

1 AN ACT concerning unemployment insurance.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 5. The Unemployment Insurance Act is amended by  
5 changing Section 235 as follows:

6 (820 ILCS 405/235) (from Ch. 48, par. 345)

7 Sec. 235. The term "wages" does not include:

8 A. That part of the remuneration which, after  
9 remuneration equal to \$6,000 with respect to employment has  
10 been paid to an individual by an employer during any calendar  
11 year after 1977 and before 1980, is paid to such individual  
12 by such employer during such calendar year; and that part of  
13 the remuneration which, after remuneration equal to \$6,500  
14 with respect to employment has been paid to an individual by  
15 an employer during each calendar year 1980 and 1981, is paid  
16 to such individual by such employer during that calendar  
17 year; and that part of the remuneration which, after  
18 remuneration equal to \$7,000 with respect to employment has  
19 been paid to an individual by an employer during the calendar  
20 year 1982 is paid to such individual by such employer during  
21 that calendar year.

22 With respect to the first calendar quarter of 1983, the  
23 term "wages" shall include only the remuneration paid to an  
24 individual by an employer during such quarter with respect to  
25 employment which does not exceed \$7,000. With respect to the  
26 three calendar quarters, beginning April 1, 1983, the term  
27 "wages" shall include only the remuneration paid to an  
28 individual by an employer during such period with respect to  
29 employment which when added to the "wages" (as defined in the  
30 preceding sentence) paid to such individual by such employer  
31 during the first calendar quarter of 1983, does not exceed

1 \$8,000.

2 With respect to the calendar year 1984, the term "wages"  
3 shall include only the remuneration paid to an individual by  
4 an employer during that period with respect to employment  
5 which does not exceed \$8,000; with respect to calendar years  
6 1985, 1986 and 1987, the term "wages" shall include only the  
7 remuneration paid to such individual by such employer during  
8 that calendar year with respect to employment which does not  
9 exceed \$8,500.

10 With respect to the calendar years 1988 through 2002 ~~2003~~  
11 ~~and-calendar-year-2005-and-each-calendar-year-thereafter~~, the  
12 term "wages" shall include only the remuneration paid to an  
13 individual by an employer during that period with respect to  
14 employment which does not exceed \$9,000.

15 With respect to the calendar year 2003 ~~2004~~, the term  
16 "wages" shall include only the remuneration paid to an  
17 individual by an employer during that period with respect to  
18 employment which does not exceed \$16,000 ~~\$10,000~~.

19 With respect to calendar year 2004 and each calendar year  
20 thereafter, the term "wages" shall include only the  
21 remuneration paid to an individual by an employer during that  
22 period with respect to employment which does not exceed  
23 \$16,000, plus (or minus) the product obtained by multiplying  
24 \$16,000 by the percentage change in the maximum weekly  
25 benefit amount, computed in accordance with Section 401B(2),  
26 between the benefit period of calendar year 2003 and the  
27 benefit period that coincides with the calendar year for  
28 which the maximum amount includable as "wages" under this  
29 Section is being determined. For purposes of this Section  
30 only, the percentage change in maximum weekly benefit amounts  
31 between the 2 benefit periods shall be calculated without  
32 regard to the provisions in Section 401B(2) that establish  
33 the statewide average weekly wage at \$600 for the benefit  
34 period of calendar year 2004 or that freeze or reduce the

1 statewide average weekly wage under certain conditions. The  
 2 maximum amount includable as "wages" under this Section for  
 3 calendar year 2004 and each calendar year thereafter shall be  
 4 announced by the Director by rule, before the beginning of  
 5 the calendar year, and shall be rounded, if not already a  
 6 multiple of \$500, to the nearer multiple of \$500, or, in  
 7 cases where the amount is equally near 2 multiples of \$500,  
 8 to the higher of the 2 multiples.

9       The remuneration paid to an individual by an employer  
 10 with respect to employment in another State or States, upon  
 11 which contributions were required of such employer under an  
 12 unemployment compensation law of such other State or States,  
 13 shall be included as a part of the remuneration equal--to  
 14 \$6,000,--\$6,500,--\$7,000,--\$8,000,--\$8,500,--\$9,000, or \$10,000,  
 15 as-the-ease-may-be, herein referred to. For the purposes of  
 16 this subsection, any employing unit which succeeds to the  
 17 organization, trade, or business, or to substantially all of  
 18 the assets of another employing unit, or to the organization,  
 19 trade, or business, or to substantially all of the assets of  
 20 a distinct severable portion of another employing unit, shall  
 21 be treated as a single unit with its predecessor for the  
 22 calendar year in which such succession occurs, and any  
 23 employing unit which is owned or controlled by the same  
 24 interests which own or control another employing unit shall  
 25 be treated as a single unit with the unit so owned or  
 26 controlled by such interests for any calendar year throughout  
 27 which such ownership or control exists. This subsection  
 28 applies only to Sections 1400, 1405A, and 1500.

29       B. The amount of any payment (including any amount paid  
 30 by an employer for insurance or annuities, or into a fund, to  
 31 provide for any such payment), made to, or on behalf of, an  
 32 individual or any of his dependents under a plan or system  
 33 established by an employer which makes provision generally  
 34 for individuals performing services for him (or for such

1 individuals generally and their dependents) or for a class or  
2 classes of such individuals (or for a class or classes of  
3 such individuals and their dependents), on account of (1)  
4 sickness or accident disability (except those sickness or  
5 accident disability payments which would be includable as  
6 "wages" in Section 3306(b)(2)(A) of the Federal Internal  
7 Revenue Code of 1954, in effect on January 1, 1985, such  
8 includable payments to be attributable in such manner as  
9 provided by Section 3306(b) of the Federal Internal Revenue  
10 Code of 1954, in effect on January 1, 1985), or (2) medical  
11 or hospitalization expenses in connection with sickness or  
12 accident disability, or (3) death.

13 C. Any payment made to, or on behalf of, an employee or  
14 his beneficiary which would be excluded from "wages" by  
15 subparagraph (A), (B), (C), (D), (E), (F) or (G), of Section  
16 3306(b)(5) of the Federal Internal Revenue Code of 1954, in  
17 effect on January 1, 1985.

18 D. The amount of any payment on account of sickness or  
19 accident disability, or medical or hospitalization expenses  
20 in connection with sickness or accident disability, made by  
21 an employer to, or on behalf of, an individual performing  
22 services for him after the expiration of six calendar months  
23 following the last calendar month in which the individual  
24 performed services for such employer.

25 E. Remuneration paid in any medium other than cash by an  
26 employing unit to an individual for service in agricultural  
27 labor as defined in Section 214.

28 F. The amount of any supplemental payment made by an  
29 employer to an individual performing services for him, other  
30 than remuneration for services performed, under a shared work  
31 plan approved by the Director pursuant to Section 407.1.

32 (Source: P.A. 90-554, eff. 12-12-97; 91-342, eff. 7-29-99.)

33 Section 99. Effective date. This Act takes effect upon

1 becoming law.