

# State of South Dakota

SEVENTY-FIFTH SESSION  
LEGISLATIVE ASSEMBLY, 2000

400D0321

## HOUSE BILL NO. 1020

Introduced by: The Committee on Commerce at the request of the Department of Labor

1 FOR AN ACT ENTITLED, An Act to change the procedure in which certain industry  
2 classification codes are assigned to employers for the purposes of unemployment  
3 compensation.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 Section 1. That § 61-5-20.2 be amended to read as follows:

6 61-5-20.2. An employer subject to this title has a contribution rate of one and two tenths  
7 percent the first year and, if ~~he~~ the employer has a positive account balance at the beginning of  
8 subsequent years, a contribution rate of one percent thereafter until ~~he~~ the employer qualifies for  
9 experience rating. However, an employer subject to this title who is classified in construction  
10 services, ~~pursuant to division C of the Standard Industrial Classification Manual of 1987 as~~  
11 ~~prepared by the statistical policy division of the office of management and budget, office of the~~  
12 ~~President,~~ shall be assigned a rate of six percent the first year and, if ~~he~~ the employer has a  
13 positive account balance at the beginning of subsequent years, a contribution rate of three  
14 percent thereafter until ~~he~~ the employer qualifies for experience rating. Any employer  
15 classification prior to January 1, 2001, shall be assigned pursuant to Division C of the Standard  
16 Industrial Classification Manual of 1987 as prepared by the Statistical Policy Division of the  
17 Office of Management and Budget, Office of the President. Any employer classification after

1 December 31, 2000, shall be assigned pursuant to Sector 23 of the North American Industry  
2 Classification System Manual, which is prepared by the Statistical Policy Division of the Office  
3 of Management and Budget, Office of the President. An employer qualifies for experience rating  
4 for a year and is rated pursuant to § 61-5-18 if, as of the computation date applicable to that  
5 year, benefits have been chargeable to ~~his~~ the employer's account throughout each of the two  
6 consecutive twelve-month periods immediately preceding the computation date.

7 ~~—The contribution rates provided in this section apply to and are retroactive to taxable wages~~  
8 ~~paid on and after January 1, 1993.~~