
By Mr. Richter of Brookline, petition of the Massachusetts State Chamber of Commerce, Inc., for an amendment of the contributory features of the Employment Security Law. Labor and Industries.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Fifty-Three.

AN ACT TO FOSTER EMPLOYMENT IN PRIVATE INDUSTRY
IN MASSACHUSETTS BY AMENDING CERTAIN CONTRIBUTORY
FEATURES OF THE EMPLOYMENT SECURITY LAW.

*Be it enacted by the Senate and House of Representatives
in General Court assembled, and by the authority of the
same, as follows:*

1 SECTION 1. Section 14 of chapter 151A of the
2 General Laws, as amended by chapter 763 of the
3 acts of 1951, is hereby further amended by striking
4 out the second sentence of the second paragraph and
5 inserting in place thereof the following:— The ac-
6 counts hereinafter established and maintained are
7 book accounts for the calculation of and/or allocation
8 from the contributions to be paid by each employer
9 subject to this chapter.

1 SECTION 2. Section 14 of chapter 151A of the
2 General Laws, as most recently amended by chapter
3 763 of the acts of 1951, is hereby further amended
4 by striking out paragraph (3) of subsection (a) and
5 inserting in place thereof the following:—

6 (3) "Solvency Allocation", the percentage of each
7 employer's total contribution which shall be allocated

8 to the solvency account as provided by subsection 9 (*m*) of this section.

1 SECTION 3. Section 14 of chapter 151A of the
2 General Laws, as most recently amended by chap-
3 ter 763 of the acts of 1951, is hereby further amended
4 by striking out paragraph (4) of subsection (*a*) and
5 inserting in place thereof the following: —

6 (4) “Reserve Percentage”, in relation to an em-
7 ployer’s account, the net balance of such account on
8 a computation date stated as a percentage of the
9 employer’s taxable payroll for the period of twelve
10 consecutive months ending on said computation date.

1 SECTION 4. Section 14 of chapter 151A of the
2 General Laws, as most recently amended by chapter
3 763 of the acts of 1951, is hereby amended by striking
4 out subsection (*d*) and inserting in place thereof the
5 following: —

6 (*d*) A portion of each employer’s contributions
7 shall be credited to the solvency account as provided
8 in subsection (*m*) of this section.

1 SECTION 5. Section 14 of chapter 151A of the
2 General Laws as most recently amended by chapter
3 763 of the acts of 1951, is hereby amended by striking
4 out paragraph (1) of subsection (*g*) and inserting in
5 place thereof the following: —

6 (1) After September thirtieth, nineteen hundred
7 and fifty-one, an amount equal to all contributions
8 paid by an employer which is creditable to his account
9 shall be so credited as of the date when such contribu-
10 tions were paid, except in so far as such contributions
11 are allocable to the solvency account in accordance
12 with subsection (*m*) of this section; provided, that

13 any contributions paid during the month of October
14 and otherwise allocable to the employer's account
15 shall be credited to said employer's account as of the
16 preceding September thirtieth.

1 SECTION 6. Section 14 of chapter 151A of the
2 General Laws, as most recently amended by chapter
3 763 of the acts of 1951, is hereby amended by striking
4 out paragraph (4) of subsection (*h*) and inserting in
5 place thereof the following: —

6 (4) After September thirtieth, nineteen hundred
7 and fifty-one, an amount equal to the proceeds of
8 any contribution payable pursuant to the solvency
9 allocation applicable under this section shall be
10 credited to the solvency account in accordance with
11 subsection (*m*) of this section.

1 SECTION 7. Section 14 of chapter 151A of the
2 General Laws, as most recently amended by chapter
3 763 of the acts of 1951, is hereby further amended by
4 deleting from the first sentence of subsection (*k*)
5 the words "and solvency rates," — so that said first
6 sentence shall read as follows: —

7 The total taxable wages required for the determina-
8 tion of the experience rates shall be determined not
9 later than December thirty-first of each year.

1 SECTION 8. Section 14 of chapter 151A of the
2 General Laws, as most recently amended by chapter
3 763 of the acts of 1951, is hereby further amended
4 by striking out subsection (*l*), including schedules A
5 and B, and inserting in place thereof the following: —

6 (*l*) The contribution rate of each employer shall
7 be two and seven-tenths per cent of that part of his
8 payroll subject to this chapter, except as follows: —

9 Whenever, as of any computation date after nine-
 10 teen hundred and fifty-two, the unemployment
 11 compensation fund available for benefits is equal to
 12 or exceeds six per cent of total taxable wages as
 13 above determined, the experience rate for each em-
 14 ployer for the ensuing calendar year shall be deter-
 15 mined on the basis of his reserve percentage in ac-
 16 cordance with Schedule I. If at any time the unem-
 17 ployment compensation fund is less than five per cent
 18 of total taxable wages, the director shall so declare,
 19 and effective the quarter immediately following such
 20 declaration, the experience rate of each employer
 21 shall be two and seven-tenths per cent for the remain-
 22 ing quarters of the calendar year; and for subsequent
 23 calendar years, until the fund reaches or exceeds
 24 six per cent of total taxable wages, at which time
 25 the director shall so declare, and effective the quarter
 26 immediately following such declaration the experience
 27 rate for each employer shall be as in Schedule I.

Schedule I.

EMPLOYER'S RESERVE PERCENTAGE.	EFFECTIVE EXPERIENCE RATES, BEGINNING JANUARY 1, 1954.		
	1954.	1955.	1956 and Thereafter.
10.0 or over	1.1	.9	.7
9.5 but less than 10.0	1.3	1.1	.9
9.0 but less than 9.5	1.5	1.3	1.1
8.5 but less than 9.0	1.7	1.5	1.3
8.0 but less than 8.5	1.9	1.7	1.5
7.5 but less than 8.0	2.1	1.9	1.7
7.0 but less than 7.5	2.3	2.1	1.9
6.5 but less than 7.0	2.5	2.3	2.1
6.0 but less than 6.5	2.7	2.5	2.3
5.5 but less than 6.0	2.7	2.7	2.5
Less than 5.5	2.7	2.7	2.7

1 SECTION 9. Section 14 of chapter 151A of the
2 General Laws, as most recently amended by chap-
3 ter 763 of the acts of 1951, is hereby further amended
4 by striking out subsection (*m*) and inserting in place
5 thereof the following:—

6 (*m*) After September thirtieth, nineteen hundred
7 and fifty-one, an amount equal to ten per cent of all
8 contributions paid by an employer, which amount
9 would otherwise be creditable to his account, shall
10 be credited to the solvency account. If at any time
11 after said date the reserve percentage of the solvency
12 account fails to equal or falls below one per cent,
13 twenty per cent of such contributions shall be credited
14 to the solvency account; provided, however, that
15 no employer shall be required to contribute a total
16 aggregate amount of all contributions required under
17 this section of more than two and seven tenths per
18 cent of his taxable payroll.

