



General Assembly

January Session, 2021

Committee Bill No. 5377

LCO No. 5407



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by:
(LAB)

AN ACT CONCERNING THE REMOVAL OF COVID-19 RELATED LAYOFFS FROM THE UNEMPLOYMENT COMPENSATION EXPERIENCE ACCOUNT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 31-225a of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective October*
3 *1, 2021*):

4 (a) As used in this chapter: [, "qualified employer"]

5 (1) "Qualified employer" means each employer subject to this chapter
6 whose experience record has been chargeable with benefits for at least
7 one full experience year, with the exception of employers subject to a
8 flat entry rate of contributions as provided under subsection (d) of this
9 section, employers subject to the maximum contribution rate under
10 subsection (c) of section 31-273, and reimbursing employers;
11 ["contributing employer"]

12 (2) "Contributing employer" means an employer who is assigned a
13 percentage rate of contribution under the provisions of this section;

14 ["reimbursing employer"]

15 (3) "Reimbursing employer" means an employer liable for payments
16 in lieu of contributions as provided under section 31-225; ["benefit
17 charges"]

18 (4) "Benefit charges" means the amount of benefit payments charged
19 to an employer's experience account under this section; ["computation
20 date"]

21 (5) "Computation date" means June thirtieth of the year preceding the
22 tax year for which the contribution rates are computed; ["tax year"]

23 (6) "Tax year" means the calendar year immediately following the
24 computation date; ["experience year"]

25 (7) "Experience year" means the twelve consecutive months ending
26 on June thirtieth; [and "experience period"]

27 (8) "Experience period" means the three consecutive experience years
28 ending on the computation date, except that (A) if the employer's
29 account has been chargeable with benefits for less than three years, the
30 experience period shall consist of the greater of one or two consecutive
31 experience years ending on the computation date, and (B) to the extent
32 allowed by federal law and as necessary to respond to the spread of
33 COVID-19, for any taxable year commencing on or after January 1, 2022,
34 the experience period shall be calculated without regard to benefit
35 charges and taxable wages for the experience years ending June 30, 2020,
36 and June 30, 2021, when applicable; and

37 (9) "COVID-19" means the respiratory disease designated by the
38 World Health Organization on February 11, 2020, as coronavirus 2019,
39 and any related mutation thereof recognized by the World Health
40 Organization as a communicable respiratory disease.

41 Sec. 2. Subsection (d) of section 31-225a of the general statutes is
42 repealed and the following is substituted in lieu thereof (*Effective October*

43 1, 2021):

44 (d) The standard rate of contributions shall be five and four-tenths
 45 per cent. Each employer who has not been chargeable with benefits, for
 46 a sufficient period of time to have his or her rate computed under this
 47 section shall pay contributions at a rate that is the higher of (1) one per
 48 cent, or (2) the state's five-year benefit cost rate. For purposes of this
 49 subsection, the state's five-year benefit cost rate shall be computed
 50 annually on or before June thirtieth and shall be derived by dividing the
 51 total dollar amount of benefits paid to claimants under this chapter
 52 during the five consecutive calendar years immediately preceding the
 53 computation date by the five-year payroll during the same period,
 54 except that, to the extent allowed by federal law and as necessary to
 55 respond to the spread of COVID-19, for any taxable year commencing
 56 on or after January 1, 2022, the state's five-year benefit cost rate shall be
 57 calculated without regard to benefit payments and taxable wages for
 58 calendar years 2020 and 2021, when applicable. If the resulting quotient
 59 is not an exact multiple of one-tenth of one per cent, the five-year benefit
 60 cost rate shall be the next higher such multiple.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2021</i>	31-225a(a)
Sec. 2	<i>October 1, 2021</i>	31-225a(d)

LAB *Joint Favorable*