

**First Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 11-0848.01 Bart Miller

**HOUSE BILL 11-1288**

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**HOUSE SPONSORSHIP**

**Liston and Pabon**, DelGrosso, Gardner D., Holbert, McNulty, Miklosi, Pace, Peniston, Priola, Soper, Swalm, Swerdfeger, Tyler, Williams A., Wilson

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**House Committees**

Economic and Business Development

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**A BILL FOR AN ACT**

101     **CONCERNING UNEMPLOYMENT INSURANCE SOLVENCY REFORM, AND,**  
102             **IN CONNECTION THEREWITH, ENACTING MEASURES TO ENHANCE**  
103             **THE SOLVENCY OF THE UNEMPLOYMENT COMPENSATION FUND.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

The bill makes the following changes to the financing of the unemployment compensation system:

- !       Increases the taxable wage base from the first \$10,000 to the first \$11,000 in calendar year 2012. Beginning in the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

first year after solvency of the unemployment compensation system, estimated to be 2014, the taxable wage base will be indexed annually to the percentage change in the state's unemployment insurance average weekly earnings.

- ! In the first year after solvency is achieved, consolidates 2 of the 3 current assessments (base premium and socialized surcharge) and part of the third (solvency surcharge) into one combined premium and a new solvency surcharge.
- ! In the first year after solvency is achieved, applies the consolidated premium to a new rate schedule based on employer experience and the balance of the unemployment compensation fund. Reduces the experience component of the new schedule from 50 to 26 intervals. The top and bottom experience factors remain intact and the 2 new employer standard rates are consolidated into one. Creates new unemployment compensation system fund balance intervals, adjusted annually based on a 1.4% solvency standard. Throughout the rate schedule, the stable and proportional increases in rates occur as the unemployment compensation system fund balance is reduced, thereby allowing the unemployment compensation system to generate more revenue during solvency and reducing the burden to employers during insolvency, which usually occurs in difficult economic times for employers.
- ! In the first calendar year after solvency is achieved, puts in place a premium credit based on a 1.6% solvency standard for employers with a positive experience history and that have paid more into the unemployment compensation system than was charged in benefits during the calendar year in which the 1.6% solvency standard is exceeded.
- ! Requires the division of employment and training to develop an internet self-service project to allow employers 24/7 access to their account information.
- ! Requires annual reports to the general assembly on the status of the unemployment compensation fund.
- ! Clarifies provisions relating to fraud and overpayments to claimants and requires notice to claimants of penalties for fraud and overpayments.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** 8-70-103 (6.5), Colorado Revised Statutes, is

1 amended to read:

2 **8-70-103. Definitions.** As used in articles 70 to 82 of this title,  
3 unless the context otherwise requires:

4 (6.5) "Chargeable wages" means those wages paid TO an  
5 individual employee during a calendar year on which the employer of that  
6 employee is required to pay premiums as provided by article 76 of this  
7 title, including all wages subject to a tax under federal law, which  
8 imposes a tax against which credit may be taken for premiums required  
9 to be paid into a state unemployment fund. For each calendar year, ~~the~~  
10 chargeable ~~wage~~ WAGES is the first ten thousand dollars paid TO an  
11 individual; EXCEPT THAT, EFFECTIVE JANUARY 1, 2012, CHARGEABLE  
12 WAGES FOR EACH CALENDAR YEAR IS THE FIRST ELEVEN THOUSAND  
13 DOLLARS PAID TO AN INDIVIDUAL AND AFTER RECEIPT BY THE REVISOR OF  
14 STATUTES OF WRITTEN NOTICE UNDER SECTION 8-76-102.5(1) INDICATING  
15 THAT THE FUND BALANCE OF THE UNEMPLOYMENT COMPENSATION FUND  
16 ON ANY JUNE 30 IS EQUAL TO OR GREATER THAN ZERO DOLLARS, AND ALL  
17 ADVANCES IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN TITLE XII  
18 OF THE FEDERAL "SOCIAL SECURITY ACT", AS AMENDED, HAVE BEEN  
19 REPAID, CHARGEABLE WAGES FOR THE FOLLOWING CALENDAR YEAR IS THE  
20 FIRST ELEVEN THOUSAND DOLLARS PAID TO AN INDIVIDUAL, ADJUSTED BY  
21 THE CHANGE IN THE AVERAGE WEEKLY EARNINGS PRESCRIBED IN SECTION  
22 8-73-102, ROUNDED TO THE NEAREST ONE HUNDRED DOLLARS. AS USED  
23 IN ARTICLES 70 TO 82 OF THIS TITLE, CHARGEABLE WAGES PAID INCLUDES  
24 CHARGEABLE WAGES CONSTRUCTIVELY PAID AS WELL AS CHARGEABLE  
25 WAGES ACTUALLY PAID.

26 **SECTION 2.** 8-72-101 (3), Colorado Revised Statutes, is  
27 amended to read:

1           **8-72-101. Duties and powers of division.** (3) (a) Whenever any  
2 event occurs that may have a material effect on the adequacy of the fund,  
3 whether to increase costs or decrease revenues or otherwise, the division  
4 shall promptly analyze ~~such~~ THE potential effect and provide ~~such~~ THE  
5 analysis to the governor and the general assembly. For purposes of this  
6 subsection (3), "event" ~~shall include but not be limited to~~ INCLUDES  
7 proposed federal or state legislation and administrative or judicial  
8 adjudications.

9           (b) THE DEPARTMENT OF LABOR AND EMPLOYMENT SHALL UPDATE  
10 THE GENERAL ASSEMBLY ANNUALLY ON THE STATUS OF THE FUND DURING  
11 THE HEARING CONDUCTED PURSUANT TO SECTION 2-7-203, C.R.S. BY  
12 AUGUST 31, 2012, AND BY EACH AUGUST 31 THEREAFTER, THE DIVISION  
13 SHALL REPORT TO THE JOINT BUDGET COMMITTEE, THE ECONOMIC AND  
14 BUSINESS DEVELOPMENT COMMITTEE OF THE HOUSE OF REPRESENTATIVES,  
15 AND THE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE OF THE  
16 SENATE, OR THEIR SUCCESSOR COMMITTEES, REGARDING THE STATUS OF  
17 THE FUND. THE REPORT SHALL INCLUDE AT LEAST THE FOLLOWING FROM  
18 THE PRIOR CALENDAR YEAR:

19           (I) TOTAL FUND REVENUES AND EXPENDITURES;

20           (II) THE HIGHEST AND LOWEST TRUST FUND BALANCE FROM THE  
21 PRIOR CALENDAR YEAR AND A COMPARISON OF THOSE BALANCES TO THE  
22 FOLLOWING THREE SOLVENCY MEASURES: THE RESERVE RATIO, THE  
23 HIGH-COST MULTIPLE, AND THE AVERAGE HIGH-COST MULTIPLE;

24           (III) AN ANALYSIS OF THE RESPONSIVENESS OF THE FUNDING  
25 MECHANISM TO CHANGES IN ECONOMIC CONDITIONS, BOTH POSITIVE AND  
26 NEGATIVE;

27           (IV) AN ANALYSIS OF ANY MATERIAL CONCERNS IDENTIFIED BY

1 THE DIVISION IN FUND SOLVENCY, REVENUE, AND EXPENDITURES;  
2 (V) AN ANALYSIS OF THE IMPACT OF TOTAL PREMIUMS ASSESSED  
3 TO EMPLOYERS BY EMPLOYER SIZE AND EMPLOYER EXPERIENCE;  
4 (VI) THE TOTAL AMOUNT OF OVERPAYMENTS PAID TO CLAIMANTS  
5 AND THE TOTAL AMOUNT OF OVERPAYMENTS RECOVERED; AND  
6 (VII) AN ANALYSIS OF MEASURES TAKEN BY THE DIVISION TO  
7 REDUCE THE TOTAL NUMBER AND AMOUNT OF OVERPAYMENTS AND  
8 FRAUDULENT PAYMENTS.

9 **SECTION 3.** 8-72-109 (6), Colorado Revised Statutes, is  
10 amended to read:

11 **8-72-109. State-federal cooperation.** (6) (a) The division may  
12 afford reasonable cooperation with every agency of the United States  
13 charged with the administration of any law providing for payment of  
14 benefits arising out of unemployment. In so doing, the division may use  
15 its personnel and equipment and accept and use federal funds and make  
16 payments therefrom, but in so doing it is not required to neglect or to  
17 carry on with less efficiency its own program, and the state of Colorado  
18 and its employees shall be free from liability except in case of gross  
19 negligence or attempt to defraud the United States.

20 (b) THE DIRECTOR OF THE DIVISION IS AUTHORIZED TO ENTER INTO  
21 AGREEMENTS WITH EVERY AGENCY OF THE UNITED STATES CHARGED  
22 WITH ADMINISTRATION OF INCOME OR WAGE VERIFICATION FOR THE  
23 PURPOSE OF EXCHANGING INFORMATION AMONG AGENCIES AS A METHOD  
24 OF CONTROLLING THE OVERPAYMENT OF UNEMPLOYMENT BENEFITS.

25 **SECTION 4.** 8-76-102, Colorado Revised Statutes, is amended  
26 BY THE ADDITION OF A NEW SUBSECTION to read:

27 **8-76-102. Rate of premiums - surcharge - repeal.** (6) THIS

1 SECTION IS REPEALED, EFFECTIVE UPON RECEIPT BY THE REVISOR OF  
2 STATUTES OF WRITTEN NOTICE UNDER SECTION 8-76-102.5 (1) INDICATING  
3 THAT THE FUND BALANCE OF THE UNEMPLOYMENT COMPENSATION FUND  
4 ON ANY JUNE 30 IS EQUAL TO OR GREATER THAN ZERO DOLLARS, AND ALL  
5 ADVANCES IN ACCORDANCE WITH TITLE XII OF THE FEDERAL "SOCIAL  
6 SECURITY ACT", AS AMENDED, HAVE BEEN REPAID.

7 **SECTION 5.** Article 76 of title 8, Colorado Revised Statutes, is  
8 amended BY THE ADDITION OF A NEW SECTION to read:

9 **8-76-102.5. Rates effective upon fund solvency - repeal of**  
10 **prior rates - solvency surcharge - definitions.** (1) ON EACH AUGUST  
11 31, THE EXECUTIVE DIRECTOR SHALL FILE A WRITTEN REPORT WITH THE  
12 GENERAL ASSEMBLY, THE GOVERNOR, AND THE LEGISLATIVE AUDIT  
13 COMMITTEE INDICATING THE BALANCE IN THE UNEMPLOYMENT  
14 COMPENSATION FUND. WHEN THE WRITTEN REPORT INDICATES THAT THE  
15 FUND BALANCE ON ANY JUNE 30 IS EQUAL TO OR GREATER THAN ZERO  
16 DOLLARS, AND ALL ADVANCES IN ACCORDANCE WITH THE CONDITIONS  
17 SPECIFIED IN TITLE XII OF THE FEDERAL "SOCIAL SECURITY ACT", AS  
18 AMENDED, HAVE BEEN REPAID, THE EXECUTIVE DIRECTOR SHALL ALSO  
19 REPORT THESE FACTS IN WRITING TO THE REVISOR OF STATUES. UPON  
20 RECEIPT BY THE REVISOR OF STATUTES OF THE WRITTEN REPORT, THE  
21 FOLLOWING PROVISIONS ARE REPEALED, EFFECTIVE DECEMBER 31 OF THE  
22 CALENDAR YEAR OF THE WRITTEN REPORT TO THE REVISOR OF STATUTES,  
23 AND THEREAFTER THIS SECTION GOVERNS THE PAYMENT OF PREMIUMS:

24 (a) SECTION 8-76-102; AND

25 (b) SECTION 8-76-103.

26 (2) EFFECTIVE JANUARY 1 OF THE CALENDAR YEAR AFTER THE  
27 CALENDAR YEAR OF THE REPEAL OF THE PROVISIONS UNDER SUBSECTION

1 (1) OF THIS SECTION, EACH EMPLOYER SHALL PAY PREMIUMS IN THE  
2 MANNER PRESCRIBED BY THIS SECTION.

3 (3) (a) (I) EACH EMPLOYER'S RATE FOR THE TWELVE MONTHS  
4 COMMENCING JANUARY 1 OF ANY CALENDAR YEAR SHALL BE DETERMINED  
5 ON THE BASIS OF THE EMPLOYER'S RECORD PRIOR TO THE COMPUTATION  
6 DATE FOR THE YEAR. THE COMPUTATION DATE FOR ANY CALENDAR YEAR  
7 IS JULY 1 OF THE YEAR PRECEDING THE CALENDAR YEAR FOR WHICH THE  
8 RATE IS COMPUTED.

9 (II) THE TOTAL OF ALL OF AN EMPLOYER'S PREMIUMS PAID ON HIS  
10 OR HER OWN BEHALF ON OR BEFORE THIRTY-ONE DAYS IMMEDIATELY  
11 AFTER THE COMPUTATION DATE AND THE TOTAL BENEFITS THAT WERE  
12 CHARGEABLE TO THE EMPLOYER'S ACCOUNT AND WERE PAID BEFORE THE  
13 COMPUTATION DATE, WITH RESPECT TO WEEKS, OR ANY ESTABLISHED  
14 PAYROLL PERIOD OF UNEMPLOYMENT, BEGINNING BEFORE THE  
15 COMPUTATION DATE, SHALL BE USED TO COMPUTE HIS OR HER PREMIUM  
16 RATE FOR THE ENSUING CALENDAR YEAR; EXCEPT THAT THE MAXIMUM  
17 RATE FOR NEGATIVE EXCESS EMPLOYERS THAT IS CREDITED TO THE  
18 UNEMPLOYMENT COMPENSATION FUND SHALL BE AT LEAST 0.0613  
19 ASSESSED AS PART OF EACH EMPLOYER'S PREMIUM UNDER THIS  
20 PARAGRAPH (a), AND FOR THESE EMPLOYERS THE MAXIMUM COMBINED  
21 PREMIUM RATE SHALL BE AT LEAST 0.0628 BUT NOT GREATER THAN  
22 0.1039. "PERCENT OF EXCESS" MEANS THE PERCENTAGE RESULTING FROM  
23 DIVIDING THE EXCESS OF PREMIUMS PAID OVER BENEFITS CHARGED BY THE  
24 AVERAGE CHARGEABLE PAYROLL, COMPUTED TO THE NEAREST ONE  
25 PERCENT. THE WORD "TO" IN THE COLUMN HEADINGS, WHICH MAKE  
26 REFERENCE TO FUND BALANCES (RESOURCES AVAILABLE FOR BENEFITS),  
27 MEANS "NOT INCLUDING". "RESERVE RATIO" MEANS THE FUND BALANCE

1 ON ANY JUNE 30 AS A PROPORTION OF TOTAL WAGES REPORTED BY  
2 EXPERIENCE-RATED EMPLOYERS.



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**STANDARD PREMIUM RATE SCHEDULE**

<b>RESERVE</b>	<b>RESERVE</b>	<b>RESERVE</b>	<b>RESERVE</b>	<b>RESERVE</b>	<b>RESERVE</b>	<b>RESERVE</b>	<b>RESERVE</b>
<b>RATIO</b>	<b>RATIO</b>	<b>RATIO</b>	<b>RATIO</b>	<b>RATIO</b>	<b>RATIO</b>	<b>RATIO</b>	<b>RATIO</b>
0.014 OR	0.011 TO	0.008 TO	0.006 TO	0.004 TO	0.000 TO	0.000 TO	0.000 TO
GREATER	0.014	0.011	0.008	0.006	0.004	DEFICIT	
<b>ELIGIBLE</b>							
<b>EMPLOYERS PERCENT OF EXCESS</b>							
+20 OR MORE	0.0051	0.0056	0.0058	0.0062	0.0066	0.0071	0.0075
+18 TO +19	0.0057	0.0062	0.0064	0.0069	0.0073	0.0078	0.0082
+16 TO +17	0.0058	0.0063	0.0065	0.0070	0.0074	0.0079	0.0084
+14 TO +15	0.0061	0.0067	0.0069	0.0075	0.0080	0.0086	0.0091
+12 TO +13	0.0066	0.0072	0.0075	0.0082	0.0088	0.0095	0.0101
+10 TO +11	0.0075	0.0083	0.0087	0.0094	0.0102	0.0110	0.0118
+8 TO +9	0.0095	0.0105	0.0110	0.0120	0.0130	0.0140	0.0150
+6 TO +7	0.0116	0.0129	0.0135	0.0148	0.0160	0.0173	0.0186
+4 TO +5	0.0138	0.0154	0.0161	0.0177	0.0192	0.0207	0.0223
+2 TO +3	0.0193	0.0214	0.0225	0.0247	0.0269	0.0291	0.0313
+0 TO +1	0.0271	0.0302	0.0317	0.0348	0.0379	0.0410	0.0441
UNRATED	0.0296	0.0326	0.0342	0.0373	0.0403	0.0434	0.0465

1	-0 TO -1	0.0346	0.0386	0.0406	0.0447	0.0487	0.0527	0.0568
2	-2 TO -3	0.0368	0.0412	0.0433	0.0476	0.0519	0.0562	0.0606
3	-4 TO -5	0.0391	0.0437	0.0460	0.0506	0.0552	0.0598	0.0644
4	-6 TO -7	0.0414	0.0462	0.0487	0.0535	0.0584	0.0633	0.0682
5	-8 TO -9	0.0436	0.0488	0.0514	0.0565	0.0617	0.0668	0.0720
6	-10 TO -11	0.0459	0.0513	0.0540	0.0595	0.0649	0.0703	0.0758
7	-12 TO -13	0.0481	0.0539	0.0567	0.0624	0.0681	0.0738	0.0796
8	-14 TO -15	0.0504	0.0564	0.0594	0.0654	0.0714	0.0774	0.0834
9	-16 TO -17	0.0527	0.0589	0.0621	0.0683	0.0746	0.0809	0.0872
10	-18 TO -19	0.0549	0.0615	0.0648	0.0713	0.0779	0.0844	0.0910
11	-20 TO -21	0.0572	0.0640	0.0674	0.0743	0.0811	0.0879	0.0948
12	-22 TO -23	0.0594	0.0666	0.0701	0.0772	0.0843	0.0914	0.0986
13	-24 TO -25	0.0617	0.0690	0.0727	0.0801	0.0875	0.0949	0.1023
14	MORE							
15	THAN -25	0.0628	0.0703	0.0740	0.0815	0.0890	0.0964	0.1039

1 (b) ONLY THOSE WAGES PAID FOR COVERED EMPLOYMENT THAT  
2 OCCURRED BEFORE THE COMPUTATION DATE AND WERE REPORTED TO THE  
3 DIVISION ON OR BEFORE THIRTY-ONE DAYS IMMEDIATELY FOLLOWING THE  
4 COMPUTATION DATE WILL BE USED TO DETERMINE THE EXPERIENCE RATE  
5 EFFECTIVE FOR THE NEXT CALENDAR YEAR.

6 (c) WHENEVER AN EMPLOYER SUBJECT TO ARTICLES 70 TO 82 OF  
7 THIS TITLE ACQUIRES, BEFORE THE COMPUTATION DATE AND PURSUANT TO  
8 SECTION 8-76-104, ALL OR A SEGREGABLE PORTION OF THE  
9 ORGANIZATION, TRADE, AND BUSINESS OR SUBSTANTIALLY ALL OF THE  
10 ASSETS OF AN EMPLOYER WHO WAS SUBJECT TO ARTICLES 70 TO 82 OF THIS  
11 TITLE AT THE TIME OF THE ACQUISITION, AND THE SUCCESSOR SUBMITTED  
12 IN WRITING THAT THE SUCCESSOR MET THE CONDITIONS SET FORTH IN  
13 SECTION 8-76-104, A TOTAL OR PARTIAL TRANSFER OF THE EXPERIENCE  
14 RATING RECORD OF THE PREDECESSOR EMPLOYER SHALL BE MADE AS  
15 PROVIDED IN SECTION 8-76-104. NO MERGER OF THE ACCOUNTS FOR  
16 EXPERIENCE RATING PURPOSES WILL BE MADE FOR THE RATE EFFECTIVE  
17 THE NEXT CALENDAR YEAR UNLESS THE INFORMATION IS SUBMITTED TO  
18 THE DIVISION ON OR BEFORE SIXTY DAYS FOLLOWING THE COMPUTATION  
19 DATE.

20 (d) NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, AN  
21 EMPLOYER, AT ANY TIME BEFORE MARCH 15 OF ANY YEAR, MAY PAY  
22 VOLUNTARY PREMIUMS IN ADDITION TO THE PREMIUMS AND SURCHARGES  
23 PROVIDED UNDER ARTICLES 70 TO 82 OF THIS TITLE. VOLUNTARY  
24 PREMIUMS SHALL ALLOW FOR A REDUCTION OF THE EMPLOYER'S  
25 EXPERIENCE RATE AND SHALL BE CREDITED TO THE EMPLOYER'S ACCOUNT  
26 AND BE USED IN DETERMINING THE EMPLOYER'S RATE FOR THE CURRENT  
27 CALENDAR YEAR AND SUBSEQUENT CALENDAR YEARS; EXCEPT THAT, IF AN

1 EMPLOYER IS DELINQUENT IN THE PAYMENT OF ANY PREMIUMS OR  
2 SURCHARGES DUE, THE VOLUNTARY PREMIUM PAYMENTS SHALL BE  
3 REDUCED BY THE TOTAL AMOUNT OF DELINQUENT PREMIUMS AND  
4 SURCHARGES BEFORE SUCH COMPUTATION IS MADE. NO VOLUNTARY  
5 PREMIUMS PAID PURSUANT TO THIS PARAGRAPH (d) SHALL BE REFUNDED  
6 OR APPLIED TO FUTURE PREMIUM LIABILITY.

7 (e) AS USED IN SECTIONS 8-76-101 TO 8-76-104, FOR THE PURPOSE  
8 OF COMPUTING THE PREMIUM RATE OF ANY EMPLOYER, THE TERM  
9 "ANNUAL PAYROLL" MEANS THE TOTAL AMOUNT OF WAGES FOR  
10 EMPLOYMENT PAID BY AN EMPLOYER DURING THE TWELVE-MONTH PERIOD  
11 ENDING ON JUNE 30. THE TERM "AVERAGE CHARGEABLE PAYROLL"  
12 MEANS THE AVERAGE OF THE CHARGEABLE PAYROLLS FOR THE LAST  
13 THREE FISCAL YEARS ENDING ON JUNE 30. FOR ANY EMPLOYER WHO HAS  
14 NOT REPORTED PAYROLLS TO THE DIVISION FOR THIRTY-SIX CONSECUTIVE  
15 MONTHS ENDING ON JUNE 30, THE DIVISION SHALL COMPUTE THE AVERAGE  
16 CHARGEABLE PAYROLL BY DIVIDING THE TOTAL CHARGEABLE PAYROLLS  
17 OF THE EMPLOYER DURING THE THREE FISCAL YEARS ENDING ON JUNE 30  
18 BY THE TOTAL MONTHS DURING WHICH SUCH WAGES WERE PAID AND  
19 MULTIPLYING THE AMOUNT SO DETERMINED BY TWELVE.

20 (f) AN EMPLOYER SHALL HAVE SIXTY CALENDAR DAYS AFTER THE  
21 MAILING DATE OR THE TRANSMISSION DATE AS RECORDED BY THE DIVISION  
22 OF A QUARTERLY STATEMENT OF BENEFITS CHARGED TO THE EMPLOYER'S  
23 ACCOUNT IN WHICH TO FILE A WRITTEN APPLICATION FOR A REVIEW AND  
24 DETERMINATION OF BENEFIT CHARGES. THE APPLICATION MUST SPECIFY  
25 IN DETAIL THE GROUNDS UPON WHICH THE EMPLOYER RELIES AND MAY BE  
26 FILED IN PERSON, BY MAIL, OR BY ELECTRONIC MEANS IN ACCORDANCE  
27 WITH SUCH RULES AS THE DIRECTOR OF THE DIVISION MAY PROMULGATE.

1 THE DIVISION SHALL INVESTIGATE THE MATTERS SPECIFIED AND SHALL  
2 GIVE THE EMPLOYER NOTICE OF ITS REDETERMINATION BY MAIL OR BY  
3 ELECTRONIC MEANS. IF THE EMPLOYER FAILS TO ACT WITHIN THE  
4 PRESCRIBED TIME, BENEFITS CHARGED TO THE ACCOUNT SHALL BE  
5 DEEMED CORRECT AND FINAL. APPEAL FROM THE REDETERMINATION  
6 DECISION MAY BE MADE PURSUANT TO SECTION 8-76-113 (2).

7 (g) BY DECEMBER 1 OF EACH YEAR, OR AS SOON AS PRACTICABLE,  
8 THE DIVISION SHALL NOTIFY EACH EMPLOYER OF THE EMPLOYER'S  
9 PREMIUM RATE AS DETERMINED FOR THE NEXT CALENDAR YEAR PURSUANT  
10 TO SECTIONS 8-76-101 TO 8-76-104. THE NOTIFICATION SHALL INCLUDE  
11 THE AMOUNT DETERMINED AS THE EMPLOYER'S AVERAGE ANNUAL  
12 PAYROLL, THE TOTAL OF ALL THE EMPLOYER'S PREMIUMS PAID ON HIS OR  
13 HER OWN BEHALF AND CREDITED TO HIS OR HER ACCOUNT FOR ALL PAST  
14 YEARS, AND THE TOTAL BENEFITS CHARGED TO THE EMPLOYER'S ACCOUNT  
15 FOR ALL SUCH YEARS.

16 (h) NO LATER THAN JANUARY 1, 2013, THE DIVISION SHALL  
17 DEVELOP AN ON-LINE COMPUTER APPLICATION THAT ALLOWS EMPLOYERS  
18 TO REVIEW AND MANAGE ACCOUNT INFORMATION. THE ON-LINE  
19 COMPUTER APPLICATION SHALL INCLUDE AT LEAST THE FOLLOWING:

20 (I) A METHOD FOR EMPLOYERS TO FILE PREMIUM REPORTS AND  
21 MAKE PREMIUM PAYMENTS;

22 (II) A METHOD FOR EMPLOYERS TO REVIEW ACCOUNT BALANCES,  
23 CHARGING HISTORY, PREMIUM RATES, AND ACCOUNT STATUS;

24 (III) A METHOD FOR EMPLOYERS TO CHANGE THE PHYSICAL  
25 ADDRESS OF AN ACCOUNT, REINSTATE AN ACCOUNT, AND CLOSE AN  
26 ACCOUNT; AND

27 (IV) A METHOD FOR EMPLOYERS TO RECEIVE AND RETURN

1 DIVISION FORMS AND CORRESPONDENCE.

2 (i) WHENEVER THERE HAS BEEN A PERIOD OF FIVE CONSECUTIVE  
3 CALENDAR YEARS DURING WHICH THERE WERE NO CHARGEABLE WAGES  
4 PAID FOR SERVICES CONSIDERED EMPLOYMENT UNDER ARTICLES 70 TO 82  
5 OF THIS TITLE, ANY BALANCE SHOWN IN THE EMPLOYER'S ACCOUNT WILL  
6 NOT BE TRANSFERRED NOR BE USED FOR PREMIUM RATING PURPOSES IF  
7 THE EMPLOYER AGAIN BECOMES LIABLE UNDER ARTICLES 70 TO 82 OF THIS  
8 TITLE.

9 (4) (a) NEW EMPLOYERS PAY THE SAME PREMIUMS AS UNRATED  
10 EMPLOYERS AS PRESCRIBED IN SUBSECTION (3) OF THIS SECTION, UNLESS  
11 THERE HAVE BEEN TWELVE CONSECUTIVE CALENDAR MONTHS  
12 IMMEDIATELY PRECEDING THE COMPUTATION DATE DURING WHICH AN  
13 EMPLOYER'S ACCOUNT HAS BEEN CHARGEABLE WITH BENEFIT PAYMENTS.

14 (b) AN EMPLOYER THAT ELECTS REIMBURSEMENT UNDER SECTIONS  
15 8-76-108 TO 8-76-110 IS EXEMPT FROM THIS SECTION.

16 (c) AN "EMPLOYER NEWLY SUBJECT", AS USED IN THIS ARTICLE,  
17 MEANS AN EMPLOYER WHO HAS NEVER, AT ANY TIME, BEEN AN EMPLOYER  
18 UNDER ANY PROVISION OF ARTICLES 70 TO 82 OF THIS TITLE, AN EMPLOYER  
19 WHO HAS LOST HIS OR HER PRIOR EXPERIENCE UNDER SUBSECTION (3) OF  
20 THIS SECTION, OR AN EMPLOYER WHO, UNDER SECTION 8-76-110 (2) (e),  
21 TERMINATES HIS OR HER ELECTION TO MAKE PAYMENTS IN LIEU OF  
22 PREMIUMS OR WHOSE ELECTION TO MAKE PAYMENTS IN LIEU OF PREMIUMS  
23 HAS BEEN TERMINATED BY THE DIVISION UNDER THE AUTHORITY OF  
24 SECTION 8-76-110 (4) (e) OR (4) (f).

25 (5) (a) THOSE EMPLOYERS NEWLY SUBJECT TO ARTICLES 70 TO 82  
26 OF THIS TITLE AND ASSIGNED THE THREE-DIGIT NORTH AMERICAN  
27 INDUSTRY CLASSIFICATION CODE 236, 237, OR 238 FOR THE

1 CONSTRUCTION INDUSTRY MUST PAY THE SAME PREMIUMS AS UNRATED  
2 EMPLOYERS AS PRESCRIBED IN SUBSECTION (3) OF THIS SECTION, AT THE  
3 ACTUAL EXPERIENCE RATE, AT A RATE EQUAL TO THE AVERAGE ACTUAL  
4 EXPERIENCE RATE, OR AT A RATE EQUAL TO THE AVERAGE INDUSTRY  
5 PREMIUM RATE AS DETERMINED BY THE DIVISION, WHICHEVER IS GREATER,  
6 UNLESS THERE HAVE BEEN THIRTY-SIX CONSECUTIVE CALENDAR MONTHS  
7 IMMEDIATELY PRECEDING THE COMPUTATION DATE.

8 (b) FOR PURPOSES OF THIS SUBSECTION (5), ASSIGNMENT BY THE  
9 DIVISION OF EMPLOYMENT AND TRAINING OF INDUSTRIAL CLASSIFICATIONS  
10 TO EMPLOYERS PURSUANT TO THIS SUBSECTION (5) MUST BE IN  
11 ACCORDANCE WITH PROCEDURES AND GUIDELINES OF THE BUREAU OF  
12 LABOR STATISTICS OF THE UNITED STATES DEPARTMENT OF LABOR AND  
13 BE THE APPROPRIATE THREE-DIGIT SUBSECTOR LEVEL FOUND IN THE  
14 NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM MANUAL ISSUED BY  
15 THE OFFICE OF MANAGEMENT AND BUDGET.

16 (c) FOR PURPOSES OF THIS SUBSECTION (5), "AVERAGE INDUSTRY  
17 PREMIUM RATE" MEANS THE AVERAGE PREMIUM RATE OF ALL EMPLOYERS  
18 ASSIGNED THE SAME THREE-DIGIT NORTH AMERICAN INDUSTRY  
19 CLASSIFICATION CODE PURSUANT TO THIS SUBSECTION (5). THE RATE IS  
20 COMPUTED ANNUALLY BY THE DIVISION USING THE LATEST DATA AS OF  
21 THE COMPUTATION DATE.

22 (6) (a) A POLITICAL SUBDIVISION OR ITS INSTRUMENTALITY THAT  
23 HAS ELECTED TO BECOME A PREMIUM-PAYING EMPLOYER WILL HAVE ITS  
24 ACCOUNT CHARGED WITH THE FULL AMOUNT OF ALL REGULAR AND  
25 EXTENDED BENEFITS THAT ARE ATTRIBUTABLE TO SERVICE IN ITS EMPLOY.

26 (b) (I) THE PREMIUM RATE FOR POLITICAL SUBDIVISIONS OR THEIR  
27 INSTRUMENTALITIES WILL BE EXAMINED ANNUALLY IN CONJUNCTION WITH

1 THE EMPLOYER'S BENEFIT EXPERIENCE AND MAY BE ADJUSTED ON A  
2 YEAR-BY-YEAR BASIS AS PRESCRIBED BY SUBPARAGRAPH (I) OF  
3 PARAGRAPH (a) OF SUBSECTION (3) OF THIS SECTION.

4 (II) THE DIVISION MUST NOTIFY ALL POLITICAL SUBDIVISIONS OR  
5 THEIR INSTRUMENTALITIES, AS DEFINED IN PARAGRAPH (a) OF THIS  
6 SUBSECTION (6), OF THE PREMIUM RATE NO LATER THAN JANUARY 1 OF  
7 THE YEAR FOR WHICH THE RATE APPLIES.

8 (7) (a) A SOLVENCY SURCHARGE WILL BE ASSESSED WHEN THE  
9 FUND BALANCE OF THE UNEMPLOYMENT COMPENSATION FUND ON ANY  
10 JUNE 30 IS EQUAL TO OR LESS THAN 0.005 MULTIPLIED BY THE TOTAL  
11 WAGES REPORTED BY EXPERIENCE-RATED EMPLOYERS FOR THE PREVIOUS  
12 CALENDAR YEAR, OR FOR THE MOST RECENT AVAILABLE FOUR  
13 CONSECUTIVE QUARTERS BEFORE THE LAST COMPUTATION DATE. THE  
14 SOLVENCY SURCHARGE WILL BE ASSESSED ON ALL EXPERIENCE-RATED  
15 EMPLOYERS BEGINNING WITH THE NEXT CALENDAR YEAR, AND THE  
16 SOLVENCY SURCHARGE IS ADDED TO THE EMPLOYER'S PREMIUM RATE.  
17 THE SOLVENCY SURCHARGE RATE ADDED TO THE EMPLOYER'S PREMIUM  
18 RATE WILL ALSO BE IDENTIFIED SEPARATELY ON THE EMPLOYER'S  
19 PREMIUM RATE NOTICE AS THE SOLVENCY SURCHARGE. THE SOLVENCY  
20 SURCHARGE REMAINS IN EFFECT UNTIL THE JUNE 30 FUND BALANCE IN THE  
21 UNEMPLOYMENT COMPENSATION FUND IS EQUAL TO OR GREATER THAN  
22 0.007 MULTIPLIED BY THE TOTAL WAGES REPORTED BY  
23 EXPERIENCE-RATED EMPLOYERS FOR THE CALENDAR YEAR, OR FOR THE  
24 MOST RECENT AVAILABLE FOUR CONSECUTIVE QUARTERS:

25 ELIGIBLE EMPLOYERS	SOLVENCY SURCHARGE
26 PERCENT OF EXCESS	
27 +20 OR MORE	0.00100



1	+18 TO +19	0.00150
2	+16 TO +17	0.00150
3	+14 TO +15	0.00150
4	+12 TO +13	0.00150
5	+10 TO +11	0.00175
6	+8 TO +9	0.00275
7	+6 TO +7	0.00375
8	+4 TO +5	0.00475
9	+2 TO +3	0.00725
10	+0 TO +1	0.01100
11	UNRATED	0.01350
12	-0 TO -1	0.01425
13	-2 TO -3	0.01525
14	-4 TO -5	0.01625
15	-6 TO -7	0.01725
16	-8 TO -9	0.01825
17	-10 TO -11	0.01925
18	-12 TO -13	0.02025
19	-14 TO -15	0.02125
20	-16 TO -17	0.02225
21	-18 TO -19	0.02325
22	-20 TO -21	0.02425
23	-22 TO -23	0.02525
24	-24 TO -25	0.02625
25	MORE THAN -25	0.02700

26 (b) THE SOLVENCY SURCHARGE SHALL NOT BE ASSESSED AGAINST:

27 (I) THE COVERED EMPLOYERS OF STATE AND LOCAL

1 GOVERNMENTS;

2 (II) NONPROFIT ORGANIZATIONS THAT ARE REIMBURSING  
3 EMPLOYERS; OR

4 (III) POLITICAL SUBDIVISIONS ELECTING THE SPECIAL RATE.

5 (8) (a) SUBJECT TO THE CONDITIONS STATED IN PARAGRAPH (b) OF  
6 THIS SUBSECTION (8), AN EMPLOYER IS ELIGIBLE FOR A PREMIUM CREDIT,  
7 AS DETERMINED BY THE DIVISION, OF A PROPORTIONATE AMOUNT OF THE  
8 EXCESS OF THE AMOUNT SPECIFIED IN SUBPARAGRAPH (IV) OF PARAGRAPH  
9 (b) OF THIS SUBSECTION (8). EACH EMPLOYER THAT QUALIFIES FOR THE  
10 PREMIUM CREDIT RECEIVES A SHARE OF THE TOTAL AVAILABLE PREMIUM  
11 CREDIT EQUAL TO HIS OR HER PROPORTIONATE SHARE OF THE TOTAL  
12 CHARGEABLE WAGES PAID BY QUALIFYING EMPLOYERS.

13 (b) AN EMPLOYER DOES NOT RECEIVE PREMIUM CREDIT UNDER  
14 THIS SUBSECTION (8) UNLESS ALL OF THE FOLLOWING CONDITIONS ARE  
15 MET:

16 (I) AS OF THE MOST RECENT COMPUTATION DATE, THE EMPLOYER  
17 HAS FILED ALL REQUIRED REPORTS AND PAID ALL PREMIUMS AND  
18 SURCHARGES DUE UNDER ARTICLES 70 TO 82 OF THIS TITLE;

19 (II) THE EMPLOYER IS NOT A NEGATIVE EXCESS EMPLOYER UNDER  
20 THE TABLE IN SUBSECTION (3) OF THIS SECTION;

21 (III) THE EMPLOYER HAS NOT ELECTED TO MAKE REIMBURSEMENT  
22 PAYMENTS IN LIEU OF PREMIUMS; AND

23 (IV) AS OF THE COMPUTATION DATE IMMEDIATELY PRECEDING THE  
24 CALENDAR YEAR FOR WHICH THE PREMIUM CREDIT IS TO BE TAKEN, THE  
25 UNEXPENDED AND UNENCUMBERED SURPLUS BALANCE IN THE  
26 UNEMPLOYMENT COMPENSATION FUND CREATED IN SECTION 8-77-101 (1)  
27 EXCEEDED ONE AND SIX-TENTHS PERCENT OF TOTAL WAGES REPORTED BY

1 EXPERIENCE-RATED EMPLOYERS. AMOUNTS IN EXCESS OF ONE AND  
2 SIX-TENTHS PERCENT OF TOTAL COVERED WAGES ARE CONSIDERED  
3 AVAILABLE FOR DISBURSEMENT AS PART OF THE PREMIUM CREDIT.

4 (9) ANY PREMIUM CREDIT REMAINING TO AN EMPLOYER AFTER THE  
5 FIRST YEAR IN WHICH THE PREMIUM CREDIT IS APPLIED IS AVAILABLE TO  
6 THE EMPLOYER IN SUBSEQUENT CALENDAR YEARS.

7 (10) AS USED IN SUBSECTIONS (8) AND (9) OF THIS SECTION,  
8 "PREMIUM CREDIT" MEANS THE DOLLAR AMOUNT DISCOUNT AVAILABLE TO  
9 ELIGIBLE EMPLOYERS UNDER THE CONDITIONS SET FORTH IN PARAGRAPH  
10 (b) OF SUBSECTION (8) OF THIS SECTION TO BE APPLIED AGAINST PREMIUMS  
11 DUE IN ANY GIVEN CALENDAR YEAR. FOR PURPOSES OF COMPUTING AN  
12 EMPLOYER'S FUTURE RATE, ANY PREMIUM CREDIT CLAIMED BY AN  
13 EMPLOYER UNDER SUBSECTION (8) OF THIS SECTION IS DISREGARDED, AND  
14 THE PREMIUM THAT WOULD OTHERWISE BE DUE IS DEEMED PAID.

15 (11) (a) THE DIVISION SHALL MAINTAIN A SEPARATE ACCOUNT FOR  
16 EACH EMPLOYER AND SHALL CREDIT THE EMPLOYER'S ACCOUNT WITH ALL  
17 PREMIUMS AND SURCHARGES PAID ON THE EMPLOYER'S BEHALF. NOTHING  
18 IN ARTICLES 70 TO 82 OF THIS TITLE SHALL BE CONSTRUED TO GRANT ANY  
19 EMPLOYER OR INDIVIDUALS IN THE EMPLOYER'S SERVICE PRIOR CLAIMS OR  
20 RIGHTS TO THE AMOUNTS PAID BY THE EMPLOYER INTO THE FUND, EITHER  
21 ON THE EMPLOYER'S BEHALF OR ON BEHALF OF SUCH INDIVIDUALS.  
22 BENEFITS PAID TO AN ELIGIBLE INDIVIDUAL SHALL BE CHARGED, IN THE  
23 AMOUNT PROVIDED IN THIS SECTION, AGAINST THE ACCOUNTS OF HIS OR  
24 HER EMPLOYERS IN THE BASE PERIOD IN THE INVERSE CHRONOLOGICAL  
25 ORDER IN WHICH THE EMPLOYMENT OF THE INDIVIDUAL OCCURRED.  
26 BENEFITS PAID TO A SEASONAL WORKER DURING THE NORMAL SEASONAL  
27 PERIODS SHALL BE CHARGED AGAINST THE ACCOUNT OF HIS OR HER MOST

1 RECENT SEASONAL EMPLOYERS IN THE CORRESPONDING NORMAL  
2 SEASONAL PERIOD OF HIS OR HER BASE PERIOD IN THE INVERSE  
3 CHRONOLOGICAL ORDER IN WHICH THE SEASONAL EMPLOYMENT OF THE  
4 INDIVIDUAL OCCURRED AND PRIOR TO THE CHARGING OF BENEFITS BASED  
5 ON NONSEASONAL EMPLOYMENT.

6 (b) THE MAXIMUM AMOUNT CHARGED AGAINST THE EXPERIENCE  
7 RATING ACCOUNT OF ANY EMPLOYER PURSUANT TO PARAGRAPH (a) OF  
8 THIS SUBSECTION (11) MAY NOT EXCEED ONE-THIRD OF THE WAGES PAID  
9 TO AN INDIVIDUAL BY THE EMPLOYER FOR INSURED WORK DURING THE  
10 INDIVIDUAL'S BASE PERIOD, BUT NOT MORE PER COMPLETED CALENDAR  
11 QUARTER OR PORTION THEREOF THAN ONE-THIRD OF THE MAXIMUM WAGE  
12 CREDITS AS COMPUTED IN SECTION 8-73-104. NOTHING IN SECTIONS  
13 8-76-101 TO 8-76-104 SHALL BE CONSTRUED TO LIMIT BENEFITS PAYABLE  
14 PURSUANT TO SECTIONS 8-73-101 TO 8-73-106. NOTWITHSTANDING  
15 SECTION 8-73-108 OR ANY ADMINISTRATIVE PRACTICE THAT RESULTS IN  
16 FUND CHARGING, A REIMBURSING EMPLOYER SHALL BEAR THE COST OF ALL  
17 BENEFITS PAID TO ITS FORMER EMPLOYEES, WITH THE EXCEPTION OF  
18 BENEFIT OVERPAYMENTS. THE DIRECTOR OF THE DIVISION, BY GENERAL  
19 RULES, SHALL PRESCRIBE THE MANNER IN WHICH BENEFITS SHALL BE  
20 CHARGED AGAINST THE ACCOUNTS OF SEVERAL EMPLOYERS FOR WHOM AN  
21 INDIVIDUAL PERFORMED EMPLOYMENT AT THE SAME TIME.

22 (c) IF, BY REASON OF FRAUD, MISTAKE, OR CLERICAL ERROR, AN  
23 INDIVIDUAL RECEIVES BENEFITS IN EXCESS OF THOSE TO WHICH HE OR SHE  
24 IS ENTITLED AND THE EMPLOYER'S ACCOUNT IS CHARGED, THE EMPLOYER'S  
25 ACCOUNT SHALL BE CREDITED AN AMOUNT EQUAL TO THE BENEFITS  
26 ERRONEOUSLY CHARGED TO THE ACCOUNT.

27 **SECTION 6.** 8-76-103 (1), Colorado Revised Statutes, is

1 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

2 **8-76-103. Future rates based on benefit experience -**  
3 **definitions - repeal.** (1) (d) IF, BY REASON OF FRAUD, MISTAKE, OR  
4 CLERICAL ERROR, AN INDIVIDUAL RECEIVES BENEFITS IN EXCESS OF THOSE  
5 TO WHICH HE OR SHE IS ENTITLED AND THE EMPLOYER'S ACCOUNT IS  
6 CHARGED, THE EMPLOYER'S ACCOUNT SHALL BE CREDITED AN AMOUNT  
7 EQUAL TO THE BENEFITS ERRONEOUSLY CHARGED TO THE ACCOUNT.

8 **SECTION 7.** 8-76-103, Colorado Revised Statutes, is amended  
9 BY THE ADDITION OF A NEW SUBSECTION to read:

10 **8-76-103. Future rates based on benefit experience -**  
11 **definitions - repeal.** (8) THIS SECTION IS REPEALED, EFFECTIVE UPON  
12 RECEIPT BY THE REVISOR OF STATUTES OF WRITTEN NOTICE UNDER  
13 SECTION 8-76-102.5 (1) INDICATING THAT THE FUND BALANCE OF THE  
14 UNEMPLOYMENT COMPENSATION FUND ON ANY JUNE 30 IS EQUAL TO OR  
15 GREATER THAN ZERO DOLLARS, AND ALL ADVANCES IN ACCORDANCE WITH  
16 THE CONDITIONS SPECIFIED IN TITLE XII OF THE FEDERAL "SOCIAL  
17 SECURITY ACT", AS AMENDED, HAVE BEEN REPAID.

18 **SECTION 8.** Article 76 of title 8, Colorado Revised Statutes, is  
19 amended BY THE ADDITION OF A NEW SECTION to read:

20 **8-76-103.5. Transitional provisions - combined premium rate**  
21 **for 2012 - repeal.** (1) FOR CALENDAR YEAR 2012, THE INCREMENTAL  
22 INCREASE IN THE SOLVENCY SURCHARGE ESTABLISHED IN SECTION  
23 8-76-102 WILL BE APPLIED, AND AN AMOUNT EQUAL TO THE AMOUNT OF  
24 THE INCREASE IN THE SURCHARGE WILL BE SUBTRACTED FROM THE  
25 COMPUTATION ON THE EXPERIENCE-RATED EMPLOYER'S RATE FOR THE  
26 CALENDAR YEAR 2012.

27 (2) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2014.

1           **SECTION 9.** 8-70-114 (2) (g) (III) (A), Colorado Revised  
2 Statutes, is amended, and the said 8-70-114 (2) (g) (III) is further  
3 amended BY THE ADDITION OF A NEW SUB-SUBPARAGRAPH,  
4 to read:

5           **8-70-114. Employing unit - definitions - rules - employee**  
6 **leasing company certification fund - repeal.** (2) (g) (III) Each  
7 employee leasing company shall annually certify and provide evidence to  
8 the department that it meets one of the following criteria to provide  
9 securitization of unemployment premiums:

10           (A) Execute and file a surety bond or deposit with the division  
11 money or a letter of credit equivalent to fifty percent of the average  
12 annual amount of unemployment premium assessed within the previous  
13 calendar year for all covered employees regardless of the election made  
14 pursuant to subparagraph (VII) of paragraph (b) of this subsection (2).  
15 For a new employee leasing company, the initial bond amount will be the  
16 standard premium rate, as determined pursuant to section 8-76-103,  
17 multiplied by fifty percent of the estimated projected chargeable payroll  
18 for the current calendar year as estimated by the employee leasing  
19 company. THIS SUB-SUBPARAGRAPH (A) IS REPEALED, EFFECTIVE UPON  
20 RECEIPT BY THE REVISOR OF STATUTES OF WRITTEN NOTICE UNDER  
21 SECTION 8-76-102.5 (1) INDICATING THAT THE FUND BALANCE OF THE  
22 UNEMPLOYMENT COMPENSATION FUND ON ANY JUNE 30 IS EQUAL TO OR  
23 GREATER THAN ZERO DOLLARS, AND ALL ADVANCES IN ACCORDANCE WITH  
24 THE CONDITIONS SPECIFIED IN TITLE XII OF THE FEDERAL "SOCIAL  
25 SECURITY ACT", AS AMENDED, HAVE BEEN REPAYED.

26           (A.5) ON AND AFTER THE REPEAL OF SUB-SUBPARAGRAPH (A) OF  
27 THIS SUBPARAGRAPH (III), EXECUTE AND FILE A SURETY BOND OR DEPOSIT

1 WITH THE DIVISION MONEY OR A LETTER OF CREDIT EQUIVALENT TO FIFTY  
2 PERCENT OF THE AVERAGE ANNUAL AMOUNT OF UNEMPLOYMENT  
3 PREMIUM ASSESSED WITHIN THE PREVIOUS CALENDAR YEAR FOR ALL  
4 COVERED EMPLOYEES REGARDLESS OF THE ELECTION MADE PURSUANT TO  
5 SUBPARAGRAPH (VII) OF PARAGRAPH (b) OF THIS SUBSECTION (2). FOR A  
6 NEW EMPLOYEE LEASING COMPANY, THE INITIAL BOND AMOUNT IS THE  
7 UNRATED PREMIUM RATE, AS DETERMINED PURSUANT TO SECTION  
8 8-76-102.5, MULTIPLIED BY FIFTY PERCENT OF THE ESTIMATED PROJECTED  
9 CHARGEABLE PAYROLL FOR THE CURRENT CALENDAR YEAR AS ESTIMATED  
10 BY THE EMPLOYEE LEASING COMPANY.

11 **SECTION 10.** 8-72-110 (2), Colorado Revised Statutes, is  
12 amended to read:

13 **8-72-110. Reciprocal interstate agreements - repeal.**  
14 (2) (a) (I) The division is authorized to enter into reciprocal arrangements  
15 with appropriate and duly authorized agencies of other states or of the  
16 federal government, or both, whereby wages for insured work paid in  
17 another state or by the federal government ~~shall be~~ ARE deemed to be  
18 wages for insured work under articles 70 to 82 of this title; and wages for  
19 insured work paid under ~~the provisions of~~ articles 70 to 82 of this title  
20 ~~shall be~~ ARE deemed to be wages on the basis of which unemployment  
21 insurance is payable under such law of another state or of the federal  
22 government. No such arrangement shall be entered into unless it contains  
23 provision for reimbursement to the fund for ~~such of~~ the benefits paid  
24 under articles 70 to 82 of this title on the basis of ~~such~~ THE wages and  
25 provision for reimbursement from the fund for ~~such~~ THE benefits paid  
26 under such other law on the basis of wages for insured work as the  
27 division finds will be fair and reasonable to all affected interests.

1 Reimbursements paid from the fund pursuant to this section shall be  
2 deemed to be benefits for the purposes of articles 70 to 82 of this title;  
3 except that no charge shall be made to a premium-paying employer's  
4 account under sections 8-76-101 to 8-76-104. With the exception of  
5 benefit overpayments, such noncharging shall not apply to reimbursing  
6 employer accounts that will be charged in accordance with section  
7 8-76-103 in the same amount and to the same extent as if the  
8 reimbursement to another state had been benefits based solely on wages  
9 paid by an employer covered by articles 70 to 82 of this title.

10 (II) THIS PARAGRAPH (a) IS REPEALED, EFFECTIVE UPON RECEIPT  
11 BY THE REVISOR OF STATUTES OF WRITTEN NOTICE UNDER SECTION  
12 8-76-102.5 (1) INDICATING THAT THE FUND BALANCE OF THE  
13 UNEMPLOYMENT COMPENSATION FUND ON ANY JUNE 30 IS EQUAL TO OR  
14 GREATER THAN ZERO DOLLARS, AND ALL ADVANCES IN ACCORDANCE WITH  
15 THE CONDITIONS SPECIFIED IN TITLE XII OF THE FEDERAL "SOCIAL  
16 SECURITY ACT", AS AMENDED, HAVE BEEN REPAID.

17 (b) (I) THE DIVISION MAY ENTER INTO RECIPROCAL  
18 ARRANGEMENTS WITH APPROPRIATE AND DULY AUTHORIZED AGENCIES OF  
19 OTHER STATES OR OF THE FEDERAL GOVERNMENT, OR BOTH, WHEREBY  
20 WAGES FOR INSURED WORK PAID IN ANOTHER STATE OR BY THE FEDERAL  
21 GOVERNMENT ARE DEEMED TO BE WAGES FOR INSURED WORK UNDER  
22 ARTICLES 70 TO 82 OF THIS TITLE; AND WAGES FOR INSURED WORK PAID  
23 UNDER ARTICLES 70 TO 82 OF THIS TITLE ARE DEEMED TO BE WAGES ON  
24 THE BASIS OF WHICH UNEMPLOYMENT INSURANCE IS PAYABLE UNDER A  
25 CORRESPONDING LAW OF ANOTHER STATE OR OF THE FEDERAL  
26 GOVERNMENT. NO SUCH ARRANGEMENT MAY BE ENTERED INTO UNLESS  
27 IT CONTAINS PROVISION FOR REIMBURSEMENT TO THE FUND FOR THE



1 BENEFITS PAID UNDER ARTICLES 70 TO 82 OF THIS TITLE ON THE BASIS OF  
2 THE WAGES AND PROVISION FOR REIMBURSEMENT FROM THE FUND FOR  
3 THE BENEFITS PAID UNDER SUCH OTHER LAW ON THE BASIS OF WAGES FOR  
4 INSURED WORK AS THE DIVISION FINDS WILL BE FAIR AND REASONABLE TO  
5 ALL AFFECTED INTERESTS. REIMBURSEMENTS PAID FROM THE FUND  
6 PURSUANT TO THIS SECTION ARE DEEMED TO BE BENEFITS FOR THE  
7 PURPOSES OF ARTICLES 70 TO 82 OF THIS TITLE; EXCEPT THAT NO CHARGE  
8 MAY BE MADE TO A PREMIUM-PAYING EMPLOYER'S ACCOUNT UNDER  
9 SECTIONS 8-76-101 TO 8-76-104. WITH THE EXCEPTION OF BENEFIT  
10 OVERPAYMENTS, THE NONCHARGING SHALL NOT APPLY TO REIMBURSING  
11 EMPLOYER ACCOUNTS THAT WILL BE CHARGED IN ACCORDANCE WITH  
12 SECTION 8-76-102.5 IN THE SAME AMOUNT AND TO THE SAME EXTENT AS  
13 IF THE REIMBURSEMENT TO ANOTHER STATE HAD BEEN BENEFITS BASED  
14 SOLELY ON WAGES PAID BY AN EMPLOYER COVERED BY ARTICLES 70 TO 82  
15 OF THIS TITLE.

16 (II) THIS PARAGRAPH (b) IS EFFECTIVE ON AND AFTER THE REPEAL  
17 OF PARAGRAPH (a) OF THIS SUBSECTION (2).

18 **SECTION 11.** 8-73-104 (2), Colorado Revised Statutes, is  
19 amended to read:

20 **8-73-104. Duration of benefits - repeal.**

21 (2) (a) (I) Notwithstanding other provisions of this section, or section  
22 8-76-103 (1) (a), benefits based upon regular part-time employment may  
23 not be charged to the experience rating account of the regular part-time  
24 employer until the claimant has become separated from ~~such~~ THE regular  
25 part-time employment and then only for those weeks of unemployment  
26 ~~which~~ THAT occur after said separation.

27 (II) THIS PARAGRAPH (a) IS REPEALED, EFFECTIVE UPON RECEIPT

1 BY THE REVISOR OF STATUTES OF WRITTEN NOTICE UNDER SECTION  
2 8-76-102.5 (1) INDICATING THAT THE FUND BALANCE OF THE  
3 UNEMPLOYMENT COMPENSATION FUND ON ANY JUNE 30 IS EQUAL TO OR  
4 GREATER THAN ZERO DOLLARS, AND ALL ADVANCES IN ACCORDANCE WITH  
5 THE CONDITIONS SPECIFIED IN TITLE XII OF THE FEDERAL "SOCIAL  
6 SECURITY ACT", AS AMENDED, HAVE BEEN REPAID.

7 (b) (I) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION  
8 OR OF SECTION 8-76-102.5 (11) (a), BENEFITS BASED UPON REGULAR  
9 PART-TIME EMPLOYMENT MAY NOT BE CHARGED TO THE EXPERIENCE  
10 RATING ACCOUNT OF THE REGULAR PART-TIME EMPLOYER UNTIL THE  
11 CLAIMANT HAS BECOME SEPARATED FROM THE REGULAR PART-TIME  
12 EMPLOYMENT, AND THEN ONLY FOR THOSE WEEKS OF UNEMPLOYMENT  
13 THAT OCCUR AFTER THE SEPARATION.

14 (II) THIS PARAGRAPH (b) IS EFFECTIVE ON AND AFTER THE REPEAL  
15 OF PARAGRAPH (a) OF THIS SUBSECTION (2).

16 **SECTION 12.** 8-75-203 (1), Colorado Revised Statutes, is  
17 amended to read:

18 **8-75-203. Work share program - work share plan - eligibility**  
19 **of employer - approval - denial - repeal.** (1) (a) (I) The director shall  
20 establish a voluntary work share program for the purpose of allowing the  
21 payment of unemployment compensation benefits to employees whose  
22 wages and hours have been reduced. In order to participate in the work  
23 share program, an employer shall submit a work share plan in writing to  
24 the director for approval. If the employer is subject to a collective  
25 bargaining agreement, the collective bargaining unit must agree in writing  
26 to the work share plan prior to implementation. An employer that is a  
27 negative excess employer pursuant to section 8-76-103 (3) (b) is not

1 eligible to participate in the work share program.

2 (II) THIS PARAGRAPH (a) IS REPEALED, EFFECTIVE UPON RECEIPT  
3 BY THE REVISOR OF STATUTES OF WRITTEN NOTICE UNDER SECTION  
4 8-76-102.5 (1) INDICATING THAT THE FUND BALANCE OF THE  
5 UNEMPLOYMENT COMPENSATION FUND ON ANY JUNE 30 IS EQUAL TO OR  
6 GREATER THAN ZERO DOLLARS, AND ALL ADVANCES IN ACCORDANCE WITH  
7 THE CONDITIONS SPECIFIED IN TITLE XII OF THE FEDERAL "SOCIAL  
8 SECURITY ACT", AS AMENDED, HAVE BEEN REPAID.

9 (b) (I) THE DIRECTOR SHALL ESTABLISH A VOLUNTARY WORK  
10 SHARE PROGRAM FOR THE PURPOSE OF ALLOWING THE PAYMENT OF  
11 UNEMPLOYMENT COMPENSATION BENEFITS TO EMPLOYEES WHOSE WAGES  
12 AND HOURS HAVE BEEN REDUCED. IN ORDER TO PARTICIPATE IN THE WORK  
13 SHARE PROGRAM, AN EMPLOYER SHALL SUBMIT A WORK SHARE PLAN IN  
14 WRITING TO THE DIRECTOR FOR APPROVAL. IF THE EMPLOYER IS SUBJECT  
15 TO A COLLECTIVE BARGAINING AGREEMENT, THE COLLECTIVE BARGAINING  
16 UNIT MUST AGREE IN WRITING TO THE WORK SHARE PLAN PRIOR TO  
17 IMPLEMENTATION. AN EMPLOYER THAT IS A NEGATIVE EXCESS EMPLOYER  
18 PURSUANT TO SECTION 8-76-102.5 (3) IS NOT ELIGIBLE TO PARTICIPATE IN  
19 THE WORK SHARE PROGRAM.

20 (II) THIS PARAGRAPH (b) IS EFFECTIVE ON AND AFTER THE REPEAL  
21 OF PARAGRAPH (a) OF THIS SUBSECTION (1).

22 **SECTION 13.** 8-76-104 (1) (c), Colorado Revised Statutes, is  
23 amended to read:

24 **8-76-104. Transfer of experience - assignment of rates -**  
25 **definitions - repeal.** (1) (c) (I) (A) If, at the time of transfer, a person  
26 who is not an employer under this section acquires the trade or business  
27 of an employer and the division finds that the successor acquired the trade

1 or business solely or primarily for the purpose of obtaining a lower rate  
2 of contributions, the unemployment experience of the predecessor  
3 employer shall not be transferred to the successor and the division shall  
4 assign the successor the applicable new employer rate determined  
5 pursuant to section 8-76-103 (3).

6 (B) THIS SUBPARAGRAPH (I) IS REPEALED, EFFECTIVE UPON  
7 RECEIPT BY THE REVISOR OF STATUTES OF WRITTEN NOTICE UNDER  
8 SECTION 8-76-102.5 (1) INDICATING THAT THE FUND BALANCE OF THE  
9 UNEMPLOYMENT COMPENSATION FUND ON ANY JUNE 30 IS EQUAL TO OR  
10 GREATER THAN ZERO DOLLARS, AND ALL ADVANCES IN ACCORDANCE WITH  
11 THE CONDITIONS SPECIFIED IN TITLE XII OF THE FEDERAL "SOCIAL  
12 SECURITY ACT", AS AMENDED, HAVE BEEN REPAID.

13 (II) (A) IF, AT THE TIME OF TRANSFER, A PERSON WHO IS NOT AN  
14 EMPLOYER UNDER THIS SECTION ACQUIRES THE TRADE OR BUSINESS OF AN  
15 EMPLOYER AND THE DIVISION FINDS THAT THE SUCCESSOR ACQUIRED THE  
16 TRADE OR BUSINESS SOLELY OR PRIMARILY FOR THE PURPOSE OF  
17 OBTAINING A LOWER RATE OF CONTRIBUTIONS, THE UNEMPLOYMENT  
18 EXPERIENCE OF THE PREDECESSOR EMPLOYER SHALL NOT BE  
19 TRANSFERRED TO THE SUCCESSOR AND THE DIVISION SHALL ASSIGN THE  
20 SUCCESSOR THE APPLICABLE NEW EMPLOYER RATE DETERMINED  
21 PURSUANT TO SECTION 8-76-102.5 (4).

22 (B) THIS SUBPARAGRAPH (II) IS EFFECTIVE ON AND AFTER THE  
23 REPEAL OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (c).

24 **SECTION 14.** 8-77-109 (1) and (2) (a.9), Colorado Revised  
25 Statutes, are amended to read:

26 **8-77-109. Employment support fund - employment and**  
27 **training technology fund - created - uses - repeal.** (1) (a) (I) There is

1 hereby established the employment support fund which shall be credited  
2 with fifty percent of the premium surcharge established by section  
3 8-76-102 (4) (d) beginning July 1, 1999. The employment support fund  
4 shall not be included in or administered by the enterprise established  
5 pursuant to section 8-71-103 (2).

6 (II) THIS PARAGRAPH (a) IS REPEALED, EFFECTIVE UPON RECEIPT  
7 BY THE REVISOR OF STATUTES OF WRITTEN NOTICE UNDER SECTION  
8 8-76-102.5 (1) INDICATING THAT THE FUND BALANCE OF THE  
9 UNEMPLOYMENT COMPENSATION FUND ON ANY JUNE 30 IS EQUAL TO OR  
10 GREATER THAN ZERO DOLLARS, AND ALL ADVANCES IN ACCORDANCE WITH  
11 THE CONDITIONS SPECIFIED IN TITLE XII OF THE FEDERAL "SOCIAL  
12 SECURITY ACT", AS AMENDED, HAVE BEEN REPAID.

13 (b) (I) THERE IS HEREBY ESTABLISHED THE EMPLOYMENT SUPPORT  
14 FUND. THIS FUND CONSISTS OF THE FIRST 0.0011 ASSESSED AS PART OF  
15 EACH EMPLOYER'S PREMIUM UNDER SECTION 8-76-102.5 (3) (a) OR THE  
16 AMOUNT EXPENDED FROM THE EMPLOYMENT SUPPORT FUND IN THE YEAR  
17 PRIOR TO THE EFFECTIVE DATE OF THIS PARAGRAPH (b), ADJUSTED BY THE  
18 SAME PERCENTAGE CHANGE PRESCRIBED IN SECTION 8-70-103 (6.5),  
19 WHICHEVER IS LESS. THE DIVISION MUST TRANSFER TO THE  
20 UNEMPLOYMENT COMPENSATION FUND AMOUNTS IN EXCESS OF THE  
21 AMOUNT EXPENDED FROM THE EMPLOYMENT SUPPORT FUND IN THE YEAR  
22 PRIOR TO THE EFFECTIVE DATE OF THIS PARAGRAPH (b), ADJUSTED EACH  
23 YEAR BY THE SAME PERCENTAGE CHANGE PRESCRIBED IN SECTION  
24 8-70-103 (6.5). THE EMPLOYMENT SUPPORT FUND SHALL NOT BE  
25 INCLUDED IN OR ADMINISTERED BY THE ENTERPRISE ESTABLISHED  
26 PURSUANT TO SECTION 8-71-103 (2).

27 (II) THIS PARAGRAPH (b) IS EFFECTIVE ON AND AFTER THE REPEAL

1 OF PARAGRAPH (a) OF THIS SUBSECTION (1).

2 (2) (a.9) (I) (A) Notwithstanding any provision of this subsection  
3 (2) to the contrary, beginning July 1, 2009, through December 31, 2016,  
4 twenty percent of the premium surcharge established by section 8-76-102  
5 (4) shall be credited to the employment and training technology fund,  
6 which is hereby created in the state treasury. Moneys in the employment  
7 and training technology fund shall be used for employment and training  
8 automation initiatives established by the director of the division. Moneys  
9 in the employment and training technology fund ~~shall be~~ ARE subject to  
10 annual appropriation by the general assembly for the implementation of  
11 this paragraph (a.9) and shall not revert to the general fund or any other  
12 fund at the end of any fiscal year. The moneys in the employment and  
13 training technology fund ~~shall be~~ ARE exempt from section 24-75-402,  
14 C.R.S. If the balance of the unemployment compensation fund created  
15 in section 8-77-101 falls below twenty-five million dollars, the moneys  
16 in the employment and training technology fund shall be allocated to the  
17 unemployment compensation fund. At any other time, the moneys in the  
18 employment and training technology fund may be allocated to the  
19 unemployment compensation fund at the discretion of the executive  
20 director of the department of labor and employment.

21 (B) THIS SUBPARAGRAPH (I) IS REPEALED, EFFECTIVE UPON  
22 RECEIPT BY THE REVISOR OF STATUTES OF WRITTEN NOTICE UNDER  
23 SECTION 8-76-102.5 (1) INDICATING THAT THE FUND BALANCE OF THE  
24 UNEMPLOYMENT COMPENSATION FUND ON ANY JUNE 30 IS EQUAL TO OR  
25 GREATER THAN ZERO DOLLARS, AND ALL ADVANCES IN ACCORDANCE WITH  
26 THE CONDITIONS SPECIFIED IN TITLE XII OF THE FEDERAL "SOCIAL  
27 SECURITY ACT", AS AMENDED, HAVE BEEN REPAID.

1           (II) (A) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION  
2 (2) TO THE CONTRARY, ON AND AFTER THE EFFECTIVE DATE OF THIS  
3 SUBPARAGRAPH (II), 0.0004 ASSESSED AGAINST EACH EMPLOYER'S  
4 PREMIUM UNDER SECTION 8-76-102.5 (3) (a) OR TEN MILLION DOLLARS OF  
5 ALL REVENUE COLLECTED ANNUALLY UNDER SECTION 8-76-102.5 (3) (a),  
6 WHICHEVER IS LESS, SHALL BE CREDITED TO THE EMPLOYMENT AND  
7 TRAINING TECHNOLOGY FUND, ALSO REFERRED TO IN THIS PARAGRAPH  
8 (a.9) AS THE "FUND", WHICH IS HEREBY CREATED IN THE STATE TREASURY.  
9 ANY AMOUNT COLLECTED IN EXCESS OF TEN MILLION DOLLARS UNDER  
10 THIS SUBPARAGRAPH (II) SHALL BE CREDITED TO THE UNEMPLOYMENT  
11 COMPENSATION FUND. MONEYS IN THE FUND SHALL BE USED FOR  
12 EMPLOYMENT AND TRAINING AUTOMATION INITIATIVES ESTABLISHED BY  
13 THE DIRECTOR OF THE DIVISION. MONEYS IN THE FUND ARE SUBJECT TO  
14 ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY FOR THE PURPOSES  
15 OF THIS PARAGRAPH (a.9) AND SHALL NOT REVERT TO THE GENERAL FUND  
16 OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR. THE MONEYS IN  
17 THE FUND ARE EXEMPT FROM SECTION 24-75-402, C.R.S. IF THE BALANCE  
18 OF THE UNEMPLOYMENT COMPENSATION FUND CREATED IN SECTION  
19 8-77-101 FALLS BELOW ONE HUNDRED MILLION DOLLARS, THE MONEYS IN  
20 THE EMPLOYMENT AND TRAINING TECHNOLOGY FUND SHALL BE  
21 ALLOCATED TO THE UNEMPLOYMENT COMPENSATION FUND. ONCE  
22 CUMULATIVE REVENUE TO THE EMPLOYMENT AND TRAINING TECHNOLOGY  
23 FUND EQUALS ONE HUNDRED MILLION DOLLARS, LESS ANY MONEYS  
24 TRANSFERRED TO THE UNEMPLOYMENT COMPENSATION FUND, NO  
25 ADDITIONAL MONEYS SHALL BE CREDITED TO THE EMPLOYMENT AND  
26 TRAINING TECHNOLOGY FUND BUT INSTEAD SHALL BE ALLOCATED TO THE  
27 UNEMPLOYMENT COMPENSATION FUND. AT ANY OTHER TIME, THE

1       MONEYS IN THE EMPLOYMENT AND TRAINING TECHNOLOGY FUND MAY BE  
2       ALLOCATED TO THE UNEMPLOYMENT COMPENSATION FUND AT THE  
3       DISCRETION OF THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LABOR  
4       AND EMPLOYMENT.

5               (B) THIS SUBPARAGRAPH (II) IS EFFECTIVE ON AND AFTER THE  
6       REPEAL OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (a.9).

7               **SECTION 15.** 8-79-104 (1) (a), Colorado Revised Statutes, is  
8       amended to read:

9               **8-79-104. Failure to file true report - penalty - repeal.**

10       (1) (a) (I) (A) It is the responsibility of each employer subject to ~~the~~  
11       ~~provisions of~~ articles 70 to 82 of this title to file true and accurate reports  
12       whether or not premiums or surcharges are due and to pay all premiums  
13       and surcharges when due. Whenever an employer fails to furnish  
14       premium reports required by the division by the due date, the employer  
15       shall be assessed a penalty of fifty dollars for each occurrence; except that  
16       an "employer newly subject" as defined by section 8-76-103 (3) (a) (IV)  
17       shall be assessed a penalty of ten dollars for each such occurrence during  
18       the first four quarters of coverage. Each subsequent quarter in which the  
19       employer continues the failure to file ~~such~~ THE reports ~~shall be~~ IS  
20       considered a separate occurrence. Penalties collected by the division  
21       pursuant to this paragraph (a) shall be paid into the unemployment  
22       revenue fund.

23               (B) THIS SUBPARAGRAPH (I) IS REPEALED, EFFECTIVE UPON  
24       RECEIPT BY THE REVISOR OF STATUTES OF WRITTEN NOTICE UNDER  
25       SECTION 8-76-102.5 (1) INDICATING THAT THE FUND BALANCE OF THE  
26       UNEMPLOYMENT COMPENSATION FUND ON ANY JUNE 30 IS EQUAL TO OR  
27       GREATER THAN ZERO DOLLARS, AND ALL ADVANCES IN ACCORDANCE WITH



1 THE CONDITIONS SPECIFIED IN TITLE XII OF THE FEDERAL "SOCIAL  
2 SECURITY ACT", AS AMENDED, HAVE BEEN REPAID.

3 (II) (A) IT IS THE RESPONSIBILITY OF EACH EMPLOYER SUBJECT TO  
4 ARTICLES 70 TO 82 OF THIS TITLE TO FILE TRUE AND ACCURATE REPORTS,  
5 WHETHER OR NOT PREMIUMS OR SURCHARGES ARE DUE, AND TO PAY ALL  
6 PREMIUMS AND SURCHARGES WHEN DUE. WHENEVER AN EMPLOYER FAILS  
7 TO FURNISH PREMIUM REPORTS REQUIRED BY THE DIVISION BY THE DUE  
8 DATE, THE DIVISION SHALL ASSESS AGAINST THE EMPLOYER A PENALTY OF  
9 FIFTY DOLLARS FOR EACH OCCURRENCE; EXCEPT THAT AN "EMPLOYER  
10 NEWLY SUBJECT" AS DEFINED BY SECTION 8-76-102.5 (4) SHALL BE  
11 ASSESSED A PENALTY OF TEN DOLLARS FOR EACH OCCURRENCE DURING  
12 THE FIRST FOUR QUARTERS OF COVERAGE. EACH SUBSEQUENT QUARTER  
13 IN WHICH THE EMPLOYER CONTINUES THE FAILURE TO FILE THE REPORTS  
14 SHALL BE CONSIDERED A SEPARATE OCCURRENCE. PENALTIES COLLECTED  
15 BY THE DIVISION PURSUANT TO THIS SUB-SUBPARAGRAPH (A) SHALL BE  
16 PAID INTO THE UNEMPLOYMENT REVENUE FUND.

17 (B) THIS SUBPARAGRAPH (II) IS EFFECTIVE ON AND AFTER THE  
18 REPEAL OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (a).

19 **SECTION 16.** 8-81-101 (4) (a), Colorado Revised Statutes, is  
20 amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

21 **8-81-101. Penalties.** (4) (a) (IV) THE PENALTIES ASSOCIATED  
22 WITH AN OVERPAYMENT PURSUANT TO SUBPARAGRAPH (II) OF THIS  
23 PARAGRAPH (a) SHALL BE MADE KNOWN TO INDIVIDUALS UPON FILING AN  
24 UNEMPLOYMENT CLAIM AS DEFINED IN SECTION 8-70-112.

25 **SECTION 17.** 8-81-101 (4), Colorado Revised Statutes, is  
26 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

27 **8-81-101. Penalties.** (4) (d) UPON FINAL DETERMINATION

1 PURSUANT TO PARAGRAPH (c) OF THIS SUBSECTION (4), REPAYMENT OF AN  
2 OVERPAYMENT THAT IS A RESULT OF THE INDIVIDUAL'S FALSE  
3 REPRESENTATION OR WILLFUL FAILURE TO DISCLOSE A MATERIAL FACT  
4 PURSUANT TO SUBPARAGRAPH (II) OF PARAGRAPH (a) OF THIS SUBSECTION  
5 (4) SHALL BE MADE WITHIN THIRTY DAYS.

6 **SECTION 18. Effective date.** This act shall take effect July 1,  
7 2011.

8 **SECTION 19. Safety clause.** The general assembly hereby finds,  
9 determines, and declares that this act is necessary for the immediate  
10 preservation of the public peace, health, and safety.