

LEGISLATURE OF NEBRASKA  
NINETY-NINTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 487**

Introduced by Business and Labor Committee:  
Cunningham, 40, Chairperson; Burling, 33; Combs, 32;  
Kremer, 34; Preister, 5; Schimek, 27

Read first time January 14, 2005

Committee: Business and Labor

A BILL

1 FOR AN ACT relating to employment security law; to amend section  
2 48-601, Reissue Revised Statutes of Nebraska; to provide  
3 for a solvency surcharge as prescribed; and to repeal the  
4 original section.  
5 Be it enacted by the people of the State of Nebraska,

1           Section 1.   Section 48-601, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           48-601.   Sections 48-601 to 48-671 and sections 2 to 4 of  
4 this act shall be known and may be cited as the Employment Security  
5 Law.

6           Sec. 2.   The commissioner shall, not later than November  
7 1, 2005, and November 1 of each year thereafter, certify to the  
8 Governor the projected insured unemployment rate for the following  
9 calendar year and the insured unemployment rate for the first nine  
10 months of the current calendar year.

11           Sec. 3.   If the average insured unemployment rate for the  
12 first nine months of 2006 or any calendar year thereafter is one  
13 hundred forty percent or more of the projected insured unemployment  
14 rate certified to the Governor for such year in accordance with  
15 section 2 of this act, then the commissioner may require employers  
16 liable for the payment of combined tax under the Employment  
17 Security Law to pay additional combined tax in the form of a  
18 solvency surcharge. The amount of the solvency surcharge shall be  
19 determined in accordance with section 4 of this act.

20           Sec. 4.   On or before November 21, 2005, and November 21  
21 of any year thereafter, if the imposition of a solvency surcharge  
22 is authorized pursuant to section 3 of this act, the commissioner  
23 shall determine whether a solvency surcharge is necessary to  
24 maintain the solvency of the Unemployment Trust Fund. Such  
25 surcharge shall be a percentage determined by the commissioner of  
26 the combined tax owed by an employer for the three completed  
27 calendar quarters immediately prior to the imposition of the  
28 surcharge. The commissioner shall calculate the solvency surcharge

1 due from each employer and bill the employer for such amount not  
2 later than December 15 of the year in which the surcharge is made.  
3 The amount of the surcharge shall not exceed that amount reasonably  
4 calculated to be necessary to generate revenue sufficient, when  
5 added to regular combined tax payments, to pay unemployment  
6 benefits for the year in which the surcharge is imposed. Payment  
7 of the surcharge shall be due on the last day of the month  
8 following billing. Solvency surcharge payments shall be credited  
9 to the pool account.

10           Sec. 5. Original section 48-601, Reissue Revised  
11 Statutes of Nebraska, is repealed.