

Tom Bottem, Director

Minnesota Senate Building
95 University Ave. W. Suite 3300
ST. PAUL, MN 55155-1800
(651) 296-4791
www.senate.mn/scrfa

S.F. No. 192 – Temporary Experience Rating for 2021 (1st engrossment)

Author: Senator Eric R. Pratt

Prepared by: Carlon Doyle Fontaine, Senate Counsel (651/296-4395)

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Section 1. [Computation of future tax rate; effect of payment from trust fund] eliminates the expiration date of the section. Clarifies that COVID-related unemployment claims will not be used in computing any future calendar year experience rating.

Section 2. [Calendar year 2021 temporary employer experience rating] allows the Department of Employment and Economic Development to temporarily set employer experience ratings for calendar year 2021 at the rate that an employer had in 2020. Under current statute, the experience rating for employers is to be calculated each year by December 15. That deadline was extended until January 31, 2021, via Executive Order 20-102. **Section 1** would also set new employer experience ratings at the average experience rating for the employer’s industry for 2020 for new employers.

Section 3. [Taxable wages for calendar year 2021] maintains the taxable wage base at the 2020 level of \$35,000, instead of increasing that dollar amount to \$36,000 as it was set to be for 2021. Unemployment insurance tax is paid on the wages paid to each employee up to the taxable wage base amount set for that year.

The effective date for sections 1 to 3 is the day following final enactment.