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## State of Rhode Island

Daniel J. McKee  
Governor

### EXECUTIVE ORDER

21-117

December 16, 2021

#### ADJUSTING TAXABLE WAGE BASE FOR EMPLOYMENT SECURITY CONTRIBUTIONS

WHEREAS, on March 9, 2020, Executive Order 20-02 was issued for a declaration of a state of emergency due to the dangers to health and life posed by COVID-19 and that Order has been extended through at least December 23, 2021;

WHEREAS, on November 12, 2021, I issued Executive Order 21-109 affirming the disaster emergency that was first declared on August 19, 2021 for new COVID-19 variants and that Order has been extended through January 8, 2022;

WHEREAS, the COVID-19 crisis resulted in unprecedented economic shutdowns and industry-wide closures of business, especially during calendar year 2020;

WHEREAS, the taxable wage base for unemployment insurance is calculated using the average annual wage in covered employment during the calendar year immediately preceding the computation date for the effective tax year;

WHEREAS, the unique conditions of calendar year 2020 and the mass layoffs and job losses created by the pandemic established job and wage figures not reflective of the State's current economic position;

**WHEREAS**, employers in Rhode Island continue to face significant challenges as they recover from the effects of the pandemic;

**WHEREAS**, a calculation of the taxable wage base for tax year 2022 that is based on irregular data from calendar year 2020 would create significant financial burden for employers in Rhode Island and a taxable wage base out of line with current economic conditions;

**WHEREAS**, disregarding the anomalous 2020 data will allow for greater accuracy in assessing the health of the trust fund for tax year 2022; and

**WHEREAS**, after consultation with the Director of the Rhode Island Department of Labor and Training, it is advisable to provide flexibility in determining the taxable wage base to be used for computing employment security contributions by employers for tax year 2022 by using more representative data of calendar year 2019.

**NOW, THEREFORE, I, DANIEL J. MCKEE**, by virtue of the authority vested in me as Governor of the State of Rhode Island, pursuant to Article IX of the Rhode Island Constitution and the Rhode Island General Laws, including, but not limited to, Title 30, Chapter 15, do hereby order as follows:

1. The statutory requirement contained in R.I. Gen. Laws § 28-43-7(b) of using wage and employment data during the calendar year immediately preceding the computation date in determining the taxable wage base for tax year 2022 is hereby suspended. Instead, the average annual wage in covered employment during calendar year 2019, which shall be calculated using the total annual wages paid to individuals in covered employment for calendar year 2019 and the monthly average number of individuals in covered employment during calendar year 2019, may be used to compute the taxable wage base for tax year 2022.

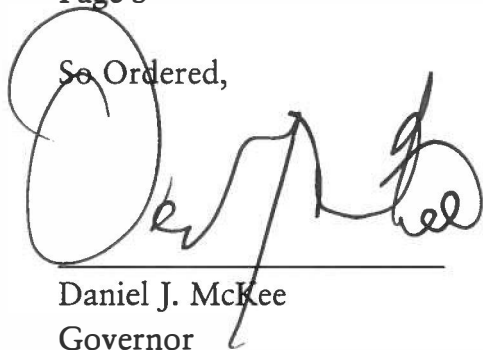
This Order shall take effect immediately and remain in full force and effect through December 31, 2021 unless renewed, modified or terminated by a subsequent Executive Order.

Executive Order 21-117

December 16, 2021

Page 3

So Ordered,

A handwritten signature in black ink, appearing to read "Daniel J. McKee". The signature is written in a cursive style with a large initial "D" and a prominent vertical stroke. A horizontal line is drawn across the signature.

Daniel J. McKee  
Governor