

House Bill 904 (AS PASSED HOUSE AND SENATE)

By: Representatives Strickland of the 111th, Shaw of the 176th, Fleming of the 121st, Bryant of the 162nd, and Kirby of the 114th

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 prevent fraud and abuse of the Unemployment Trust Fund by
3 authorizing the Commissioner of Labor to submit to and receive from the state revenue
4 commissioner certain information related to persons paying into or receiving funds from such
5 fund; to provide penalties for the unlawful divulging of certain confidential information; to
6 change certain contribution rates and credits; to change certain provisions relating to rate of
7 employer contributions; to extend certain provisions relating to variations in the standard
8 rate; to extend provisions relating to administrative assessments; to reduce the percentage of
9 the administrative assessment to be assessed for a certain period; to provide exceptions; to
10 change certain provisions relating to additional assessments for a new or newly covered
11 employer; to extend the provision relating to automatic repeal; to provide for related matters;
12 to repeal conflicting laws; and for other purposes.

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

14 SECTION 1.

15 Chapter 8 of Title 34 of the Official Code of Georgia Annotated, relating to employment
16 security, is amended by adding a new Code section to read as follows:

17 "34-8-130.

18 (a) To enforce the provisions of this article and to prevent fraud and abuse of the
19 Unemployment Trust Fund, the Commissioner or his or her duly authorized representative
20 may submit to the state revenue commissioner the names and social security numbers of
21 any individuals who are required to report earnings to the department along with the
22 amount of earnings such individuals have reported to the department during specified time
23 periods. The state revenue commissioner shall compare the submitted earnings of such
24 individuals with income reported by such individuals to the Department of Revenue and
25 shall verify and report back to the department that the submitted earnings of each such
26 individual are either equal to, greater than, or less than the amount of income reported by

27 each such individual to the Department of Revenue. Furthermore, the department may
 28 submit to the state revenue commissioner the name of any employer along with the number
 29 of employees who are being reported to the department by such employer during specified
 30 time periods. The state revenue commissioner shall compare such records submitted by
 31 employers to the department with the number of employees reported by each such
 32 employer to the Department of Revenue and shall verify and report back to the department
 33 that the number of employees reported to the department is either equal to, greater than, or
 34 less than the number of employees reported to the Department of Revenue for state income
 35 tax withholding purposes for the specified time period. The department shall pay the state
 36 revenue commissioner for all costs incurred by the Department of Revenue pursuant to this
 37 subsection. No report contemplated by this subsection shall be provided by the Department
 38 of Revenue to the department without a cooperative data sharing agreement executed by
 39 the two departments that is specific to the subject matter of this subsection. Any tax
 40 information secured from the federal government by the Department of Revenue pursuant
 41 to the provisions of Section 6103 of the Internal Revenue Code shall not be disclosed by
 42 the Department of Revenue pursuant to this subsection. Any person receiving any tax
 43 information under the authority of this subsection shall be subject to the provisions of Code
 44 Section 48-7-60 and to all penalties provided under Code Section 48-7-61 for unlawful
 45 divulging of confidential tax information, as well as the penalties provided under Code
 46 Section 34-8-125.

47 (b) Nothing in this Code section shall prevent the Department of Revenue or any other
 48 governmental agency from having access to records or information as provided for under
 49 Code Section 34-8-125."

50 **SECTION 2.**

51 Said chapter is further amended by revising Code Section 34-8-151, relating to rate of
 52 employer contributions, as follows:

53 "34-8-151.

54 (a) For periods prior to April 1, 1987, or after December 31, ~~2016~~ 2022, each new or
 55 newly covered employer shall pay contributions at a rate of 2.7 percent of wages paid by
 56 such employer with respect to employment during each calendar year until the employer
 57 is eligible for a rate calculation based on experience as defined in this chapter, except as
 58 provided in Code Sections 34-8-158 through 34-8-162.

59 (b) For periods on or after April 1, 1987, but on or before December 31, 1999, each new
 60 or newly covered employer shall pay contributions at a rate of 2.64 percent of wages paid
 61 by such employer with respect to employment during each calendar year until the employer

62 is eligible for a rate calculation based on experience as defined in this chapter, except as
63 provided in Code Sections 34-8-158 through 34-8-162.

64 (c) For periods on or after January 1, 2000, but on or before December 31, 2016, each new
65 or newly covered employer shall pay contributions at a rate of 2.62 percent of wages paid
66 by such employer with respect to employment during each calendar year until the employer
67 is eligible for a rate calculation based on experience as defined in this chapter, except as
68 provided in Code Sections 34-8-158 through 34-8-162.

69 (d) For periods on or after January 1, 2017, but on or before December 31, 2022, each new
70 or newly covered employer shall pay contributions at a rate of 2.64 percent of wages paid
71 by such employer with respect to employment during each calendar year until the employer
72 is eligible for a rate calculation based on experience as defined in this chapter, except as
73 provided in Code Sections 34-8-158 through 34-8-162."

74 **SECTION 3.**

75 Said chapter is further amended by revising the introductory language in subsections (c) and
76 (e) of Code Section 34-8-155, relating to benefit experience and variations from standard
77 rate, as follows:

78 "(c) For the periods prior to April 1, 1987, or after December 31, ~~2016~~ 2022, variations
79 from the standard rate of contributions shall be determined in accordance with the
80 following requirements:"

81 "(e) For the periods on or after January 1, 2000, but on or before December 31, ~~2016~~ 2022,
82 variations from the standard rate of contributions shall be determined in accordance with
83 the following requirements:"

84 **SECTION 4.**

85 Said chapter is further amended by revising Code Section 34-8-180, relating to creation of
86 administrative assessment upon all wages and assessments due quarterly, as follows:

87 "34-8-180.

88 ~~(a) For the periods on or after April 1, 1987, but on or before January 1, 2000, there is~~
89 ~~created an administrative assessment of .06 percent to be assessed upon all wages, as~~
90 ~~defined in Code Section 34-8-49, except wages of the following employers:~~

91 ~~(1) Those employers who have elected to make payments in lieu of contributions as~~
92 ~~provided by Code Section 34-8-158 or who are liable for the payment of contributions~~
93 ~~as provided in said Code section; or~~

94 ~~(2) Those employers who, by application of the State-wide Reserve Ratio as provided~~
95 ~~in Code Section 34-8-156, have been assigned the minimum positive reserve rate or the~~
96 ~~maximum deficit reserve rate.~~

97 ~~(b)~~(a) For the periods on or after January 1, 2000, but on or before December 31, 2016,
 98 there is created an administrative assessment of 0.08 percent to be assessed upon all wages
 99 as defined in Code Section 34-8-49, except the wages of:

100 (1) Those employers who have elected to make payments in lieu of contributions as
 101 provided by Code Section 34-8-158 or who are liable for the payment of contributions
 102 as provided in said Code section; or

103 (2) Those employers who, by application of the State-wide Reserve Ratio as provided
 104 in Code Section 34-8-156, have been assigned the minimum positive reserve rate or the
 105 maximum deficit reserve rate.

106 (b) For the periods on or after January 1, 2017, but on or before December 31, 2022, there
 107 is created an administrative assessment of 0.06 percent to be assessed upon all wages as
 108 defined in Code Section 34-8-49, except the wages of:

109 (1) Those employers who have elected to make payments in lieu of contributions as
 110 provided by Code Section 34-8-158 or who are liable for the payment of contributions
 111 as provided in said Code section; or

112 (2) Those employers who, by application of the State-wide Reserve Ratio as provided
 113 in Code Section 34-8-156, have been assigned the minimum positive reserve rate or the
 114 maximum deficit reserve rate.

115 (c) Assessments pursuant to this Code section shall become due and shall be paid by each
 116 employer and must be reported on the employer's quarterly tax and wage report according
 117 to such rules and regulations as the Commissioner may prescribe. The assessments
 118 provided in this Code section shall not be deducted, in whole or in part, from the
 119 remuneration of individuals in the employ of the employer. Any deduction in violation of
 120 this subsection is unlawful."

121 SECTION 5.

122 Said chapter is further amended by revising Code Section 34-8-181, relating to additional
 123 assessment for new or newly covered employer, as follows:

124 "34-8-181.

125 ~~(a) For the periods on or after April 1, 1987, but on or before December 31, 1999, in~~
 126 ~~addition to the rate paid under Code Section 34-8-151, each new or newly covered~~
 127 ~~employer shall pay an administrative assessment of .06 percent of wages payable by it with~~
 128 ~~respect to employment during each calendar year until it is eligible for a rate calculation~~
 129 ~~based on experience as defined in this chapter, except as provided in Code Section~~
 130 ~~34-8-158.~~

131 ~~(b)~~(a) For the periods on or after January 1, 2000, but on or before December 31, 2016, in
 132 addition to the rate paid under Code Section 34-8-151, each new or newly covered

133 employer shall pay an administrative assessment of 0.08 percent of wages payable by it
134 with respect to employment during each calendar year until it is eligible for a rate
135 calculation based on experience as defined in this chapter, except as provided in Code
136 Section 34-8-158.

137 (b) For the periods on or after January 1, 2017, but on or before December 31, 2022, in
138 addition to the rate paid under Code Section 34-8-151, each new or newly covered
139 employer shall pay an administrative assessment of 0.06 percent of wages payable by it
140 with respect to employment during each calendar year until it is eligible for a rate
141 calculation based on experience as defined in this chapter, except as provided in Code
142 Section 34-8-158."

143 **SECTION 6.**

144 Said chapter is further amended by revising Code Section 34-8-185, relating to repealer of
145 the article, as follows:

146 "34-8-185.

147 This article shall stand repealed in its entirety on ~~December 31, 2016~~ January 1, 2023."

148 **SECTION 7.**

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