
Wisconsin Legislative Council

ACT MEMO



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July 12, 2021

2021 Wisconsin Act 59
[2021 Assembly Bill 406]

**Unemployment Insurance
Contribution Rates**

BACKGROUND

Under state law, most private employers are required to make regular payments to the unemployment insurance (UI) program, at a rate determined by statute. State law requires two types of payments: contribution payments and solvency payments. Both types of payments are tied to one of four schedules (A-D), with Schedule A containing the highest rates for employers to pay and Schedule D containing the lowest. The balance of the unemployment reserve fund on June 30 of each year determines which schedule will be in effect for the next calendar year.

State law specifies that Schedule D is in effect for any calendar year whenever, as of the preceding June 30, the fund has a cash balance of at least \$1,200,000,000. Schedule D is in effect in calendar year 2021.

2021 WISCONSIN ACT 59

2021 Wisconsin Act 59 requires Schedule D to remain in effect, regardless of the balance of the unemployment reserve fund, through the end of calendar year 2023, if either 2021 Assembly Bill 68 or 2021 Senate Bill 111, as enacted, provides that \$60,000,000 is transferred from the general fund to the unemployment reserve fund in each fiscal year of the 2021-23 fiscal biennium.

2021 Assembly Bill 68 was enacted as 2021 Wisconsin Act 58. Act 58 transferred from the general fund to the unemployment reserve fund \$60,000,000 in each fiscal year of the 2021-23 fiscal biennium. [SECTION 9250.] The effective date of Act 58 is July 9, 2021.

Effective date: July 12, 2021

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