## Rep. Jay Hoffman

## Filed: 10/20/2017

AMENDMENT TO SENATE BILL 1381


#### Abstract

AMENDMENT NO. $\qquad$ . Amend Senate Bill 1381, AS AMENDED, by replacing everything after the enacting clause with the following:


"Section 5. The Unemployment Insurance Act is amended by changing Sections 401, 403, 1505, and 1506.6 as follows:
(820 ILCS 405/401) (from Ch. 48, par. 401)
Sec. 401. Weekly Benefit Amount - Dependents' Allowances.
A. With respect to any week beginning in a benefit year beginning prior to January 4, 2004, an individual's weekly benefit amount shall be an amount equal to the weekly benefit amount as defined in the provisions of this Act as amended and in effect on November 18, 2011.
B. 1. With respect to any benefit year beginning on or after January 4, 2004 and before January 6, 2008, an individual's weekly benefit amount shall be $48 \%$ of his or her
prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; provided, however, that the weekly benefit amount cannot exceed the maximum weekly benefit amount and cannot be less than $\$ 51$. Except as otherwise provided in this Section, with respect to any benefit year beginning on or after January 6, 2008, an individual's weekly benefit amount shall be $47 \%$ of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; provided, however, that the weekly benefit amount cannot exceed the maximum weekly benefit amount and cannot be less than $\$ 51$. With respect to any benefit year beginning in calendar year 2020 zo18, an individual's weekly benefit amount shall be $40.3 \% 42.9 \%$ of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; provided, however, that the weekly benefit amount cannot exceed the maximum weekly benefit amount and cannot be less than $\$ 51$.
2. For the purposes of this subsection:

An individual's "prior average weekly wage" means the total wages for insured work paid to that individual during the 2 calendar quarters of his base period in which such total wages were highest, divided by 26. If the quotient is not already a multiple of one dollar, it shall be rounded to the nearest dollar; however if the quotient is equally near 2 multiples of one dollar, it shall be rounded to the higher multiple of one dollar.
"Determination date" means June 1 and December 1 of each calendar year except that, for the purposes of this Act only, there shall be no June 1 determination date in any year.
"Determination period" means, with respect to each June 1 determination date, the 12 consecutive calendar months ending on the immediately preceding December 31 and, with respect to each December 1 determination date, the 12 consecutive calendar months ending on the immediately preceding June 30.
"Benefit period" means the 12 consecutive calendar month period beginning on the first day of the first calendar month immediately following a determination date, except that, with respect to any calendar year in which there is a June 1 determination date, "benefit period" shall mean the 6 consecutive calendar month period beginning on the first day of the first calendar month immediately following the preceding December 1 determination date and the 6 consecutive calendar month period beginning on the first day of the first calendar month immediately following the June 1 determination date.
"Gross wages" means all the wages paid to individuals during the determination period immediately preceding a determination date for insured work, and reported to the Director by employers prior to the first day of the third calendar month preceding that date.
"Covered employment" for any calendar month means the total number of individuals, as determined by the Director, engaged in insured work at mid-month.
"Average monthly covered employment" means one-twelfth of the sum of the covered employment for the 12 months of $a$ determination period.
"Statewide average annual wage" means the quotient, obtained by dividing gross wages by average monthly covered employment for the same determination period, rounded (if not already a multiple of one cent) to the nearest cent.
"Statewide average weekly wage" means the quotient, obtained by dividing the statewide average annual wage by 52, rounded (if not already a multiple of one cent) to the nearest cent. Notwithstanding any provision of this section to the contrary, the statewide average weekly wage for any benefit period prior to calendar year 2012 shall be as determined by the provisions of this Act as amended and in effect on November 18, 2011. Notwithstanding any provisions of this Section to the contrary, the statewide average weekly wage for the benefit period of calendar year 2012 shall be $\$ 856.55$ and for each calendar year thereafter, the statewide average weekly wage shall be the statewide average weekly wage, as determined in accordance with this sentence, for the immediately preceding benefit period plus (or minus) an amount equal to the percentage change in the statewide average weekly wage, as computed in accordance with the first sentence of this paragraph, between the 2 immediately preceding benefit periods, multiplied by the statewide average weekly wage, as determined in accordance with this sentence, for the
immediately preceding benefit period. However, for purposes of the Workers' Compensation Act, the statewide average weekly wage will be computed using June 1 and December 1 determination dates of each calendar year and such determination shall not be subject to the limitation of the statewide average weekly wage as computed in accordance with the preceding sentence of this paragraph.

With respect to any week beginning in a benefit year beginning prior to January 4, 2004, "maximum weekly benefit amount" with respect to each week beginning within a benefit period shall be as defined in the provisions of this Act as amended and in effect on November 18, 2011.

With respect to any benefit year beginning on or after January 4, 2004 and before January 6, 2008, "maximum weekly benefit amount" with respect to each week beginning within a benefit period means $48 \%$ of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

Except as otherwise provided in this Section, with respect to any benefit year beginning on or after January 6, 2008, "maximum weekly benefit amount" with respect to each week beginning within a benefit period means $47 \%$ of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to any benefit year beginning in calendar year 2020 zo18, "maximum weekly benefit amount" with respect to each
week beginning within a benefit period means $40.3 \% 42.9 \%$ of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.
C. With respect to any week beginning in a benefit year beginning prior to January 4, 2004, an individual's eligibility for a dependent allowance with respect to a nonworking spouse or one or more dependent children shall be as defined by the provisions of this Act as amended and in effect on November 18, 2011.

With respect to any benefit year beginning on or after January 4, 2004 and before January 6, 2008, an individual to whom benefits are payable with respect to any week shall, in addition to those benefits, be paid, with respect to such week, as follows: in the case of an individual with a nonworking spouse, 9\% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided, that the total amount payable to the individual with respect to a week shall not exceed 57\% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; and in the case of an individual with a dependent child or dependent children, $17.2 \%$ of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided that the total amount payable to the individual with respect to a week shall not exceed $65.2 \%$ of the statewide average weekly wage, rounded (if not already a
multiple of one dollar) to the next higher dollar.
With respect to any benefit year beginning on or after January 6, 2008 and before January 1, 2010, an individual to whom benefits are payable with respect to any week shall, in addition to those benefits, be paid, with respect to such week, as follows: in the case of an individual with a nonworking spouse, 9\% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided, that the total amount payable to the individual with respect to a week shall not exceed 56\% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; and in the case of an individual with a dependent child or dependent children, $18.2 \%$ of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, provided that the total amount payable to the individual with respect to a week shall not exceed $65.2 \%$ of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar.

The additional amount paid pursuant to this subsection in the case of an individual with a dependent child or dependent children shall be referred to as the "dependent child allowance", and the percentage rate by which an individual's prior average weekly wage is multiplied pursuant to this subsection to calculate the dependent child allowance shall be referred to as the "dependent child allowance rate".

Except as otherwise provided in this Section, with respect to any benefit year beginning on or after January 1, 2010, an individual to whom benefits are payable with respect to any week shall, in addition to those benefits, be paid, with respect to such week, as follows: in the case of an individual with a nonworking spouse, the greater of (i) $9 \%$ of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, or (ii) \$15, provided that the total amount payable to the individual with respect to a week shall not exceed 56\% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; and in the case of an individual with a dependent child or dependent children, the greater of (i) the product of the dependent child allowance rate multiplied by his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, or (ii) the lesser of $\$ 50$ or $50 \%$ of his or her weekly benefit amount, rounded (if not already a multiple of one dollar) to the next higher dollar, provided that the total amount payable to the individual with respect to a week shall not exceed the product of the statewide average weekly wage multiplied by the sum of 47\% plus the dependent child allowance rate, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to any benefit year beginning in calendar year 2020 z018, an individual to whom benefits are payable with respect to any week shall, in addition to those benefits, be
paid, with respect to such week, as follows: in the case of an individual with a nonworking spouse, the greater of (i) 9\% of his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, or (ii) \$15, provided that the total amount payable to the individual with respect to a week shall not exceed $49.3 \%$ 51.9\% of the statewide average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar; and in the case of an individual with a dependent child or dependent children, the greater of (i) the product of the dependent child allowance rate multiplied by his or her prior average weekly wage, rounded (if not already a multiple of one dollar) to the next higher dollar, or (ii) the lesser of $\$ 50$ or $50 \%$ of his or her weekly benefit amount, rounded (if not already a multiple of one dollar) to the next higher dollar, provided that the total amount payable to the individual with respect to a week shall not exceed the product of the statewide average weekly wage multiplied by the sum of $40.3 \%$ 42.9\% plus the dependent child allowance rate, rounded (if not already a multiple of one dollar) to the next higher dollar.

With respect to each benefit year beginning after calendar year 2012, the dependent child allowance rate shall be the sum of the allowance adjustment applicable pursuant to Section 1400.1 to the calendar year in which the benefit year begins, plus the dependent child allowance rate with respect to each benefit year beginning in the immediately preceding calendar
year, except as otherwise provided in this subsection. The dependent child allowance rate with respect to each benefit year beginning in calendar year 2010 shall be 17.9\%. The dependent child allowance rate with respect to each benefit year beginning in calendar year 2011 shall be 17.4\%. The dependent child allowance rate with respect to each benefit year beginning in calendar year 2012 shall be 17.0\% and, with respect to each benefit year beginning after calendar year 2012, shall not be less than $17.0 \%$ or greater than $17.9 \%$.

For the purposes of this subsection:
"Dependent" means a child or a nonworking spouse.
"Child" means a natural child, stepchild, or adopted child of an individual claiming benefits under this Act or a child who is in the custody of any such individual by court order, for whom the individual is supplying and, for at least 90 consecutive days (or for the duration of the parental relationship if it has existed for less than 90 days) immediately preceding any week with respect to which the individual has filed a claim, has supplied more than one-half the cost of support, or has supplied at least $1 / 4$ of the cost of support if the individual and the other parent, together, are supplying and, during the aforesaid period, have supplied more than one-half the cost of support, and are, and were during the aforesaid period, members of the same household; and who, on the first day of such week (a) is under 18 years of age, or (b) is, and has been during the immediately preceding 90
days, unable to work because of illness or other disability: provided, that no person who has been determined to be a child of an individual who has been allowed benefits with respect to a week in the individual's benefit year shall be deemed to be a child of the other parent, and no other person shall be determined to be a child of such other parent, during the remainder of that benefit year.
"Nonworking spouse" means the lawful husband or wife of an individual claiming benefits under this Act, for whom more than one-half the cost of support has been supplied by the individual for at least 90 consecutive days (or for the duration of the marital relationship if it has existed for less than 90 days) immediately preceding any week with respect to which the individual has filed a claim, but only if the nonworking spouse is currently ineligible to receive benefits under this Act by reason of the provisions of Section 500E.

An individual who was obligated by law to provide for the support of a child or of a nonworking spouse for the aforesaid period of 90 consecutive days, but was prevented by illness or injury from doing so, shall be deemed to have provided more than one-half the cost of supporting the child or nonworking spouse for that period.
(Source: P.A. 99-488, eff. 12-4-15.)
(820 ILCS 405/403) (from Ch. 48, par. 403)
Sec. 403. Maximum total amount of benefits.
A. With respect to any benefit year beginning prior to September 30, 1979, any otherwise eligible individual shall be entitled, during such benefit year, to a maximum total amount of benefits as shall be determined in the manner set forth in this Act as amended and in effect on November 9, 1977.
B. With respect to any benefit year beginning on or after September 30, 1979, except as otherwise provided in this Section, any otherwise eligible individual shall be entitled, during such benefit year, to a maximum total amount of benefits equal to 26 times his or her weekly benefit amount plus dependents' allowances, or to the total wages for insured work paid to such individual during the individual's base period, whichever amount is smaller. With respect to any benefit year beginning in calendar year 2012, any otherwise eligible individual shall be entitled, during such benefit year, to a maximum total amount of benefits equal to 25 times his or her weekly benefit amount plus dependents' allowances, or to the total wages for insured work paid to such individual during the individual's base period, whichever amount is smaller. If the maximum amount includable as "wages" pursuant to section 235 is $\$ 13,560$ with respect to ealendax year 2013 , then, with respect to any benefit year beginning aftex Maxch 31, 2013 and before April 1, 2014, any otherwise aligible individual shall be entitled, during wueh benefit year, to a maximum total amount ef benefits equal to 25 times his or her weekly benefit amount plus dependents allowanees, or to the total wages for insured
work paid to weh individual during the individual's base period, whichever amount is smallex. With respect to any benefit year beginning in calendar year 2020 zo18, any otherwise eligible individual shall be entitled, during such benefit year, to a maximum total amount of benefits equal to 24 times his or her weekly benefit amount plus dependents' allowances, or to the total wages for insured work paid to such individual during the individual's base period, whichever amount is smaller. (Source: P.A. 99-488, eff. 12-4-15.)
(820 ILCS 405/1505) (from Ch. 48, par. 575)
Sec. 1505. Adjustment of state experience factor. The state experience factor shall be adjusted in accordance with the following provisions:
A. For calendar years prior to 1988, the state experience factor shall be adjusted in accordance with the provisions of this Act as amended and in effect on November 18, 2011.
B. (Blank).
C. For calendar year 1988 and each calendar year thereafter, for which the state experience factor is being determined.

1. For every $\$ 50,000,000$ (or fraction thereof) by which the adjusted trust fund balance falls below the target balance set forth in this subsection, the state experience factor for the succeeding year shall be increased one
percent absolute.
For every $\$ 50,000,000$ (or fraction thereof) by which the adjusted trust fund balance exceeds the target balance set forth in this subsection, the state experience factor for the succeeding year shall be decreased by one percent absolute.

The target balance in each calendar year prior to 2003 is $\$ 750,000,000$. The target balance in calendar year 2003 is $\$ 920,000,000$. The target balance in calendar year 2004 is $\$ 960,000,000$. The target balance in calendar year 2005 and each calendar year thereafter is $\$ 1,000,000,000$.
2. For the purposes of this subsection:
"Net trust fund balance" is the amount standing to the credit of this State's account in the unemployment trust fund as of June 30 of the calendar year immediately preceding the year for which a state experience factor is being determined.
"Adjusted trust fund balance" is the net trust fund balance minus the sum of the benefit reserves for fund building for July 1, 1987 through June 30 of the year prior to the year for which the state experience factor is being determined. The adjusted trust fund balance shall not be less than zero. If the preceding calculation results in a number which is less than zero, the amount by which it is less than zero shall reduce the sum of the benefit reserves for fund building for subsequent years.

For the purpose of determining the state experience factor for 1989 and for each calendar year thereafter, the following "benefit reserves for fund building" shall apply for each state experience factor calculation in which that 12 month period is applicable:
a. For the 12 month period ending on June 30, 1988, the "benefit reserve for fund building" shall be 8/104th of the total benefits paid from January 1, 1988 through June 30, 1988.
b. For the 12 month period ending on June 30, 1989, the "benefit reserve for fund building" shall be the sum of:
i. 8/104ths of the total benefits paid from July 1, 1988 through December 31, 1988, plus
ii. 4/108ths of the total benefits paid from January 1, 1989 through June 30, 1989.
c. For the 12 month period ending on June 30, 1990, the "benefit reserve for fund building" shall be 4/108ths of the total benefits paid from July 1, 1989 through December 31, 1989.
d. For 1992 and for each calendar year thereafter, the "benefit reserve for fund building" for the 12 month period ending on June 30, 1991 and for each subsequent 12 month period shall be zero.
3. Notwithstanding the preceding provisions of this subsection, for calendar years 1988 through 2003, the state
experience factor shall not be increased or decreased by more than 15 percent absolute.
D. Notwithstanding the provisions of subsection $C$, the adjusted state experience factor:

1. Shall be 111 percent for calendar year 1988;
2. Shall not be less than 75 percent nor greater than 135 percent for calendar years 1989 through 2003; and shall not be less than $75 \%$ nor greater than $150 \%$ for calendar year 2004 and each calendar year thereafter, not counting any increase pursuant to subsection $D-1, D-2$, or $D-3$;
3. Shall not be decreased by more than 5 percent absolute for any calendar year, beginning in calendar year 1989 and through calendar year 1992, by more than 6\% absolute for calendar years 1993 through 1995, by more than 10\% absolute for calendar years 1999 through 2003 and by more than $12 \%$ absolute for calendar year 2004 and each calendar year thereafter, from the adjusted state experience factor of the calendar year preceding the calendar year for which the adjusted state experience factor is being determined;
4. Shall not be increased by more than $15 \%$ absolute for calendar year 1993, by more than 14\% absolute for calendar years 1994 and 1995, by more than 10\% absolute for calendar years 1999 through 2003 and by more than 16\% absolute for calendar year 2004 and each calendar year thereafter, from the adjusted state experience factor for the calendar year
preceding the calendar year for which the adjusted state experience factor is being determined;
5. Shall be 100\% for calendar years 1996, 1997, and 1998.

D-1. The adjusted state experience factor for each of calendar years 2013 through 2015 shall be increased by 5\% absolute above the adjusted state experience factor as calculated without regard to this subsection. The adjusted state experience factor for each of calendar years 2016 through 2018 shall be increased by 6\% absolute above the adjusted state experience factor as calculated without regard to this subsection. The increase in the adjusted state experience factor for calendar year 2018 pursuant to this subsection shall not be counted for purposes of applying paragraph 3 or 4 of subsection $D$ to the calculation of the adjusted state experience factor for calendar year 2019.

D-2. (Blank).
D-3. The adjusted state experience factor for calendar year 2020 zol8 shall be increased by 21\% 19\% absolute above the adjusted state experience factor as calculated without regard to this subsection. The increase in the adjusted state experience factor for calendar year 2020 z018 pursuant to this subsection shall not be counted for purposes of applying paragraph 3 or 4 of subsection $D$ to the calculation of the adjusted state experience factor for calendar year 2021 z019.
E. The amount standing to the credit of this State's
account in the unemployment trust fund as of June 30 shall be deemed to include as part thereof (a) any amount receivable on that date from any Federal governmental agency, or as a payment in lieu of contributions under the provisions of Sections 1403 and 1405 B and paragraph 2 of Section 302 C , in reimbursement of benefits paid to individuals, and (b) amounts credited by the Secretary of the Treasury of the United States to this State's account in the unemployment trust fund pursuant to Section 903 of the Federal Social Security Act, as amended, including any such amounts which have been appropriated by the General Assembly in accordance with the provisions of Section 2100 B for expenses of administration, except any amounts which have been obligated on or before that date pursuant to such appropriation.
(Source: P.A. 99-488, eff. 12-4-15.)
(820 ILCS 405/1506.6)
Sec. 1506.6. Surcharge; specified period. For each employer whose contribution rate for calendar year 20202018 is determined pursuant to Section 1500 or 1506.1 , including not limited to an employer whose eontribution rate pursuant to secion 1506.1 is $0.0 \%$ in addition to the contribution rate established pursuant to Section 1506.3, an additional surcharge of $\underline{0.425 \%} 0.3 \%$ shall be added to the contribution rate. The surcharge established by this Section shall be due at the same time as other contributions with respect to the

5 (Source: P.A. 99-488, eff. 12-4-15.)

