

ENGROSSED HOUSE  
BILL NO. 1462

By: Roach, Tyler, Beutler,  
Boyd (Laura), Erwin,  
Stottlemire, Sullivan  
(Leonard), Vaughn and  
Wells of the House

and

Long (Lewis) of the  
Senate

( labor - amending various sections in Title 40 - benefit  
wages - Employment Security Act of 1980 -  
codification - noncodification - effective dates -  
emergency )

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

SECTION 1. AMENDATORY 40 O.S. 1991, Section 1-221, as amended by Section 2, Chapter 195, O.S.L. 1994 (40 O.S. Supp. 1994, Section 1-221), is amended to read as follows:

Section 1-221. BENEFIT WAGES. "Benefit wages" means the wages earned by a claimant during his base period which are not in excess of the current maximum weekly benefit amount, as determined under Section 2-104 of this title, multiplied by the maximum number of weeks for which benefits could be paid to any individual (now twenty-six (26) weeks) multiplied by three (3); provided, however, no wages shall be included as "benefit wages" unless and until the claimant has been paid benefits for ~~two (2)~~ five (5) weeks in one (1) benefit year.

SECTION 2. 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 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-404A of Title 40, unless there is created a duplication in numbering, reads as follows:

A. For the purposes of this section:

1. "Temporary help firm" means a firm that hires its own employees and assigns them to clients to support or supplement the client's work force in work situations such as employee absences,

temporary skill shortages, seasonal workloads and special assignments and projects; and

2. "Temporary employee" means an employee assigned to work for the clients of a temporary help firm.

B. A temporary employee of a temporary help firm will be deemed to have left his last work voluntarily without good cause connected with his work if the temporary employee does not contact the temporary help firm for reassignment on completion of an assignment. A temporary employee will not be deemed to have left his work voluntarily without good cause connected with his work unless the temporary employee has been advised of the obligation to contact the temporary help firm on completion of assignments and that unemployment benefits may be denied for failure to do so.

C. For the purposes of the Employment Security Act of 1980, the temporary help firm is deemed to be the employer of the temporary employee.

SECTION 4. AMENDATORY 40 O.S. 1991, Section 2-411, as amended by Section 1, Chapter 46, O.S.L. 1993 (40 O.S. Supp. 1994, Section 2-411), is amended to read as follows:

Section 2-411. RETIREMENT PAYMENTS. (1) ~~An~~ Except for any payment or benefit payment made pursuant to the federal Social Security Act, an individual shall be disqualified for benefits for any week which begins in a period with respect to which such individual is receiving a governmental or other pension, retirement or retired pay, annuity or any other similar periodic retirement payment which is based on the previous work of such individual if:

(a) Such pension, retirement or retired pay, annuity or similar payment is under a plan maintained, or contributed to, by a base period or chargeable employer; and

(b) In the case of such a payment not made under the ~~Social Security Act, 42 U.S.C., Section 301 et seq.,~~

~~or the~~ Railroad Retirement Act of 1974, 45 U.S.C., Section 231 et seq., services performed for such employer by the individual after the beginning of the base period, or remuneration for such services, affect eligibility for or increase the amount of, such pension, retirement or retired pay, annuity or similar payment.

(2) If the total of such remuneration is less than the benefits which would otherwise be due under the Employment Security Act of 1980, Section 1-101 et seq. of this title, he shall be entitled to receive for such week, if otherwise eligible, benefits reduced by the amount of such remuneration.

(3) If payments referred to in this section are being received by an individual under the federal Social Security Act, the Commission shall take into account the individual's contribution to social security and make no reduction in the weekly benefit amount ~~for such contribution.~~

SECTION 5. AMENDATORY 40 O.S. 1991, Section 2-503, as amended by Section 10, Chapter 219, O.S.L. 1993 (40 O.S. Supp. 1994, Section 2-503), is amended to read as follows:

Section 2-503. CLAIMS, NOTICES AND OBJECTIONS. A. Claims for benefits shall be made in accordance with such rule as the Commission may prescribe.

B. Promptly after the initial claim is filed the Commission shall give written notice of the claim to the last employer of the claimant for whom he worked at least fifteen (15) working days.

C. Promptly after the claim is paid for the ~~second~~ fifth week of benefits the Commission shall give written notice of the claim to all other employers of the claimant during his base period. Such notice may be the notice required by Section 3-106 of this title.

D. Notices shall be deemed given when the Commission deposits the same in the United States mail addressed to the employer at his

last-known address. Notice shall be presumed prima facie to have been given to the employer to whom addressed on the date stated in the written notice.

E. Within ten (10) days after the date of the notice addressed to him an employer may mail to the Commission at the address prescribed in the notice written objections to the claim setting forth specifically the facts which:

1. Make the claimant ineligible for benefits under Sections 2-201 through 2-209 of this title;

2. Disqualify the claimant from benefits under Sections 2-401 through 2-415 of this title; or

3. Relieve such employer from being charged for the benefits wages of such claimant.

SECTION 6. AMENDATORY 40 O.S. 1991, Section 3-103, is amended to read as follows:

Section 3-103. COMPUTATION - PERCENTAGE OF WAGES PAYABLE. ~~Each~~ Beginning January 1, 1996, each employer, unless otherwise prescribed in Sections 3-104, 3-111, 3-112, 3-701 or 3-801 of this title, shall pay contributions equal to ~~three and one-tenth percent (3.1%) of taxable wages paid by him with respect to employment~~ except as may be otherwise prescribed in Section 3-104 of this title the greater of one percent (1%) or the average contribution rate paid by all employers during the second year preceding the current calendar year. The average contribution rate shall be calculated by dividing annual net contributions received by total annual taxable wages.

SECTION 7. AMENDATORY 40 O.S. 1991, Section 3-105, is amended to read as follows:

Section 3-105. BENEFIT WAGES - YEAR CHARGED. ~~An employee's~~ ~~benefit wages for any benefit year beginning before July 1, 1980,~~ ~~shall be defined and treated as provided in the laws which governed~~ ~~at the time such benefit wages were charged, except as hereinafter~~

~~provided.~~ When in any benefit year an employee is paid benefits for his ~~second~~ fifth compensable week of unemployment or is paid benefits as defined in paragraph (3) of Section 4-702(3) of this title, his taxable wages during his base period shall be treated, for the purpose of this part, as though they had been paid in the calendar year in which such benefits are paid.

SECTION 8. AMENDATORY 40 O.S. 1991, Section 3-106, as amended by Section 3, Chapter 318, O.S.L. 1992 (40 O.S. Supp. 1994, Section 3-106), is amended to read as follows:

Section 3-106. BENEFIT WAGES CHARGED AND RELIEF THEREFROM.

A. The Oklahoma Employment Security Commission shall give notice to each base period employer of a claimant promptly after the claimant is paid his or her ~~second~~ fifth week of benefits by the Commission or promptly after the Commission receives notice of the amounts paid as benefits by another state under a reciprocal arrangement. Notice shall be deemed given under this subsection when the Commission deposits the same in the United States mail addressed to the employer at an address designated by the employer to receive such notice or at his last-known address. Notice shall be presumed prima facie to have been given to the employer to whom addressed on the date stated in the written notice. This notice shall give the name and Social Security Number of the claimant, the date the claim was filed, and the amount of benefit wages charged to the employer in each quarter of the base period.

B. Within fourteen (14) days from the date stated upon the notice provided for in subsection A of this section, the employer may file with the Commission his written objections to being charged with such benefit wages upon one or more of the grounds for objection set forth in subsection G of this section. The employer's written objection must set forth specifically:

1. The date on which the employment was terminated;

2. Full particulars as to the circumstances of the termination including the reason given by the individual for voluntarily leaving the employment, or the nature of the misconduct for which discharged, as the case may be;

3. Full particulars as to the regular scheduled part-time or full-time employment of the employee including the starting date, and ending date if any, of the continuous period of such part-time or full-time employment; and

4. Such other information as called for by the notice.

C. Upon receipt of the employer's written objections, the Commission shall make a determination as to whether or not the employer is entitled to be relieved from the charging of benefit wages. The Commission shall promptly notify the employer of that determination. Provided further, the fourteen-day time period for filing written objections with the Commission as provided for in subsection B of this section may be waived for good cause shown.

D. Within twenty (20) days after the mailing of the determination provided for in subsection C of this section, the employer may file with the Commission or its representative a written protest to the determination and request an oral hearing de novo to present evidence in support of its protest. The Commission or its representative shall, by written notice, advise the employer of the date of the hearing, which shall not be less than ten (10) days from the date of mailing of the written notice. At the discretion of the Commission, this hearing shall be conducted by the Commission or its representative appointed by the Commission for this purpose. Pursuant to the hearing, the Commission or its representative shall, as soon as practicable, make a written order setting forth its findings of fact and conclusions of law, and shall send it to the employer.

E. If any employer fails to file a written protest within the period of twenty (20) days, as provided by subsection D of this

section, then the determination shall be final, and no appeal shall thereafter be allowed.

F. The employer or the Commission may appeal the order of the Commission or its representative to the district court by filing a petition for review with the clerk of that court within thirty (30) days after the date the order was mailed to all parties. The mailing date shall be specifically stated in the order.

G. The benefit wages charged to an employer for a given calendar year shall be the total of the benefit wages stated in the notices given to the employer by the Commission. Provided, that an employer's benefit wages shall not include wages paid by the employer to any employee or former employee, who:

1. Left employment with that employer, or with his or her last employer, voluntarily without good cause connected to the work;

2. Was discharged from such employment for misconduct connected with his work;

3. Was a regular scheduled employee of that employer prior to the week the employee separated from other employment, and continued to work for said employer through the second compensable week of unemployment in his or her established benefit year; or

4. Was separated from his or her employment as a direct result of a major natural disaster, declared as such by the President pursuant to the Disaster Relief Act of 1974, P.L. 93-288, and such employee would have been entitled to disaster unemployment assistance if he or she had not received unemployment insurance benefits.

H. If an employer recalls a laid-off or separated employee and said employee continues to be employed or said employee voluntarily terminates employment or is discharged for misconduct within the benefit year, the employer shall be entitled to have the benefit wage charged against the employer's experience rating for said employee reduced by the ratio of the number of weeks of remaining

eligibility of said employee to the total number of weeks of entitlement.

I. An employer shall not be charged with benefit wages of a laid-off employee if the employer lists as an objection in a statement filed in accordance with subsection B of this section that said employee collecting benefits was hired to replace a United States serviceman or servicewoman called into active duty and laid-off upon the return to work by that serviceman or servicewoman. The Unemployment Compensation Fund shall be charged with the benefit wages of the laid-off employee.

SECTION 9. AMENDATORY 40 O.S. 1991, Section 3-110, as amended by Section 4, Chapter 195, O.S.L. 1994 (40 O.S. Supp. 1994, Section 3-110), is amended to read as follows:

Section 3-110. MINIMUM CONTRIBUTIONS. No employer's rate shall be less than ~~three and one-tenth percent (3.1%) for any year~~ the greater of one percent (1%) or the average contribution rate paid by all employers during the second year preceding the current calendar year unless throughout the one (1) calendar year immediately preceding such year some eligible ~~individuals~~ individual could have filed a claim in each ~~calendar~~ quarter of said year establishing a base period as prescribed by Section 1-202 of this title which would include wages from that employer.

SECTION 10. AMENDATORY 40 O.S. 1991, Section 3-111, as amended by Section 14, Chapter 219, O.S.L. 1993 (40 O.S. Supp. 1994, Section 3-111), is amended to read as follows:

Section 3-111. ACQUIRING EMPLOYERS. A. Any employing unit, whether or not an employing unit at the time of the acquisition, which acquires substantially all of the trade, organization, business, or assets of any employer (excepting in such case any assets retained by that employer incident to the liquidation of his obligations) and who continues the operations of the predecessor as a going business, shall acquire the merit rating account of the

predecessor employer, including the predecessor's actual contribution and benefit experience, annual payrolls, and contribution rate, ~~whether or not such rate is more or less than three and one-tenth percent (3.1%)~~. The acquiring employer shall also become jointly and severally liable with the predecessor employer for all current or delinquent contributions, interest, penalties and fees owed to the Commission by the predecessor employer.

Written notice of all current or delinquent contributions, interest, penalties and fees owed to the Commission by the predecessor employer shall be provided to the acquiring employer by the predecessor employer prior to the sale of the business. Failure to give such notice may subject the predecessor employer to a penalty as specified by the rules of the Commission.

Any remuneration for services covered by the Employment Security Act of 1980 or other state unemployment compensation acts paid by the predecessor shall be considered as having been paid by the acquiring employer. The initial determination regarding whether or not an acquiring employer will become a successor to a predecessor account shall be made by the Commission or its duly authorized representative and notice of this determination shall be delivered to the acquiring employer or mailed to his or her last-known address.

B. Within twenty (20) days after the mailing of the notice of initial determination provided for in subsection A of this section, the employer may file with the Commission or its representative a written protest to the initial determination and request an oral hearing to present evidence in support of its protest. The Commission or its representative shall, by written notice, advise the employer of the date of the hearing, which shall not be less than ten (10) days from the date of the mailing of the written notice. At the discretion of the Commission, the hearing shall be

conducted by the Commission, or by a three-member board appointed by the Commission for this purpose. Pursuant to the hearing, the Commission or its representative shall, as soon as practicable:

1. Make an order affirming, modifying or reversing the initial determination;

2. Immediately send to the employer a written notice thereof; and

3. In accordance with the order, notify the employer of any additional contributions, interest, penalties or fees then due or owing by the employer and the employer's contribution rate.

If any employer fails to file its written protest to the initial determination within the period of twenty (20) days, as provided by this subsection, then the initial determination shall be final, and no appeal shall thereafter be allowed.

C. Any employing unit, whether or not an employing unit at the time of the acquisition, which acquires substantially all of the trade, organization, business, or assets of an employer, at one or more separate and distinct establishments and who continues the acquired operations of the predecessor as a going business, shall acquire that portion of the experience rating account of such employer that is applicable to such establishment or establishments, if such employing unit, immediately after such acquisition, is an employer; provided, however, that such employing unit shall not acquire such portion of the experience rating account unless written application therefor is received by the Commission within one hundred twenty (120) days after the date of such acquisition together with evidence sufficient for the Commission to determine which portion of the experience rating account of the predecessor is applicable to the acquired operations, and the Commission finds that such transfer will not tend to defeat or obstruct the object and purpose of the Employment Security Act of 1980; and provided further, that the portion of the experience rating account so

transferred, including the taxable payrolls and benefit wages, shall not thereafter be used in computing an experience rating contribution rate for the transferring employer. For the purpose of this subsection a separate and distinct establishment means all operations conducted by an employer at one business location which is readily segregable and identifiable as a separate business organization.

D. No rate ~~of more or less than three and one-tenth percent (3.1%)~~ shall be assigned an employing unit succeeding to the experience of another employing unit pursuant to this section for any period subsequent to such succession except in accordance with regulations prescribed by the Commission, which regulations shall be consistent with federal requirements for additional credit allowance in Section 1602 of the Internal Revenue Code, and the Employment Security Act of 1980, Section 1-101 et seq. of this title.

E. By rule the Commission may establish a computation date for any such period different from the computation date generally prescribed by the provisions of the Employment Security Act of 1980, and may define the words "calendar year" as meaning a twelve-consecutive-month period ending on the same day of the year as that on which such computation date occurs.

F. If the Commission finds that any report required to complete a determination of contribution rate has not been filed or if filed is incorrect or insufficient, and any such fact or information has not already been established or found in connection with some other proceeding pursuant to the provisions of the Employment Security Act of 1980, an estimate may be made of the information required on the basis of the best evidence reasonably available to it at the time. Notice shall be given of such determination as provided for contribution rate in subsection C of Section 3-102 of this title and the employer may appeal therefrom as provided in subsection D of Section 3-102 of this title.

SECTION 11. AMENDATORY 40 O.S. 1991, Section 3-113, is amended to read as follows:

Section 3-113. CONDITIONAL FACTORS. 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) 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) times, but not less than 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 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 (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 (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) times, but not less than two (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) 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.

(7) Beginning January 1, 1996, except for this paragraph and paragraph (8) of this section, the provisions of this section shall be suspended until the Unemployment Trust Fund reaches a High Cost Multiple of one and one-fourth (1.25). The Oklahoma Employment Security Commission shall determine the High Cost Multiple at the end of each 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 Multiple" shall be a figure computed as follows:

- (a) 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 Multiple computation,
- (b) second, the result of the computation from subparagraph (a) of this paragraph shall be divided by a figure which is a quotient derived from the computation of the High-Cost Rate contained in subparagraph (c) of this paragraph, and
- (c) third, the highest ratio of total state benefit payments experienced previously in any twelve (12) consecutive months to total wages earned in insured employment for the same period shall be the High-Cost Rate,

the result of all computations contained in subparagraphs (a) through (c) of this paragraph, performed in the sequence as specified in this section, shall be known as the High Cost Multiple;

(8) Prior to the beginning of each calendar year, the Commission shall prepare an estimate of the financial condition of the trust fund. If the estimate for the year shows the balance, at any time during the year, will fall below the High Cost Multiple as defined in paragraph (7) of this section, then the Commission shall reinstate the suspended provisions of this section.

SECTION 12. AMENDATORY 40 O.S. 1991, Section 3-301, as amended by Section 16, Chapter 219, O.S.L. 1993 (40 O.S. Supp. 1994, Section 3-301), is amended to read as follows:

Section 3-301. PENALTY AND INTEREST ON PAST-DUE CONTRIBUTIONS.

A. If contributions are not paid on the date on which they are due and payable as prescribed by the Oklahoma Employment Security Commission, the whole or part thereafter remaining unpaid shall bear interest at the rate of one percent (1%) per month for each month or fraction thereof from and after such date until payment is received by the Commission. The date on which payment of contributions is deemed to have been received may be determined by such rules as the Commission may prescribe.

B. If any employer fails or refuses to file contribution and wage reports required under the provisions of this act within fifteen (15) days after written notice has been mailed to the employer by the Commission or its representative regardless whether or not any wages or taxable wages were paid, there shall accrue a penalty of ~~One Hundred Dollars (\$100.00) and in addition to such penalty, there shall be a penalty of~~ ten percent (10%) added to the total contributions due, collected and paid, not to exceed the amount of One Hundred Dollars (\$100.00). Such penalties shall be in addition to any interest due. The provisions of this subsection

shall not apply to employers as provided in subsection B of Section 3-806 of this title.

SECTION 13. A. There is hereby created until December 31, 1996, the Worker Training Development and Loan Financing Advisory Task Force. The purpose of the Task Force is to provide a comprehensive, in-depth analysis assessing job training activities in Oklahoma in order to assess the role of state government in providing an effective statewide job training delivery system to residents of the state; to determine the impact of changes, if any, from federal mandates with respect to job training; and to recommend a systematic approach and conceptual framework on the reform, reorganization, and the restructuring needed to comply with any federal changes concerning the job training program. The Task Force shall be composed of fifteen (15) members as follows:

1. The Director of the Employment Security Commission, or designee;

2. The Director of the Job Training Partnership Act Program, Oklahoma Employment Security Commission, or designee;

3. The Director of the Oklahoma Department of Commerce, or designee;

4. The Director of the State Department of Vocational and Technical Education, or designee;

5. The President of the Oklahoma Finance Authorities, or designee;

6. The Vice Chair of Oklahoma Futures, or designee;

7. Four legislative members appointed by the Speaker of the Oklahoma House of Representatives;

8. Four legislative members appointed by the President Pro Tempore of the Oklahoma Senate; and

9. One member appointed by the Governor. Such member shall have business, industry or manufacturing experience.

B. The appointed members of subsection A of this section shall be appointed by August 1, 1995. Any vacancy in the appointive membership of the Task Force shall be filled in the same manner as the original appointment.

C. The membership shall elect a Chairperson and Vice Chairperson from its membership. The Task Force shall meet at least quarterly and at such other times as may be necessary at the call of the Chairperson. The first meeting of the Council shall be held by August 31, 1995. A quorum shall consist of the majority of the membership present. Members shall receive no additional compensation for serving on the Task Force. The legislative members of the Task Force shall be reimbursed for any travel in connection with such service pursuant to Section 456 of Title 74 of the Oklahoma Statutes. Other members shall be reimbursed pursuant to the State Travel Reimbursement Act. All meetings of the Task Force shall be subject to the provisions of the Oklahoma Open Meeting Act.

D. Responsibilities of the Advisory Task Force shall include, but not be limited to:

1. Reviewing job training activities in Oklahoma;
2. Reviewing existing legislation concerning the Job Training Partnership Act (JTPA);
3. Reviewing funding allocation for JTPA program in Oklahoma and future trends and changes associated with the funding of the program;
4. Reviewing and identifying state entities receiving JTPA funding and any funding allocation trends;
5. Studying, reviewing, and assessing the need and demand for, and impact of creating, a strategic statewide plan for implementing a job training worker loan program for use by potential businesses in Oklahoma who want to develop workforce training programs, or to improve and expand existing workplace training programs;

6. Studying the types of financially sound businesses who wish to upgrade production, technical, service, management, professional, or support skill of their employees;

7. Reviewing and studying possible funding mechanisms, loan fund sources, targeted lead loan fund agency and administrative functions, and amount of funding for implementation of a proposed strategic statewide plan for the job training worker loan program;

8. Reviewing eligibility loan requirements, loan loss reserve and loan guarantees, criteria and guidelines for targeted borrowers who utilized the strategic statewide plan for the job training worker loan program;

9. Making recommendations concerning a strategic statewide implementation plan for a job training worker loan program;

10. Making recommendations concerning a proposed strategic statewide plan for implementation of the job training worker loan program; and

11. Filing a report listing findings and recommendations concerning a strategic statewide implementation plan for a job training worker loan program prior to December 31, 1996, to the Speaker of the Oklahoma House of Representatives, the President Pro Tempore of the Oklahoma Senate, and the Governor.

E. The Legislative Service Bureau shall provide clerical and technical staff support to assist the Task Force, as authorized by the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

SECTION 14. NONCODIFICATION Section 13 of this act shall not be codified in the Oklahoma Statutes.

SECTION 15. Section 13 of this act shall become effective July 1, 1995.

SECTION 16. Sections 1 through 12 of this act shall become effective January 1, 1996.

SECTION 17. 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.

Passed the House of Representatives the 1st day of March, 1995.

Speaker of the House of  
Representatives

Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 1995.

President of the Senate