

1 STATE OF OKLAHOMA

2 2nd Session of the 54th Legislature (2014)

3 HOUSE BILL 2411

By: Hulbert

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5
6 AS INTRODUCED

7 An Act relating to labor; amending 40 O.S. 2011,
8 Section 3-103, as amended by Section 8, Chapter 71,
9 O.S.L. 2013 (40 O.S. Supp. 2013, Section 3-103),
10 which relates to payment contributions; modifying
11 percentage of wages payable; providing for minimum
12 contribution rate for certain employers; repealing 40
13 O.S. 2011, Sections 3-110 and 3-112, as amended by
14 Section 11, Chapter 71, O.S.L. 2013 (40 O.S. Supp.
15 2013, Section 3-112), which relate to contribution
16 rates; providing for codification; providing for
17 noncodification; and providing an effective date.

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

21 SECTION 1. NEW LAW A new section of law not to be
22 codified in the Oklahoma Statutes reads as follows:

23 This act shall be known and may be cited as the "Oklahoma New
24 Business Unemployment Tax Relief Bill of 2014".

SECTION 2. AMENDATORY 40 O.S. 2011, Section 3-103, as
amended by Section 8, Chapter 71, O.S.L. 2013 (40 O.S. Supp. 2013,
Section 3-103), is amended to read as follows:

Section 3-103. COMPUTATION - PERCENTAGE OF WAGES PAYABLE.

1 Beginning January 1, ~~1996~~ 2015, each employer, unless otherwise
2 prescribed in Sections 3-111, 3-111.1, ~~3-112~~, 3-701 or 3-801 of this
3 title or Section 3 of this act, shall pay contributions equal to a
4 one and one-half percent (1.5%) of taxable wages paid by the
5 employer with respect to employment ~~which shall be the greater of~~
6 ~~one percent (1%) or the average contribution rate paid by all~~
7 ~~employers during the second year preceding the current calendar~~
8 ~~year. The average contribution rate shall be calculated by dividing~~
9 ~~annual net contributions received by total annual taxable wages.~~

10 SECTION 3. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 3-110.1 of Title 40, unless
12 there is created a duplication in numbering, reads as follows:

13 MINIMUM CONTRIBUTIONS.

14 A. All employers shall have a rate of one and five-tenths
15 percent (1.5%) until the calendar year following the eighth
16 consecutive calendar quarter in which the employer employed at least
17 one individual in covered employment, at which time the employer
18 shall qualify for an earned rate calculated pursuant to the
19 provisions of Part 1 of Article III of the Employment Security Act
20 of 1980.

21 B. If an employer qualifies for an earned rate under subsection
22 A of this section and subsequently ceases to employ at least one
23 person, the employer shall revert to the minimum contribution rate
24 of one and five-tenths percent (1.5%) if, throughout the one (1)

1 calendar year immediately preceding the calculation of the
2 employer's contribution rate, there was no individual who could have
3 filed a claim in each quarter of that year establishing a base
4 period, as defined by Section 1-202 of Title 40 of the Oklahoma
5 Statutes, which would include wages from that employer.

6 SECTION 4. REPEALER 40 O.S. 2011, Sections 3-110 and 3-
7 112, as amended by Section 11, Chapter 71, O.S.L. 2013 (40 O.S.
8 Supp. 2013, Section 3-112), are hereby repealed.

9 SECTION 5. This act shall become effective November 1, 2014.

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