

# WE ARE YOUR DOL



## UI EXPERIENCE RATING CHARGES

On January 14, 2021, pursuant to authority granted by former Governor Andrew M. Cuomo, New York State Department of Labor (NYSDOL) Commissioner Roberta Reardon ordered that employers' UI accounts will not be charged for unemployment insurance (UI) benefits paid during the COVID-19 pandemic. Subsequently, former Governor Cuomo signed legislation that further ensures the relief to employers of UI experience rating charges related to the COVID-19 pandemic. These actions will ease the burden on both contributory and non-contributory (reimbursable) employers.

### CONTRIBUTORY EMPLOYERS

Each year, NYSDOL calculates UI experience ratings for individual contributory employers. These actions will allow NYSDOL to calculate the 2021 rates without regard to specific individual charges that an employer incurred during the pandemic. In the coming weeks, contributing employers will receive their Notice of Unemployment Insurance Rate and be advised of their specific payment obligations.

Final calculations are still in process. The below table is an example of the potential rate increase per worker using 2021 minimum and maximum contribution rates:

- The new maximum rate, increases from 7.9% to 9.9% or \$916.40/employee to \$1168.20/employee which is an increase of \$252/employee.
- The new minimum rate, increases from 0.6% to 2.1% or \$69.60/employee to \$247.80/employee which is an increase of \$178.20/employee.

2021 MIN	2021 MAX	2021 WAGE BASE	2021 <i>per employee at Min</i>	2021 <i>per employee at Max</i>
2.1%	9.9%	\$11,800	\$247.80	\$1,168.20
2020 MIN	2020 MAX	2020 WAGE BASE	2020 <i>per employee at Min</i>	2020 <i>per employee at Max</i>
0.6%	7.9%	\$11,600	\$69.60	\$916.40
			2021 <i>per employee at Min</i>	2021 <i>per employee at Max</i>
			+ \$178.20	+ \$251.80

### REIMBURSABLE EMPLOYERS (NOT-FOR-PROFITS, GOVERNMENT ENTITIES, AND TRIBAL NATIONS)

Under the federal CARES Act and the Continued Assistance Act, the federal government is covering 50% of the costs of reimbursable employer charges. The Commissioner's Order and the legislation will eliminate the remaining 50% of charges, meaning that reimbursable employers will not be liable for specific individual charges during the COVID-19 pandemic. In the coming weeks, reimbursable employers will receive updated statements and be advised of their specific obligations. Employers may get a refund or credit to their account.

### RATE NOTICES TO EMPLOYERS

Employers generally receive their UI rate notices in February or March. Since NYSDOL is working to implement these new actions, this year's rate notices will be later than usual. The DOL is planning to issue the notices during the second half of March 2021. While these notices will reflect credit for all pandemic-related charges, including associated interest, note that any charges, current or unpaid, prior to March 8, 2020 will not be mitigated by these actions.