to increases in contribution rates; providing for contribution rate reduction under Employment Security Act of 1980; providing for employers eligible for reduction; prescribing reduction amount; imposing certain dollar limitations upon reductions; providing for suspension of reductions; defining term; modifying wage amounts used in determining eligibility for certain benefits; defining term for purposes of determining eligibility for certain benefits; providing for noncodification; providing for codification; providing effective dates; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. The Legislature finds that labor costs constitute a significant factor of economic production for business entities within the State of Oklahoma and that employer contributions required by the Employment Security Act of 1980 add to the total cost of maintaining a labor force. Employer contributions may be reduced under the Employment Security Act of 1980 without impairing the fiscal or actuarial soundness of the Unemployment Compensation Fund. Adequate training for the labor force within the State of Oklahoma is an essential component of continued economic growth for the state which benefits both business entities and natural persons. The combination of reduced employer contributions for employers subject to the Employment Security Act of 1980, training and education for the work force in the state and changes in the amount of wages which must have been earned by an individual in order to obtain unemployment security benefits can be reconciled into a comprehensive program which will sustain and promote balanced economic growth within the State of Oklahoma. The provisions of this act are designed to be an integrated system for achieving the goals stated by the provisions of this section.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6051 of Title 74, unless there is created a duplication in numbering, reads as follows:

Sections 2 through 13 of this act shall be known and may be cited as the "Job Development Act". The provisions of this act shall terminate effective January 1, 1998, unless otherwise provided for by law.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6052 of Title 74, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the State Board of Vocational and Technical Education to be designated the "Job Development Fund". The Fund shall be separate and distinct from the Unemployment Compensation Fund and shall consist of:

1. All monies received from employers and paid pursuant to Section 6 of this act;

2. All other sums, from whatever source, paid into and received by the Job Development Fund;

3. Property and securities acquired by and through the use of monies in the Job Development Fund; and

4. Interest earned upon monies in the Job Development Fund. The Fund shall be a continuing fund, not subject to fiscal year limitations. All monies accruing to the credit of the Fund are hereby appropriated and may be budgeted and expended to implement the provisions of the Job Development Act. Expenditures from said Fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6053 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. The monies in the Job Development Fund shall be used for the following purposes:

1. To reimburse the Oklahoma Employment Security Commission for the loss of any federal funds resulting from the collection by the Commission of monies for transfer to the Job Development Fund pursuant to Section 6 of this act;

2. To make refunds of contributions erroneously collected and deposited in the Job Development Fund;

3. To pay any administrative expenses incurred by the Oklahoma Employment Security Commission associated with the collection of the job development assessment provided for in Section 6 of this act. The Oklahoma Employment Security Commission shall develop a cost allocation plan as provided by federal law to ensure appropriate payment from the Job Development Fund of administrative expenses incurred by the Commission. The Oklahoma Employment Security Commission shall provide the State Board of Vocational and Technical Education with a copy of such cost allocation plan. On or before November 1, 1994, and annually thereafter, the Oklahoma Employment Security Commission shall

notify the State Board of Vocational and Technical Education of all administrative expenses incurred by the Oklahoma Employment Security Commission for the previous fiscal year; 4. To assist employers in assessing, identifying, designing, delivering and evaluating training programs, customized to the needs of their employees, which will advance the skills of their employees and increase the competitiveness of the employers; and

5. To pay administrative expenses incurred in the implementation of this act; provided, except for payment made pursuant to paragraph 3 of this subsection, such payment shall not exceed two and one-half percent (2 1/2%) of the assessment collected and available for use in any one (1) fiscal year.

B. Monies in the Job Development Fund shall not be used to fund any activity or service that is duplicative of any activity or service authorized and available through the federal Job Training Partnership Act.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6054 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. The State Treasurer shall be the custodian and treasurer of the Job Development Fund. The State Treasurer shall have custody of all monies belonging to the Job Development Fund and not otherwise held or deposited or invested as provided by law.

B. The State Treasurer shall deposit the monies in his custody subject to the provisions of the Job Development Act.

C. The State Treasurer, as custodian of the Job Development Fund, shall hold, invest, transfer, sell, deposit, and release those monies, properties, or securities in a manner approved by the State Board of Vocational and Technical Education in accordance with the provisions of the Job Development Act; provided, however, that those monies shall be invested in the classes of securities legal for investment of public monies of this state and provided, further, that the investment shall at all times be so made that all assets of the Job Development Fund shall always be readily convertible into cash when needed for the expenditures authorized in Section 4 of this act.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6055 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. The assessments made pursuant to this section shall be offset by a reduction in the employment compensation taxes paid by an employer as provided for in Section 14 of this act.

B. 1. For the tax year 1995, each employer subject to the provisions of Section 3-109 of Title 40 of the Oklahoma Statutes shall be required to pay a job development assessment of one-quarter of one-tenth of one percent (.025%) of that employer's taxable payroll, in addition to any contribution which that employer is required to make pursuant to the provisions of the Employment Security Act.

2. For the tax year 1996, each employer subject to the provisions of Section 3-109 of Title 40 of the Oklahoma Statutes shall be required to pay a job development assessment of one-half of one-tenth of one percent (.05%) of that employer's taxable payroll, in addition to any contribution which that employer is required to make pursuant to the provisions of the Employment Security Act.

3. For the tax year 1997, each employer subject to the provisions of Section 3-109 of Title 40 of the Oklahoma Statutes shall be required to pay a job development assessment of three-fourths of one-tenth of one percent (.075%) of that employer's taxable payroll, in addition to any contribution which that employer is required to make pursuant to the provisions of the Employment Security Act.

4. The assessment provided for in this subsection shall not be considered part of any contribution required of an individual employer pursuant to the Employment Security Act, nor shall it be considered for purposes of determining the individual employer's contribution rate.

C. Employers described in Section 3-806 of Title 40 of the Oklahoma Statutes shall be exempt from the provisions of this section.

D. The assessment shall be made and collected by the Oklahoma Employment Security Commission for deposit, on a quarterly basis, to the credit of the Job Development Fund; provided, that all monies received by the Oklahoma Employment Security Commission for the account of the Job Development Fund, upon receipt, shall be deposited in a clearance account in a financial institution located in this state. The aggregate balance in the Job Development Fund created pursuant to Section 3 of this act shall not exceed Seven Million Five Hundred Thousand Dollars (\$7,500,000.00).

E. The Oklahoma Employment Security Commission, on or before January 1 of each year, shall determine the amount of money held as of December 1 of the preceding year by the State Treasurer for the benefit of the Job Development Fund. Promptly after making the determination, the Oklahoma Employment Security Commission shall advise the Chairman of the State Board of Vocational and Technical Education in writing of the deposit level of the Fund.

F. No assessment authorized by this section shall be made by the Oklahoma Employment Security Commission if the Commission determines that the High Cost Multiplier will be less than one (1.0). The Oklahoma Employment Security Commission shall determine the High Cost Multiplier at the end of each quarter of the calendar year and shall include the result of its computation in a regularly published periodical together with other employment related data. As used in this section, "High Cost Multiplier" shall be a figure computed as follows:

1. First, net fund reserves in the Unemployment Compensation Fund as of the date of each computation required by this section shall be divided by total wages earned in insured employment for the twelve (12) months preceding the date of the quarterly High Cost Multiplier Computation;

2. Second, the result of the computation from paragraph 1 of this subsection shall be divided by a figure which is a quotient derived from the computation contained in paragraph 3 of this subsection;

3. Third, the largest total state benefit payments experienced previously in any twelve (12) consecutive months shall be divided by total wages earned in insured employment for the same period; and

4. The result of all computations contained in paragraphs 1 through 3 of this subsection, performed in the sequence as specified in this section, shall be known as the High Cost Multiplier.

G. The Oklahoma Employment Security Commission shall promulgate such rules as may be necessary to implement the duties imposed upon the Commission pursuant to the Job Development Act.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6056 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. In order to assure that activities carried out under the Job Development Act are responsive to the particular needs of local business and industry, there is hereby created a Job Development Advisory Committee for each area vocational-technical school district created under the provisions prescribed by the State Board of Vocational and Technical Education. Territory that has been assigned to districts by the State Board of Vocational and Technical Education as designated area vocational-technical school districts shall be subject to the provisions of this section. For the exclusive purpose of implementing the Job Development Act, the State Board of Vocational and Technical Education may expand the boundaries of an area vocational-technical school district to include any area that is outside of an area vocational-technical school district.

B. Each Job Development Advisory Committee shall be composed of five (5) members, each of whom shall be a representative of the business, industry and labor community, to be appointed by the superintendent of the respective area vocational-technical school districts except when the boundaries of the jurisdiction of the Job Development Advisory Committee include an institution of higher education that grants associate degrees, in which case the committee shall be appointed by the superintendent with the

consent of the president of the institution of higher education or an administrative officer designated by the president. The superintendent and president or administrative officer designated by the president shall serve as ex officio members of the Job Development Advisory Committee. Provided further, if an area vocational-technical school district is expanded to include an area outside of the district, the Job Development Advisory Committee shall be appointed by the superintendent with the advice of the president or provost of any institution of higher education situated within the area incorporated into the district. If an area vocational-technical school district embraces territory in two or more counties, no more than three members may be appointed from the same county.

C. The members shall serve for staggered terms of three (3) years, except that of the members first appointed, two members shall serve until July 1, 1995, two members shall serve until July 1, 1996, and one member shall serve until July 1, 1997. Vacancies arising other than by expiration of term shall be filled in the manner of the original appointment for the unexpired portion of the term only. Vacancies created by expiration of terms shall be filled in the manner of the original appointment for terms of three (3) years. Members may be reappointed to succeed themselves. Members shall elect a chairperson from among their membership.

D. The members of the Job Development Advisory Committees shall receive no compensation for their services as members, but may be reimbursed for traveling and other expenses actually incurred in the performance of their official duties in accordance with law.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6057 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. The State Board of Vocational and Technical Education shall exercise general oversight authority over the job development programs provided for in this act.

B. Pursuant to recommendations by the respective Job Development Advisory Committees, it shall be the responsibility of the Board to develop initiatives and programs that:

1. Upgrade the skill base of the Oklahoma work force through customized job training of employed workers to meet the specific needs of businesses and to allow all employed workers to increase their capabilities to compete for better and higher quality jobs;

2. Promote worksite literacy programs that provide employed workers on-the-job opportunities to improve their literacy skills;

3. Ensure that all segments of the population and the business community participate in the current prosperity through targeted outreach efforts to minorities and other employed groups and small and existing businesses; and

4. Are not duplicative of any activity or service authorized by and available through the federal Job Training Partnership Act.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6058 of Title 74, unless there is created a duplication in numbering, reads as follows:

The Board shall have all powers necessary to perform any act to carry out the purposes of the Job Development Act, and also shall have the following powers and duties regarding the implementation of the Job Development Act:

1. Prepare and submit by January 1, 1995, and annually thereafter a proposed budget for the ensuing fiscal year;

2. Prepare and submit to the Governor, Speaker of the House of Representatives, President Pro Tempore of the Senate and the State Auditor and Inspector by January 1, 1995, and each January 1 thereafter an annual report on the Board's goals, policies, activities and finances. The annual report shall list the Board's estimated revenues and expenditures for job development initiatives and programs for the ensuing fiscal year, along with a comparison of the current and last two completed fiscal years and shall identify all administrative expenses incurred by the Oklahoma Employment Security Commission pursuant to Sections 4 and 11 of this act. The State Auditor and Inspector shall conduct

annual audits of all accounts and such other audits as shall be deemed necessary;

3. Enter into contracts and award grants to public and private entities for projects to implement the intent of the Job Development Act. Grant recipients may contract with other education entities situated within or outside of the area vocational-technical school district to provide training services. Grants shall be made on an area vocational-technical school district basis in proportion to the percentage of unemployment compensation contributions made by businesses situated within the respective districts; provided, however, ten percent (10%) of the resources available for grants shall be reserved for additional allocation to nonmetropolitan districts. For the purposes of this paragraph, "nonmetropolitan district" means an area vocational-technical school district subject to this act, at least eighty percent (80%) of which is not located in a county having a population of more than four hundred thousand (400,000) according to the latest federal decennial census;

4. Receive any gifts, grants or donations made for any of the purposes of the Job Development Act, and to disburse and administer the same in accordance with the terms thereof;

5. Promulgate rules governing standards for considering projects and awarding grants, establishing procedures for appealing decisions of a Job Development Advisory Committee and of the Board and providing for a reallocation of grant monies which have not been awarded in a district as of October 1 of each year;

6. Provide the ongoing evaluation of each project funded by the Board. Such evaluation shall include, but not be limited to:

- a. a summary description of the project,
- b. the number of persons served including age, sex, minority group status and educational background,
- c. the number of employed persons retained or advanced in the workplace at the completion of the project,
- d. the total cost of the project, and
- e. a summary cost benefit analysis of each project;

7. Provide for fiscal and accounting controls to monitor and audit grants and awards; and

8. Adopt rules consistent with the Job Development Act.

SECTION 10. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6059 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. Projects for which grants are awarded pursuant to this act shall meet the following criteria:

1. A grant recipient may only be an employer which is liable to pay contributions under Section 1-101 et seq. of Title 40 of the Oklahoma Statutes or such employers acting in partnership with one another;

2. Grant recipients shall be in compliance with reporting and payment requirements of Section 1-101 et seq. of Title 40 of the Oklahoma Statutes;

3. Projects shall target full-time jobs which will be reduced or eliminated because of a reduction in overall employment within an industry or a substantial change in the skills required to continue the employer's business due to technological changes or increased competition or will be modified or created because of new market opportunities or technological developments;

4. Priority shall be given:

a. to manufacturing and processing,

b. to the creation or retention of jobs that:

(1) offer wages equal to or greater than the wages in effect for an employee trained under the project on the day before the commencement date of the project, and

(2) provide reasonable opportunity for continued skill development, career advancement and long-term job security;

5. Projects may not impair existing contracts for services or collective bargaining agreements, except that a project which is inconsistent with the terms of a collective bargaining agreement may be undertaken with the written concurrence of the collective

bargaining unit and the employer or employers who are parties to the agreement; and

6. No employer shall be awarded funds from the Job Development Fund in excess of Fifty Thousand Dollars (\$50,000.00) in any one year.

B. 1. Except as provided in paragraphs 2 and 3 of this subsection, no project shall be funded unless the employers benefiting from the grant match the grant in an amount which equals in total the funds provided from the Job Development Fund. Such matching funds provided by an employer pursuant to this paragraph may include wages, excluding benefits, paid to the employees during training under the grant.

2. The Board may contract with an employer benefiting from the grant to provide from the Job Development Fund all of the matching funds which the employer is required to contribute upon the stipulation that the employer will be assessed a contribution to the unemployment compensation fund by the Oklahoma Employment Security Commission, pursuant to Section 11 of this act, which is equal to said matching funds provided by the Board on behalf of the employer, plus interest of ten percent (10%) per year paid over a five-year period. Matching funds provided pursuant to this paragraph may not be offset by wages or benefits paid to employees trained under the grant.

3. The Board may contract with an employer benefiting from the grant to provide from the Job Development Fund a portion of the matching funds which the employer is required to contribute upon the stipulation that the employer will be assessed a contribution to the unemployment compensation fund by the Oklahoma Employment Security Commission, pursuant to Section 11 of this act, which is equal to said portion of the matching funds provided by the Board on behalf of the employer, plus interest of ten percent (10%) per year paid over a five-year period. Matching funds provided pursuant to this paragraph may not be offset by wages or benefits paid to employees trained under the grant.

SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6060 of Title 74, Req. No. 9172Page 12

unless there is created a duplication in numbering, reads as follows:

A. Each employer who does not match the grant funds at an amount at least equal to the amount provided from the Job Development Fund shall, in addition to the general unemployment contribution rate provided in Section 3-109 of Title 40 of the Oklahoma Statutes, pay as a replenishment contribution to the Oklahoma Employment Security Commission the amount of funds provided by the Board on behalf of the employer under paragraph 2 or 3 of subsection B of Section 10 of this act, with interest thereon at ten percent (10%) per year for five (5) years. Such payments shall be payable in twenty (20) installments of seven and one-half percent (7.5%) of the amount of funds provided by the Board on behalf of the employer due each quarter commencing with the first quarter of the calendar year following the completion of the training under this act. Provided, the employer may pay in full the principal amount of the funds provided by the Board on behalf of the employer at any time during the five-year term and no further interest shall be owed.

B. The replenishment contribution shall be paid to the Oklahoma Employment Security Commission and shall be due at the same time, collected in the same manner, and subject to the same penalties and interest as provided under Section 1-101 et seq. of Title 40 of the Oklahoma Statutes.

C. All administrative expenses incurred by the Oklahoma Employment Security Commission associated with the assessment and collection of the replenishment contribution shall be paid for from such funds under a cost allocation plan as provided by federal law and set forth in paragraph 3 of subsection A of Section 4 of this act. On or before November 1, 1994, and annually thereafter, the Oklahoma Employment Security Commission shall notify the State Board of Vocational and Technical Education of all administrative expenses incurred by the Commission pursuant to this section for the previous fiscal year.

SECTION 12. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6061 of Title 74, Req. No. 9172Page 13

unless there is created a duplication in numbering, reads as follows:

Upon approval of a project and the availability of funds, the Board shall enter into a contract with each employer participating in the project. In addition to any other terms set forth in the contract, the contract shall:

1. Specify the skills and competencies to be gained as a result of the project;
2. Provide for reimbursement of only those expenses related to direct training in job-related basic skills, including literacy skills and job-related vocational skills; and
3. Provide for a replenishment contribution to the unemployment compensation fund, if applicable, as required by Section 11 of this act.

SECTION 13. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6062 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. In awarding grants, the Board annually shall establish the goal of reserving a portion of its available resources to programs and projects that benefit small business, with such percentage determined by taking into account such factors as proportional contributions to the Job Development Fund, needs ascertained through surveys and such other factors as the Board may deem advisable.

B. The Board may request and receive from any department, division, board, bureau, commission or agency of the state such assistance and data as will enable it properly to carry out its powers and duties. To the extent it deems advisable, the Board may use existing programs and delivery systems to accomplish the purposes of the Job Development Act.

SECTION 14. AMENDATORY 40 O.S. 1991, Section 3-109, is amended to read as follows:

Section 3-109. EXPERIENCE RATE. A. The Except as otherwise provided in subsection B of this section, the contribution rate for each employer for each calendar quarter after December 31,

1983, to be applied to his current payroll shall be in accordance with the following table based upon the state experience factor and his benefit wage ratio:

When the State

Experience

Factor

Is: If the Employer's Benefit Wage Ratio Does Not Exceed:

1%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
2	5	10	15	20	25	30	35	40	45	50
3	3.3	6.6	10	13.3	16.5	20	23.3	26.6	30	
	33.3									
4	2.5	5	7.5	10	12.5	15	17.5	20	22.5	25
5	2	4	6	8	10	12	14	16	18	20
6	1.5	3.3	5	6.6	8.3	10	11.6	13.3	15	
	16.6									
7	1.4	2.8	4.2	5.7	7.1	8.5	10	11.4	12.8	
	14.2									
8	1.2	2.5	3.7	5	6.2	7.5	8.7	10	11.2	
	12.5									
9	1.1	2.2	3.3	4.4	5.5	6.6	7.7	8.8	10	
	11.1									
10	1	2	3	4	5	6	7	8	9	
	10									
11	0.9	1.8	2.7	3.6	4.5	5.4	6.3	7.2	8.1	9
12	0.8	1.6	2.5	3.3	4.1	5	5.8	6.6	7.5	
	8.3									
13	0.7	1.5	2.3	3	3.8	4.6	5.3	6.1	6.9	
	7.6									
14	0.7	1.4	2.1	2.8	3.5	4.2	5	5.7	6.4	
	7.1									
15	0.6	1.3	2	2.6	3.3	4	4.6	5.3	6	
	6.6									
16	0.6	1.2	1.8	2.5	3.1	3.7	4.3	5	5.6	
	6.2									
17	0.5	1.1	1.7	2.3	2.9	3.5	4.1	4.7	5.2	
	5.8									

18	0.5	1.1	1.6	2.2	2.7	3.3	3.8	4.4	5	
	5.5									
19	0.5	1	1.5	2.1	2.6	3.1	3.6	4.2	4.7	
	5.2									
20	0.5	1	1.5	2	2.5	3	3.5	4	4.5	5
21	0.4	0.9	1.4	1.9	2.3	2.8	3.3	3.8	4.2	
	4.7									
22	0.4	0.9	1.3	1.8	2.2	2.7	3.1	3.6	4	
	4.5									
23	0.4	0.8	1.3	1.7	2.1	2.6	3	3.4	3.9	
	4.3									
24	0.4	0.8	1.2	1.6	2	2.5	2.9	3.3	3.7	
	4.1									
25	0.4	0.8	1.2	1.6	2	2.4	2.8	3.2	3.6	4
26	0.3	0.7	1.1	1.5	1.9	2.3	2.6	3	3.4	
	3.8									
27	0.3	0.7	1.1	1.4	1.8	2.2	2.5	2.9	3.3	
	3.7									
28	0.3	0.7	1	1.4	1.7	2.1	2.5	2.8	3.2	
	3.5									
29	0.3	0.6	1	1.3	1.7	2	2.4	2.7	3.1	
	3.4									
30	0.3	0.6	1	1.3	1.6	2	2.3	2.6	3	
	3.3									
31	0.3	0.6	0.9	1.2	1.6	1.9	2.2	2.5	2.9	
	3.2									
32	0.3	0.6	0.9	1.2	1.5	1.8	2.1	2.5	2.8	
	3.1									
33	0.3	0.6	0.9	1.2	1.5	1.8	2.1	2.4	2.7	3
34	0.2	0.5	0.8	1.1	1.4	1.7	2	2.3	2.6	
	2.9									
35	0.2	0.5	0.8	1.1	1.4	1.7	2	2.2	2.5	
	2.8									
36	0.2	0.5	0.8	1.1	1.3	1.6	1.9	2.2	2.5	
	2.7									

37	0.2	0.5	0.8	1	1.3	1.6	1.8	2.1	2.4	
	2.7									
38	0.2	0.5	0.7	1	1.3	1.5	1.8	2.1	2.3	
	2.6									
39	0.2	0.5	0.7	1	1.2	1.5	1.7	2	2.3	
	2.5									
40	0.2	0.5	0.7	1	1.2	1.5	1.7	2	2.2	
	2.5									
41	0.2	0.4	0.7	0.9	1.2	1.4	1.7	1.9	2.1	
	2.4									
42	0.2	0.4	0.7	0.9	1.1	1.4	1.6	1.9	2.1	
	2.3									
43	0.2	0.4	0.6	0.9	1.1	1.3	1.6	1.8	2	
	2.3									
44	0.2	0.4	0.6	0.9	1.1	1.3	1.5	1.8	2	
	2.2									
45	0.2	0.4	0.6	0.8	1.1	1.3	1.5	1.7	2	
	2.2									
46	0.2	0.4	0.6	0.8	1	1.3	1.5	1.7	1.9	
	2.1									
47	0.2	0.4	0.6	0.8	1	1.2	1.4	1.7	1.9	
	2.1									
48	0.2	0.4	0.6	0.8	1	1.2	1.4	1.6	1.8	2
49	0.2	0.4	0.6	0.8	1	1.2	1.4	1.6	1.8	2
50	0.2	0.4	0.6	0.8	1	1.2	1.4	1.6	1.8	2

The Employer's Contribution Rate Shall Be:

0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9
1.0								

When the State

Experience

Factor

Is: If the Employer's Benefit Wage Ratio Does Not Exceed:

1%	110%	120%	130%	140%	150%	160%	170%	180%	190%
	200%								

2	55	60	65	70	75	80	85	90	95	100
---	----	----	----	----	----	----	----	----	----	-----

3	36.6	40	43.3	46.6	50	53.3	56.6	60	63.3	
	66.6									
4	27.5	30	32.5	35	37.5	40	42.5	45	47.5	50
5	22	24	26	28	30	32	34	36	38	40
6	18.3	20	21.6	23.3	25	26.6	28.3	30	31.6	
	33.3									
7	15.7	17.1	18.5	20	21.4	22.8	24.2	25.7	27.1	
	28.5									
8	13.7	15	16.2	17.5	18.7	20	21.2	22.5	23.7	25
9	12.2	13.3	14.4	15.5	16.6	17.7	18.8	20	21.1	
	22.2									
10	11	12	13	14	15	16	17	18	19	20
11	10	10.9	11.8	12.7	13.6	14.5	15.4	16.3	17.2	
	18.1									
12	9.1	10	10.8	11.6	12.5	13.3	14.1	15	15.8	
	16.6									
13	8.4	9.2	10	10.7	11.5	12.3	13	13.8	14.6	
	15.3									
14	7.8	8.5	9.2	10	10.7	11.4	12.1	12.8	13.5	
	14.2									
15	7.3	8	8.6	9.3	10	10.6	11.3	12	12.6	
	13.3									
16	6.8	7.5	8.1	8.7	9.3	10	10.6	11.2	11.8	
	12.5									
17	6.4	7	7.6	8.2	8.8	9.4	10	10.5	11.1	
	11.7									
18	6.1	6.6	7.2	7.7	8.3	8.8	9.4	10	10.5	
	11.1									
19	5.7	6.3	6.8	7.3	7.8	8.4	8.9	9.4	10	
	10.5									
20	5.5	6	6.5	7	7.5	8	8.5	9	9.5	10
21	5.2	5.7	6.1	6.6	7.1	7.6	8	8.5	9	
	9.5									
22	5	5.4	5.9	6.3	6.8	7.2	7.7	8.1	8.6	9
23	4.7	5.2	5.6	6	6.5	6.9	7.3	7.8	8.2	
	8.6									

24	4.5	5	5.4	5.8	6.2	6.6	7	7.5	7.9	
	8.3									
25	4.4	4.8	5.2	5.6	6	6.4	6.8	7.2	7.6	8
26	4.2	4.6	5	5.3	5.7	6.1	6.5	6.9	7.3	
	7.6									
27	4	4.4	4.8	5.1	5.5	5.9	6.2	6.6	7	
	7.4									
28	3.9	4.2	4.6	5	5.3	5.7	6	6.4	6.7	
	7.1									
29	3.7	4.1	4.4	4.8	5.1	5.5	5.8	6.2	6.5	
	6.8									
30	3.6	4	4.3	4.6	5	5.3	5.6	6	6.3	
	6.6									
31	3.5	3.8	4.1	4.5	4.8	5.1	5.4	5.8	6.1	
	6.4									
32	3.4	3.7	4	4.3	4.6	5	5.3	5.6	5.9	
	6.2									
33	3.3	3.6	3.9	4.2	4.5	4.8	5.1	5.4	5.7	6
34	3.2	3.5	3.8	4.1	4.4	4.7	5	5.2	5.5	
	5.8									
35	3.1	3.4	3.7	4	4.2	4.5	4.8	5.1	5.4	
	5.7									
36	3	3.3	3.6	3.8	4.1	4.4	4.7	5	5.2	
	5.5									
37	2.9	3.2	3.5	3.7	4	4.3	4.5	4.8	5.1	
	5.4									
38	2.8	3.1	3.4	3.6	3.9	4.2	4.4	4.7	5	
	5.2									
39	2.8	3	3.3	3.5	3.8	4.1	4.3	4.6	4.8	
	5.1									
40	2.7	3	3.2	3.5	3.7	4	4.2	4.5	4.7	5
41	2.6	2.9	3.1	3.4	3.6	3.9	4.1	4.3	4.6	
	4.8									
42	2.6	2.8	3	3.3	3.5	3.8	4	4.2	4.5	
	4.7									

43	2.5	2.7	3	3.2	3.4	3.7	3.9	4.1	4.4	
	4.6									
44	2.5	2.7	2.9	3.1	3.4	3.6	3.8	4	4.3	
	4.5									
45	2.4	2.6	2.8	3.1	3.3	3.5	3.7	4	4.2	
	4.4									
46	2.3	2.6	2.8	3	3.2	3.4	3.6	3.9	4.1	
	4.3									
47	2.3	2.5	2.7	2.9	3.1	3.4	3.6	3.8	4	
	4.2									
48	2.2	2.5	2.7	2.9	3.1	3.3	3.5	3.7	3.9	
	4.1									
49	2.2	2.4	2.6	2.8	3	3.2	3.4	3.6	3.8	4
50	2.2	2.4	2.6	2.8	3	3.2	3.4	3.6	3.8	4

The Employer's Contribution Rate Shall Be:

1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9
2.0								

When the State

Experience

Factor

Is: If the Employer's Benefit Wage Ratio Does Not Exceed:

1%	210%	220%	230%	240%	250%	260%	270%	280%	290%	300%
2	105	110	115	120	125	130	135	140	145	150
3	70	73.3	76.6	80	83.3	86.6	90	93.3	96.6	100
4	52.5	55	57.5	60	62.5	65	67.5	70	72.5	75
5	42	44	46	48	50	52	54	56	58	60
6	35	36.6	38.3	40	41.6	43.3	45	46.6	48.3	50
7	30	31.4	32.8	34.2	35.7	37.1	38.5	40	41.4	
	42.8									
8	26.2	27.5	28.7	30	31.2	32.5	33.7	35	36.2	
	37.5									
9	23.3	24.4	25.5	26.6	27.7	28.8	30	31.1	32.2	
	33.3									
10	21	22	23	24	25	26	27	28	29	30

11	19	20	20.9	21.8	22.7	23.6	24.5	25.4	26.3	
	27.2									
12	17.5	18.3	19.1	20	20.8	21.6	22.5	23.3	24.1	25
13	16.1	16.9	17.6	18.4	19.2	20	20.7	21.5	22.3	23
14	15	15.7	16.4	17.1	17.8	18.5	19.2	20	20.7	
	21.4									
15	14	14.6	15.3	16	16.6	17.3	18	18.6	19.3	20
16	13.1	13.7	14.3	15	15.6	16.2	16.8	17.5	18.1	
	18.7									
17	12.3	12.9	13.5	14.1	14.7	15.2	15.8	16.4	17	
	17.6									
18	11.6	12.2	12.7	13.3	13.8	14.4	15	15.5	16.1	
	16.6									
19	11	11.5	12.1	12.6	13.1	13.6	14.2	14.7	15.2	
	15.7									
20	10.5	11	11.5	12	12.5	13	13.5	14	14.5	15
21	10	10.4	10.9	11.4	11.9	12.3	12.8	13.3	13.8	
	14.2									
22	9.5	10	10.4	10.9	11.3	11.8	12.2	12.7	13.1	
	13.6									
23	9.1	9.5	10	10.4	10.8	11.3	11.7	12.1	12.6	13
24	8.7	9.1	9.5	10	10.4	10.8	11.2	11.6	12	
	12.5									
25	8.4	8.8	9.2	9.6	10	10.4	10.8	11.2	11.6	12
26	8	8.4	8.8	9.2	9.6	10	10.3	10.7	11.1	
	11.5									
27	7.7	8.1	8.5	8.8	9.2	9.6	10	10.3	10.7	
	11.1									
28	7.5	7.8	8.2	8.5	8.9	9.2	9.6	10	10.3	
	10.7									
29	7.2	7.5	7.9	8.2	8.6	8.9	9.3	9.6	10	
	10.3									
30	7	7.3	7.6	8	8.3	8.6	9	9.3	9.6	10
31	6.7	7	7.4	7.7	8	8.3	8.7	9	9.3	
	9.6									

32	6.5	6.8	7.1	7.5	7.8	8.1	8.4	8.7	9	
	9.3									
33	6.3	6.6	6.9	7.2	7.5	7.8	8.1	8.4	8.7	9
34	6.1	6.4	6.7	7	7.3	7.6	7.9	8.2	8.5	
	8.8									
35	6	6.2	6.5	6.8	7.1	7.4	7.7	8	8.2	
	8.5									
36	5.8	6.1	6.3	6.6	6.9	7.2	7.5	7.7	8	
	8.3									
37	5.6	5.9	6.2	6.4	6.7	7	7.2	7.5	7.8	
	8.1									
38	5.5	5.7	6	6.3	6.5	6.8	7.1	7.3	7.6	
	7.8									
39	5.3	5.6	5.8	6.1	6.4	6.6	6.9	7.1	7.4	
	7.6									
40	5.2	5.5	5.7	6	6.2	6.5	6.7	7	7.2	
	7.5									
41	5.1	5.3	5.6	5.8	6	6.3	6.5	6.8	7	
	7.3									
42	5	5.2	5.4	5.7	5.9	6.1	6.4	6.6	6.9	
	7.1									
43	4.8	5.1	5.3	5.5	5.8	6	6.2	6.5	6.7	
	6.9									
44	4.7	5	5.2	5.4	5.6	5.9	6.1	6.3	6.5	
	6.8									
45	4.6	4.8	5.1	5.3	5.5	5.7	6	6.2	6.4	
	6.6									
46	4.5	4.7	5	5.2	5.4	5.6	5.8	6	6.3	
	6.5									
47	4.4	4.6	4.9	5.1	5.3	5.5	5.7	5.9	6.1	
	6.3									
48	4.3	4.5	4.8	5	5.2	5.4	5.6	5.8	6	
	6.2									
49	4.2	4.4	4.7	4.9	5.1	5.3	5.5	5.7	5.9	
	6.1									
50	4.2	4.4	4.6	4.8	5	5.2	5.4	5.6	5.8	6

The Employer's Contribution Rate Shall Be:

2.1 2.2 2.3 2.4 2.5 2.6 2.7 2.8 2.9  
3.0

When the State

Experience

Factor

Is: If the Employer's Benefit Wage Ratio Does Not Exceed:

1%	310%	320%	330%	340%	350%	360%	370%	380%	390%	400%
2	155	160	165	170	175	180	185	190	195	200
3	103.3	106.6	110	113.3	116.6	120	123.4	125.6	130	
4	77.5	80	82.5	85	87.5	90	92.5	95	97.5	100
5	62	64	66	68	70	72	74	76	78	80
6	51.6	53.3	55	56.6	58.3	60	61.6	63.3	65	
7	44.2	45.7	47.1	48.5	50	51.4	52.8	54.2	55.7	
8	38.7	40	41.2	42.5	43.7	45	46.2	47.5	48.7	50
9	34.4	35.5	36.6	37.7	38.8	40	41.1	42.2	43.3	
10	31	32	33	34	35	36	37	38	39	40
11	28.1	29	30	30.9	31.8	32.7	33.6	34.5	35.4	
12	25.8	26.6	27.5	28.3	29.1	30	30.8	31.6	32.5	
13	23.8	24.6	25.3	26.1	26.9	27.6	28.4	29.2	30	
14	22.1	22.8	23.5	24.2	25	25.7	26.4	27.1	27.8	
15	20.6	21.3	22	22.6	23.3	24	24.6	25.3	26	
16	19.3	20	20.6	21.2	21.8	22.5	23.1	23.7	24.3	25
17	18.2	18.8	19.4	20	20.5	21.1	21.7	22.3	22.4	
	23.5									

18	17.2	17.7	18.3	18.8	19.4	20	20.5	21.1	21.6	
	22.2									
19	16.3	16.8	17.3	17.8	18.4	18.9	19.4	20	20.5	21
20	15.5	16	16.5	17	17.5	18	18.5	19	19.5	20
21	14.7	15.2	15.7	16.1	16.6	17.1	17.6	18.1	18.5	19
22	14	14.5	15	15.4	15.9	16.3	16.8	17.2	17.7	
	18.1									
23	13.4	13.9	14.3	14.7	15.2	15.6	16	16.5	16.9	
	17.3									
24	12.9	13.3	13.7	14.1	14.5	15	15.4	15.8	16.2	
	16.5									
25	12.4	12.8	13.2	13.6	14	14.4	14.8	15.2	15.6	16
26	11.9	12.3	12.6	13	13.4	13.8	14.2	14.6	15	
	15.3									
27	11.4	11.8	12.2	12.5	12.9	13.3	13.7	14	14.4	
	14.8									
28	11	11.4	11.7	12.1	12.5	12.8	13.2	13.5	13.9	
	14.2									
29	10.6	11	11.3	11.7	12	12.4	12.7	13.1	13.4	
	13.7									
30	10.3	10.6	11	11.3	11.6	12	12.3	12.6	13	
	13.3									
31	10	10.3	10.6	10.9	11.2	11.6	11.9	12.2	12.5	
	12.9									
32	9.6	10	10.3	10.6	10.9	11.2	11.5	11.8	12.1	
	12.5									
33	9.3	9.7	10	10.3	10.6	10.9	11.2	11.5	11.8	
	12.1									
34	9.1	9.4	9.7	10	10.2	10.5	10.8	11.1	11.4	
	11.7									
35	8.8	9.1	9.4	9.7	10	10.2	10.5	10.8	11.1	
	11.4									
36	8.6	8.8	9.1	9.4	9.7	10	10.2	10.5	10.8	
	11.1									
37	8.3	8.6	8.9	9.1	9.4	9.7	10	10.2	10.5	
	10.8									

38	8.1	8.4	8.6	8.9	9.2	9.4	9.7	10	10.2	
	10.5									
39	7.9	8.2	8.4	8.7	8.9	9.2	9.4	9.7	10	
	10.2									
40	7.7	8	8.2	8.5	8.7	9	9.2	9.5	9.7	10
41	7.5	7.8	8	8.2	8.5	8.7	9	9.2	9.5	
	9.7									
42	7.3	7.6	7.8	8.1	8.3	8.5	8.8	9	9.2	
	9.5									
43	7.2	7.4	7.6	7.9	8.1	8.3	8.6	8.8	9	
	9.3									
44	7	7.2	7.5	7.7	7.9	8.1	8.4	8.6	8.8	9
45	6.8	7.1	7.3	7.5	7.7	8	8.2	8.4	8.6	
	8.8									
46	6.7	6.9	7.1	7.3	7.6	7.8	8	8.2	8.4	
	8.7									
47	6.6	6.8	7	7.2	7.4	7.6	7.8	8	8.3	
	8.5									
48	6.4	6.6	6.8	7	7.2	7.5	7.7	7.9	8.1	
	8.3									
49	6.3	6.5	6.7	6.9	7.1	7.3	7.5	7.7	7.9	
	8.1									
50	6.2	6.4	6.6	6.8	7	7.2	7.4	7.6	7.8	8

The Employer's Contribution Rate Shall Be:

3.1	3.2	3.3	3.4	3.5	3.6	3.7	3.8	3.9
4.0								

When the State

Experience

Factor

Is: If the Employer's Benefit Wage Ratio Does Not Exceed:

1%	410%	420%	430%	440%	450%	460%	470%	480%	490%
500%									
2	205	210	215	220	225	230	235	240	245
250									
3	135.6	140	143.3	146.6	150	153.3	156.6	160	163.3
166.6									

4	102.5	105	107.5	110	112.5	115	117.5	120	122.5
125									
5	82	84	86	88	90	92	94	96	98
100									
6	60.3	70	71.5	73.3	75	76.6	78.3	80	81.6
83.3									
7	58.5	60	61.4	62	64.2	65.7	67.1	68.5	70
71.4									
8	51.2	52.5	53.7	55	56.2	57.5	58.7	60	61.2
62.5									
9	45.5	45.6	47.7	48.8	50	51.1	52.2	53.3	54.4
55.5									
10	41	42	43	44	45	46	47	48	49
50									
11	37.2	38.1	39	40	40.9	41.8	42.7	43.6	44.5
45.4									
12	34.1	35	35.8	36.6	37.5	38.3	39.1	40	40.8
41.6									
13	31.5	32.3	33	33.8	34.6	35.3	36.1	36.4	37.6
38.4									
14	29.2	30	30.7	31.4	32.1	32.8	33.5	34.2	35
35.7									
15	27.3	28	28.6	29.3	30	30.6	31.3	32	32.6
33.3									
16	25.6	26.2	26.8	27.5	28.1	28.7	29.3	30	30.6
31.2									
17	24.1	24.7	25.2	25.8	26.4	27	27.6	28.2	28.8
29.4									
18	22.7	23.3	23.8	24.4	25	25.5	26.1	26.6	27.2
27.7									
19	21.5	22.1	22.6	23.1	23.6	24.2	24.7	25.2	25.7
26.3									
20	20.5	21	21.5	22	22.5	23	23.5	24	24.5
25									
21	19.5	20	20.4	20.9	21.4	21.9	22.3	22.6	23.3
23.8									

22	18.6	19	19.5	20	20.4	20.9	21.3	21.8	22.2
22.7									
23	17.8	18.2	18.7	19.1	19.5	20	20.4	20.8	21.3
21.7									
24	17	17.5	17.9	18.3	18.7	19.1	19.5	20	20.4
20.8									
25	16.4	16.8	17.2	17.6	18	18.4	18.8	19.2	19.6
20									
26	15.7	16.1	16.5	16.9	17.3	17.5	18	18.4	18.8
19.2									
27	15.1	15.5	15.9	16.3	16.6	17	17.4	17.7	18.1
18.5									
28	14.6	15	15.3	15.7	16	16.4	16.7	17.1	17.5
17.8									
29	14.1	14.4	14.8	15.1	15.5	15.8	16.2	16.5	16.9
17.2									
30	13.6	14	14.3	14.6	15	15.3	15.6	16	16.3
16.6									
31	13.2	13.5	13.8	14.1	14.5	14.8	15.1	15.4	15.8
16.1									
32	12.8	13.1	13.4	13.7	14	14.3	14.6	15	15.3
15.6									
33	12.4	12.7	13	13.3	13.6	13.9	14.2	14.5	14.8
15.1									
34	12	12.3	12.6	12.9	13.2	13.5	13.8	14.1	14.4
14.7									
35	11.7	12	12.2	12.5	12.8	13.1	13.4	13.7	14
14.2									
36	11.3	11.6	11.9	12.2	12.5	12.7	13	13.3	13.6
13.8									
37	11	11.3	11.6	11.8	12.1	12.4	12.7	12.9	13.2
13.5									
38	10.7	11	11.3	11.5	11.8	12.1	12.3	12.6	12.8
13.1									
39	10.5	10.7	11	11.2	11.5	11.7	12	12.3	12.5
12.8									

40	10.2	10.5	10.7	11	11.2	11.5	11.7	12	12.2
12.5									
41	10	10.2	10.4	10.7	10.9	11.2	11.4	11.7	11.9
12.2									
42	9.7	10	10.2	10.4	10.7	10.9	11.1	11.4	11.6
11.9									
43	9.5	9.7	10	10.2	10.4	10.7	10.9	11.1	11.4
11.6									
44	9.3	9.5	9.7	10	10.2	10.4	10.5	10.9	11.1
11.3									
45	9.1	9.3	9.5	9.7	10	10.2	10.4	10.6	10.8
11.1									
46	8.9	9.1	9.3	9.5	9.7	10	10.2	10.4	10.6
10.8									
47	8.7	8.9	9.1	9.3	9.5	9.7	10	10.2	10.4
10.6									
48	8.5	8.7	8.9	9.1	9.3	9.5	9.7	10	10.2
10.4									
49	8.3	8.5	8.7	8.9	9.1	9.3	9.5	9.8	10
10.2									
50	8.2	8.4	8.6	8.8	9	9.2	9.4	9.6	9.8
10									

The Employer's Contribution Rate Shall Be:

4.1	4.2	4.3	4.4	4.5	4.6	4.7	4.8	4.9
5.0								

When the State

Experience

Factor

Is: If the Employer's Benefit Wage Ratio Does Not Exceed:

1%	510%	520%	530%	540%
2	255	260	265	270
3	170	173.3	176.6	180
4	127.5	130	132.5	135
5	102	104	106	108
6	85	86.6	88.3	90
7	72.8	74.2	75.7	77.1

8	63.7	65	66.2	67.5
9	56.6	57.7	58.8	60
10	51	52	53	54
11	46.3	47.2	48.1	49
12	42.5	43.3	44.1	45
13	39.2	40	40.7	41.5
14	36.4	37.1	37.8	38.5
15	34	34.6	35.3	36
16	31.8	32.5	33.1	33.7
17	30	30.5	31.1	31.7
18	28.3	28.8	29.4	30
19	26.8	27.3	27.8	28.4
20	25.5	26	26.5	27
21	24.2	24.7	25.2	25.7
22	23.1	23.6	24	24.5
23	22.1	22.6	23	23.4
24	21.2	21.6	22	22.5
25	20.4	20.8	21.2	21.6
26	19.6	20	20.3	20.7
27	18.8	19.2	19.6	20
28	18.2	18.5	18.9	19.2
29	17.5	17.9	18.2	18.6
30	17	17.3	17.6	18
31	16.4	16.7	17.1	17.4
32	15.9	16.2	16.5	16.8
33	15.4	15.7	16	16.3
34	15	15.2	15.5	15.8
35	14.5	14.8	15.1	15.4
36	14.1	14.4	14.7	15
37	13.7	14	14.3	14.5
38	13.4	13.6	13.9	14.2
39	13	13.3	13.5	13.8
40	12.7	13	13.2	13.5
41	12.4	12.6	12.9	13.1
42	12.1	12.4	12.6	12.8
43	11.8	12	12.3	12.5

44	11.5	11.8	12	12.2
45	11.3	11.5	11.7	12
46	11	11.3	11.5	11.7
47	10.8	11	11.2	11.4
48	10.6	10.8	11	11.2
49	10.4	10.6	10.8	11
50	10.2	10.4	10.6	10.8

The Employer's Contribution Rate Shall Be:

5.1	5.2	5.3	5.4
-----	-----	-----	-----

If the employer's benefit wage ratio exceeds the amount in the last column of the table on the line for the current year's state experience factor, his contribution rate shall be five and five-tenths percent (5.5%).

B. 1. For the tax year 1995, the contribution rate computed pursuant to subsection A of this section or Section 3-113 of this title shall be reduced by one-fourth of one-tenth of one percent (.025%) if the assessment provided for in Section 6 of this act is made by the Oklahoma Employment Security Commission.

2. For the tax year 1996, the contribution rate computed pursuant to subsection A of this section or Section 3-113 of this title shall be reduced by one-half of one-tenth of one percent (0.05%) if the assessment provided for in Section 6 of this act is made by the Oklahoma Employment Security Commission.

3. For the tax year 1997, the contribution rate computed pursuant to subsection A of this section or Section 3-113 of this title shall be reduced by three-fourths of one-tenth of one percent (.075%) if the assessment provided for in Section 6 of this act is made by the Oklahoma Employment Security Commission.

SECTION 15. AMENDATORY 40 O.S. 1991, Section 3-113, is amended to read as follows:

Section 3-113. CONDITIONAL FACTORS. ~~For~~ Except as otherwise provided in Section 3-109 of this title, for each calendar year commencing after December 31, 1977, except for those employers with a benefit wage ratio of zero (0) and as otherwise provided in this section, the contribution rate for each employer for such

calendar year shall be increased, in the circumstances and in the amounts as follows:

(1) - Condition "a" - If at the beginning of each such year the balance of the unemployment compensation fund is less than three and one-half ( $3 \frac{1}{2}$ ) times, but not less than ~~three~~ ~~(3)~~ two and one-half ( $2 \frac{1}{2}$ ) times, the net benefits paid for the most recent five (5) consecutive completed calendar years divided by five (5), the contribution rate for each employer whose benefit wage ratio with respect to such year is zero percent (0%) shall be increased by one-tenth of one percent ( $\frac{1}{10}$  of 1%) of wages paid by him during such year; such contribution rate for each employer whose benefit rate wage ratio with respect to such year is more than zero percent (0%), but not more than one-tenth of one percent ( $\frac{1}{10}$  of 1%), shall be increased by two-tenths of one percent ( $\frac{2}{10}$  of 1%) of wages paid by him during such year and such contribution rate for each employer whose benefit wage ratio with respect to such year is more than one-tenth of one percent ( $\frac{1}{10}$  of 1%), shall be increased by three-tenths of one percent ( $\frac{3}{10}$  of 1%) of wages paid by him during such year.

(2) - Condition "b" - If at the beginning of each such year the balance of the unemployment compensation fund is less than ~~three~~ ~~(3)~~ two and one-half ( $2 \frac{1}{2}$ ) times, but not less than ~~two~~ ~~and one-half~~ ~~( $2 \frac{1}{2}$ )~~ one and one-half ( $1 \frac{1}{2}$ ) times, the net benefits paid for the most recent five (5) consecutive completed calendar years divided by five (5), the contribution rate for each employer shall be increased by thirty-three and one-third percent ( $33 \frac{1}{3}\%$ ) of such rate; provided that such total rate, if not a multiple of one-tenth of one percent ( $\frac{1}{10}$  of 1%), shall be computed to the next higher multiple of one-tenth of one percent ( $\frac{1}{10}$  of 1%) of wages paid by him during such year; provided, further, that such contribution rate for each employer whose benefit wage ratio with respect to such year is zero percent (0%) shall be increased by two-tenths of one percent ( $\frac{2}{10}$  of 1%) of wages paid by him during such year; such contribution rate for each employer whose benefit wage ratio with respect to such year is more than zero percent (0%), but not more than one-tenth of one

percent ( $1/10$  of 1%), shall be increased by three-tenths of one percent ( $3/10$  of 1%) of wages paid by him during such year; and such contribution rate for each employer whose benefit wage ratio with respect to such year is more than one-tenth of one percent ( $1/10$  of 1%), shall be increased by at least four-tenths of one percent ( $4/10$  of 1%) of wages paid by him during such year.

(3) - Condition "c" - If at the beginning of each such year the balance of the unemployment compensation fund is less than ~~two~~ ~~and one-half~~ ( ~~$2\ 1/2$~~ ) one and one-half ( $1\ 1/2$ ) times, but not less than ~~two~~ (~~2~~) one-half ( $1/2$ ) times, the net benefits paid for the most recent five (5) consecutive completed calendar years divided by five (5), the contribution rate for each employer shall be increased by one-half ( $1/2$ ) of such rate; provided that such total rate, if not a multiple of one-tenth of one percent ( $1/10$  of 1%), shall be computed to the next higher multiple of one-tenth of one percent ( $1/10$  of 1%) of wages paid by him during such year; provided, further, that such contribution rate for each employer whose benefit wage ratio with respect to such year is zero percent (0%) shall be increased by three-tenths of one percent ( $3/10$  of 1%) of wages paid by him during such year; such contribution rate for each employer whose benefit wage ratio with respect to such year is more than zero percent (0%), but not more than one-tenth of one percent ( $1/10$  of 1%), shall be increased by four-tenths of one percent ( $4/10$  of 1%) of wages paid by him during such year; and such contribution rate for each employer whose benefit wage ratio with respect to such year is more than one-tenth of one percent ( $1/10$  of 1%), shall be increased by at least five-tenths of one percent ( $5/10$  of 1%) of wages paid by him during such year.

(4) - Condition "d" - If at the beginning of each such year the balance of the unemployment compensation fund is less than ~~two~~ (~~2~~) one-half ( $1/2$ ) times the net benefits paid for the most recent five (5) consecutive completed calendar years divided by five (5), the contribution rate for each employer shall be increased by sixty-six and two-thirds percent ( $66\ 2/3\%$ ) of such rate; provided that such total rate, if not a multiple of one-tenth of one percent ( $1/10$  of 1%) shall be computed to the next higher multiple

of one-tenth of one percent (1/10 of 1%) of wages paid by him during such year; provided, further, that such contribution rate for each employer whose benefit wage ratio with respect to such year is zero percent (0%) shall be increased by four-tenths of one percent (4/10 of 1%) of wages paid by him during such year; such contribution rate for each employer whose benefit wage ratio with respect to such year is more than zero percent (0%), but not more than one-tenth of one percent (1/10 of 1%), shall be increased by five-tenths of one percent (5/10 of 1%) of wages paid by him during such year; such contribution rate for each employer whose benefit wage ratio with respect to such year is more than one-tenth of one percent (1/10 of 1%), shall be increased by at least six-tenths of one percent (6/10 of 1%) of wages paid by him during such year.

(5) The contribution rate, excluding any surcharge, for an employer whose contribution rate is three and four-tenths percent (3.4%) or more shall not be increased by more than two (2) percentage points in any one (1) year. The contribution rate, excluding any surcharge, for an employer whose contribution rate is less than three and four-tenths percent (3.4%) shall not be increased to more than five and four-tenths percent (5.4%) in one (1) year.

For purposes of this section "net benefits paid for the most recent five (5) consecutive completed calendar years" means the total amount of monies withdrawn from this state's account in the unemployment trust fund in the United States Treasury for each of the most recent five (5) consecutive completed calendar years, plus the balance of such monies in the benefit account at the start of such period, less the balance of such monies in the benefit account at end of such period. The contribution rate for those employers with a benefit wage ratio of zero (0) shall be two-tenths of one percent (2/10 of 1%) during those years when the fund is in conditions "a", "b", and "c", and shall be three-tenths of one percent (3/10 of 1%) during those years when the fund is in condition "d".

(6) There is hereby created a Special Surtax Fund. All money collected from the surtax imposed pursuant to this paragraph shall be transferred from the clearing account to the Special Surtax Fund. Funds in the Special Surtax Fund shall be used for repayments to the state's account in the unemployment trust fund for amounts previously withdrawn for refunds of employer contributions made pursuant to the requirements of paragraph (5) of this section. After Three Million Nine Hundred Sixty-nine Thousand Two Hundred Seventy-three Dollars and twenty-eight cents (\$3,969,273.28) has been deposited in the state's account in the unemployment trust fund any remaining balance in the Special Surtax Fund shall also be transferred to the fund. When all such transfers have been made the Special Surtax Fund shall cease to exist.

Notwithstanding any other provision, for the first calendar quarter of 1987, the maximum assignable contribution rate shall be five and four-tenths percent (5.4%). A special surtax shall be assigned to employers who would, in the absence of the preceding sentence, be assigned a rate in excess of five and four-tenths percent (5.4%). The Commission shall determine the rate of surtax to be assigned to each employer to whom this provision applies in the same manner used to assign contribution rates pursuant to this article. The provisions for collecting past-due contributions shall apply to collection of the surtax. The surtax collected shall after deposit in the clearing account be transferred to the Special Surtax Fund.

SECTION 16. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-102.1 of Title 40, unless there is created a duplication in numbering, reads as follows:

REDUCTION OF CONTRIBUTIONS. A. Employers Eligible for Rate Reduction. This section shall not apply to state or federal government employers, political subdivisions of the state or federal government employers, or employers eligible to make payments in lieu of contributions. The rate reduction provisions of this section shall be included in the normal calculation

process for employer contributions and shall apply only to experience-rated employers as determined under the Employment Security Act of 1980, who meet the following criteria:

1. Employers who have no delinquent or outstanding reports or contributions due or payable to the Commission for any calendar quarter ending prior to January 1, 1993; and

2. Employers who are in full and timely compliance with all reporting and payment requirements under the Employment Security Act of 1980, and Commission rules for each calendar quarter during the period of such reduction of contributions. A failure to make full or timely report or payment for any such quarter during the period of reduction will cause such employer to be ineligible for the reduction for that quarter.

B. Rate Reduction. Unless otherwise provided by law, each employer eligible will receive a reduction in their quarterly contributions due from each such employer under the Employment Security Act of 1980, as follows:

1. Fifteen percent (15%) reduction of the contributions due for the four calendar quarters in calendar year 1995, for a statewide total contribution reduction amount not to exceed Fifteen Million Six Hundred Forty-nine Thousand Two Hundred Dollars (\$15,649,200.00);

2. Ten percent (10%) reduction of the contributions due for the four calendar quarters in calendar year 1996, for a statewide total contribution reduction amount not to exceed Eleven Million Five Hundred Thirteen Thousand Eight Hundred Dollars (\$11,513,800.00); and

3. Ten percent (10%) reduction of the contributions due for the four calendar quarters in calendar year 1997, for a statewide total contribution reduction amount not to exceed Twelve Million Three Hundred Thirty-eight Thousand Dollars (\$12,338,000.00).

C. Suspension of Reduction Based on Financial Condition of Fund. Prior to the beginning of any calendar year for which a rate reduction shall apply, the Commission shall prepare an estimate and projection of the financial condition of the fund. No rate reduction shall be authorized or implemented under the

Req. No. 9172Page 35

provisions of this section if the Commission determines that the High Cost Multiplier will be less than one (1.0). The Oklahoma Employment Security Commission shall determine the High Cost Multiplier at the end of each quarter of the calendar year and shall include the result of this computation in a regularly published periodical together with other employment related data.

D. As used in this section, "High Cost Multiplier" shall be a figure computed as follows:

1. First, net fund reserves in the Unemployment Compensation Fund as of the date of each computation required by this section shall be divided by total wages earned in insured employment for the twelve (12) months preceding the date of the quarterly High Cost Multiplier Computation;

2. Second, the result of the computation from paragraph 1 of this subsection shall be divided by a figure which is a quotient derived from the computation contained in paragraph 3 of this subsection;

3. Third, the largest total state benefit payments experienced previously in any twelve (12) consecutive months shall be divided by total wages earned in insured employment for the same period; and

4. The result of all computations contained in paragraphs 1 through 3 of this subsection, performed in the sequence as specified in this section, shall be known as the High Cost Multiplier.

SECTION 17. AMENDATORY 40 O.S. 1991, Section 2-207, is amended to read as follows:

Section 2-207. WAGE REQUIREMENT DURING BASE PERIOD. The unemployed individual, during his base period, shall have been paid wages for insured work of not less than:

1. ~~Prior to January 1, 1986:~~

~~a. Three Thousand Dollars (\$3,000.00), and~~

~~b. One Thousand Five Hundred Dollars (\$1,500.00); and~~

2. One and one-half (1 1/2) times the amount of wages during that quarter of his base period in which such wages were highest;  
~~and~~

~~2. Beginning January 1, 1986:~~

- ~~a. forty percent (40%) of the taxable wage, and~~
- ~~b. one and one-half (1 1/2) times the amount of wages during that quarter of his base period in which such wages were highest.~~

Notwithstanding the preceding provision an individual with base period wages equal to or more than the highest annual amount of taxable wages that applies to any calendar year in which the claim for unemployment benefits was filed shall be eligible for benefits.

~~From January 1, 1986 through December 31, 1987, notwithstanding any other provision of this section an individual who has worked at least twenty (20) hours in each of twenty (20) weeks in insured work shall be eligible for benefits pursuant to the provisions of the Employment Security Act of 1980.~~

SECTION 18. AMENDATORY 40 O.S. 1991, Section 2-406, is amended to read as follows:

Section 2-406. DISCHARGE FOR MISCONDUCT. A. An individual shall be disqualified for benefits if he has been discharged for misconduct connected with his last work, if so found by the Commission. Disqualification under this section shall continue for the full period of unemployment next ensuing after he has been discharged for misconduct connected with his work and until such individual has become reemployed and has earned wages equal to or in excess of ten (10) times his weekly benefit amount.

B. For purposes of this section, misconduct shall include but not be limited to:

1. Theft or unauthorized removal of company property or the property of others;

2. Falsification of any company record or document;

3. Working under the influence of alcohol or illegal drugs, or being discharged pursuant to any state or federal law allowing for the individual's termination as a result of a positive test for alcohol or drugs;

4. Possession, distribution, sale, transfer, or use of alcohol or illegal drugs on company premises, or in the course of

employment, or while operating employer-owned vehicles or equipment;

5. Instigating a fight;

6. Intentionally damaging employer-owned or customer-owned property with a repair cost in excess of Fifty Dollars (\$50.00);

7. Sexual or other unlawful harassment;

8. Intentional violation of safety or health rules which endangers the life or physical well-being of the employee or others;

9. Possession of dangerous or unauthorized materials on company premises, including but not limited to weapons, explosives or firearms; and

10. Unauthorized disclosure of business secrets or other confidential information.

C. In determining misconduct, the Commission shall give consideration to any written company policies which have been distributed to employees.

SECTION 19. Section 1 of this act shall not be codified in the Oklahoma Statutes.

SECTION 20. Sections 1 through 16 of this act shall become effective July 1, 1994.

SECTION 21. Sections 17 and 18 of this act shall become effective September 1, 1994.

SECTION 22. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

44-2-9172

MAH