

REVENUE: No revenue impact
FISCAL: Fiscal statement issued

Action: Do Pass
Vote: 7 - 0 - 0
Yeas: Berger, Edwards C., Esquivel, Holvey, Rosenbaum, Smith P., Schaufler
Nays: 0
Exc.: 0
Prepared By: Theresa Van Winkle, Administrator
Meeting Dates: 1/26, 2/2

WHAT THE MEASURE DOES: Increases the wage threshold for an employer to become subject to unemployment insurance tax from \$225 to \$1000 per quarter. Defines which employers and which employment are subject to unemployment insurance laws.

ISSUES DISCUSSED:

- Appropriate wage threshold level

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Employers are currently required to register and pay taxes for unemployment insurance (UI) when they either pay \$225 of total payroll in a calendar quarter or employs workers in 18 separate weeks during a calendar year. HB 2207 keeps the calendar requirements intact, but increases the dollar threshold to \$1000 before an employer would have to register and pay UI taxes.

The minimum threshold wage level was last set in 1972.