

The Senate Insurance and Labor Committee offered the following substitute to SB 167:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 8 of Title 34 of the Official Code of Georgia Annotated, relating to  
2 employment security, so as to provide for an extension of the reduction in contribution rates  
3 through December 31, 2004; to extend the suspension of the surcharge based upon the state-  
4 wide reserve ratio; to provide an effective date; to repeal conflicting laws; and for other  
5 purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

7 Chapter 8 of Title 34 of the Official Code of Georgia Annotated, relating to employment  
8 security, is amended by striking subsection (f) of Code Section 34-8-155, relating to benefit  
9 experience and variations from standard rate of employer contributions during certain  
10 periods, and inserting in lieu thereof a new subsection (f) to read as follows:

11 "(f)(1) Subject to the provisions of paragraph (2) of this subsection, contribution rates for  
12 experience rated employers for the time periods:

13 (A) January 1, 2000, to December 31, 2000;

14 (B) January 1, 2001, to December 31, 2001;

15 (C) January 1, 2002, to December 31, 2002; ~~and~~

16 (D) January 1, 2003, to December 31, 2003; and

17 (E) January 1, 2004, to December 31, 2004

18 shall not be imposed above the level of 1.0 percent of statutory contribution rates.

19 (2) The Governor shall have authority to suspend by executive order any future portion  
20 of the reduction in calculated rates provided for in paragraph (1) of this subsection in the  
21 event the Governor determines, upon the recommendation of the Commissioner, that  
22 suspension of said reduction is in the best interests of the State of Georgia."  
23

**SECTION 2.**

1 Said chapter is further amended by striking subparagraph (d)(4)(B) of Code Section  
 2 34-8-156, relating to the State-wide Reserve Ratio, and inserting in lieu thereof a new  
 3 subparagraph (d)(4)(B) to read as follows:

4 "(B) Except for any year or portion of a year during which the provisions of paragraph  
 5 (1) of subsection (f) of Code Section 34-8-155 apply, when the State-wide Reserve  
 6 Ratio, as calculated above, is less than 1.7 percent, there shall be an overall increase in  
 7 the rate, as of the computation date, for each employer whose rate is computed under  
 8 a rate table in Code Section 34-8-155 in accordance with the following table:

9 If the State-wide Reserve Ratio:

10	Equals or	But Is	Overall
11	<u>Exceeds</u>	<u>Less Than</u>	<u>Increase</u>
12	1.5 percent	1.7 percent	25 percent
13	1.25 percent	1.5 percent	50 percent
14	0.75 percent	1.25 percent	75 percent
15	Under 0.75 percent		100 percent

16 provided, however, that for the period of January 1 through December 31, ~~2003~~ 2004,  
 17 the overall increase in the rate required under this subparagraph shall be suspended and  
 18 the provisions of this subparagraph shall be null and void."

19 **SECTION 3.**

20 This Act shall become effective upon its approval by the Governor or upon its becoming law  
 21 without such approval.

22 **SECTION 4.**

23 All laws and parts of laws in conflict with this Act are repealed.