

HOUSE BILL NO. 1425

Introduced by

Representatives Thoreson, Koppelman, Weiler

Senators Dever, Klein, Tollefson

1 A BILL for an Act to amend and reenact subdivision b of subsection 3 of section 52-04-05 of the
2 North Dakota Century Code, relating to the unemployment insurance tax rate assigned to
3 certain new employers involved in homebuilding.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Subdivision b of subsection 3 of section 52-04-05 of the
6 North Dakota Century Code is amended and reenacted as follows:

7 b. An employer that does not qualify under subdivision a is subject to a rate
8 determined as follows:

9 (1) For each calendar year new employers must be assigned a rate that is
10 one hundred fifty percent of the positive employer maximum rate or a
11 rate of one percent, whichever is greater, unless the employer is
12 classified ~~in construction services~~ as provided in paragraph 2 of this
13 subdivision. However, an employer must be assigned within the
14 negative employer rate ranges for any year if, as of the computation
15 date, the cumulative benefits charged to that employer's account equal
16 or exceed the cumulative contributions paid on or before October
17 thirty-first with respect to wages paid by that employer before October
18 first of that year.

19 (2) New employers in construction services, except homebuilders as
20 described below, must be assigned the negative employer maximum
21 rate. New homebuilder employers engaged in construction services
22 defined by the following North American industry classification system
23 codes, 236115, 236116, 236117, 236118, and 236220, must be
24 assigned the negative employer minimum rate.

1 (3) Assignment by the bureau of an employer's industrial classification for
2 the purposes of this section must, except for the specific codes listed in
3 paragraph 2, be the three-digit major group provided in the North
4 American industrial classification system manual, in accordance with
5 established classification practices found in the North American
6 industrial classification system manual, issued by the executive office of
7 the president, office of management and budget. Employers who are
8 liable for coverage before August 1, 2001, remain under an industrial
9 classification under the two-digit major group provided in the standard
10 industrial classification manual unless they are classified in the
11 construction industry within the standard industrial classification code.