

FIRST REGULAR SESSION

HOUSE BILL NO. 1072

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KNIGHT.

2151H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 288, RSMo, by adding thereto one new section relating to employment security tax reform, with a delayed effective date.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 288, RSMo, is amended by adding thereto one new section, to be known as section 288.405, to read as follows:

288.405. 1. This section shall be known and may be cited as the "Employment Security Business Tax Reform Act of 2021".

2. For purposes of this section, the following terms mean:

(1) "Employee", the same definition as provided under 287.020;

(2) "New business", any individual, corporation, limited liability company, firm, partnership, voluntary association, joint-stock association, or other business organization, or the state of Missouri or any department, agency, or political subdivision thereof; provided that, such business employs one or more workers and such business has not been assigned an experience rating under this chapter;

(3) "Qualifying number of hours", one thousand five hundred hours per full calendar year, adjusted proportionally downward based on the percentage of a calendar year for which an employee was actually employed by a new business.

3. Notwithstanding any provision of law to the contrary, a new business shall be experience-rated under the applicable provisions of this chapter twelve months after the date on which the new business first hires an employee who works a qualifying number of hours for the new business.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 **4. The division of employment security shall promulgate all necessary rules and**
18 **regulations for the administration of this section. Any rule or portion of a rule, as that**
19 **term is defined in section 536.010, that is created under the authority delegated in this**
20 **section shall become effective only if it complies with and is subject to all of the provisions**
21 **of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are**
22 **nonseverable, and if any of the powers vested with the general assembly pursuant to**
23 **chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are**
24 **subsequently held unconstitutional, then the grant of rulemaking authority and any rule**
25 **proposed or adopted after the effective date of this section shall be invalid and void.**

 Section B. The enactment of section 288.405 of section A of this act shall be effective
2 on January 1, 2022.

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