

First Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

**REENGROSSED**

*This Version Includes All Amendments  
Adopted in the House of Introduction*

LLS NO. 23-0852.02 Christy Chase x2008

**SENATE BILL 23-232**

**SENATE SPONSORSHIP**

**Zenzinger and Kirkmeyer**, Bridges, Buckner, Coleman, Cutter, Exum, Ginal, Gonzales,  
Hansen, Jaquez Lewis, Kolker, Moreno, Priola, Sullivan

**HOUSE SPONSORSHIP**

**Bird and Sirota**, Bockenfeld

**Senate Committees**  
Appropriations

**House Committees**

**A BILL FOR AN ACT**

101      **CONCERNING UNEMPLOYMENT COMPENSATION, AND, IN CONNECTION**  
102            **THEREWITH, REDUCING EMPLOYER PREMIUM RATES; CREATING**  
103            **SUPPORT SURCHARGE RATES; AND ADJUSTING THE**  
104            **ALLOCATIONS OF EMPLOYER PREMIUMS AND SUPPORT**  
105            **SURCHARGE PAYMENTS TO THE UNEMPLOYMENT**  
106            **COMPENSATION FUND, THE EMPLOYMENT SUPPORT FUND, THE**  
107            **EMPLOYMENT AND TRAINING TECHNOLOGY FUND, AND THE**  
108            **BENEFIT RECOVERY FUND TO COMPLY WITH FEDERAL LAW.**

**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*

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters or bold & italic numbers indicate new material to be added to existing law.*  
*Dashes through the words or numbers indicate deletions from existing law.*

SENATE  
3rd Reading Unamended  
April 4, 2023

SENATE  
Amended 2nd Reading  
April 3, 2023

[http://leg.colorado.gov/.](http://leg.colorado.gov/))

**Joint Budget Committee.** For purposes of complying with requirements of the "Federal Unemployment Tax Act", the bill reduces employer premium rates by 10% across all rates in the standard premium rate schedule. Additionally, the bill creates a schedule for the support surcharge rate (schedule), which is used to establish contributions to the employment support fund, to the employment and training technology fund, and to the benefit recovery fund. The new schedule uses the same methodology as is used in calculating an employer's percent of excess, which is the percentage resulting from the calculation of an employer's excess of premiums paid over benefits charged, divided by the average chargeable payroll.

The bill changes the cap on the amount of money in the employment support fund at the end of any state fiscal year, from an amount calculated based on a portion of the employer premium plus \$17 million, to a total of \$32.5 million for the next state fiscal year, which amount is adjusted annually based on changes in average weekly earnings.

The bill expands the authorized use of money in the Title XII repayment fund to allow the division of unemployment insurance (division) in the department of labor and employment (department) to use the money for costs associated with bonds or notes issued by the division, including interest on the bonds or notes.

The bill eliminates the requirement for employers to submit premium reports to the division and instead requires employers to submit wage reports.

The bill adjusts the appropriations in the annual general appropriation act for the 2023-24 state fiscal year to the department for use by the division as follows:

- Decreases the general fund appropriation for program costs related to labor standards by \$899,537; and
- Increases the cash funds appropriation from the employment support fund for program costs related to labor standards by \$899,537.

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

2 **SECTION 1.** In Colorado Revised Statutes, 8-70-103, **amend**  
3 (13) and (23.5); and **add** (2.7), (11.5), (12.3), and (24.5) as follows:

4 **8-70-103. Definitions.** As used in articles 70 to 82 of this title 8,  
5 unless the context otherwise requires:

1 (2.7) "BENEFIT RECOVERY FUND" MEANS THE BENEFIT RECOVERY  
2 FUND CREATED IN SECTION 8-73-116 (2).

3 (11.5) "EMPLOYMENT AND TRAINING TECHNOLOGY FUND" MEANS  
4 THE EMPLOYMENT AND TRAINING TECHNOLOGY FUND CREATED IN SECTION  
5 8-77-109 (2)(a.9)(II)(A).

6 (12.3) "EMPLOYMENT SUPPORT FUND" MEANS THE EMPLOYMENT  
7 SUPPORT FUND CREATED IN SECTION 8-77-109 (1)(b).

8 (13) "Fund" OR "UNEMPLOYMENT COMPENSATION FUND" means  
9 the unemployment compensation fund, established in section 8-77-101  
10 (1), to which all premiums required and from which all benefits under  
11 articles 70 to 82 of this ~~title~~ TITLE 8 and bonds issued under section  
12 8-71-103 (2)(d) are paid, and from which payments may be made to the  
13 Colorado housing and finance authority under section 29-4-710.7. ~~C.R.S.~~

14 (23.5) "Premiums" means the money payments to the  
15 unemployment compensation fund, AND THE PAYMENT AMOUNT  
16 INCLUDED IN THE CALCULATION OF AN EMPLOYER'S EXPERIENCE RATING,  
17 required by articles 70 to 82 of this ~~title~~ TITLE 8.

18 (24.5) "SUPPORT SURCHARGE RATE" MEANS AN EMPLOYER'S RATE  
19 THAT IS USED TO CALCULATE THE MONEY PAYMENTS OWED TO THE  
20 EMPLOYMENT SUPPORT FUND, THE BENEFIT RECOVERY FUND, AND THE  
21 EMPLOYMENT AND TRAINING TECHNOLOGY FUND, CALCULATED IN  
22 ACCORDANCE WITH SECTION 8-76-102.5 (3)(a)(IV) USING THE SAME  
23 METHODOLOGY AS IS USED TO CALCULATE AN EMPLOYER'S PERCENT OF  
24 EXCESS IN ACCORDANCE WITH SECTION 8-76-102.5 (3)(a)(II)(A).

25 **SECTION 2.** In Colorado Revised Statutes, 8-76-102.5, **amend**  
26 (3)(h) introductory portion and (3)(h)(I); and **repeal and reenact, with**  
27 **amendments,** (3)(a) as follows:

1           **8-76-102.5. Rates effective upon fund solvency - repeal of**  
2 **prior rates - solvency surcharge - definitions - repeal.** (3) (a) (I) EACH  
3 EMPLOYER'S RATE FOR THE TWELVE MONTHS COMMENCING JANUARY 1 OF  
4 ANY CALENDAR YEAR IS DETERMINED ON THE BASIS OF THE EMPLOYER'S  
5 RECORD PRIOR TO THE COMPUTATION DATE FOR THE YEAR. THE  
6 COMPUTATION DATE FOR ANY CALENDAR YEAR IS JULY 1 OF THE YEAR  
7 PRECEDING THE CALENDAR YEAR FOR WHICH THE RATE IS COMPUTED.

8           (II) AS USED IN THE STANDARD PREMIUM RATE SCHEDULE IN  
9 SUBSECTION (3)(a)(III)(B) OF THIS SECTION AND THE SUPPORT SURCHARGE  
10 RATE SCHEDULE IN SUBSECTION (3)(a)(IV) OF THIS SECTION:

11           (A) "PERCENT OF EXCESS" MEANS THE PERCENTAGE RESULTING  
12 FROM DIVIDING THE EXCESS OF PREMIUMS PAID OVER BENEFITS CHARGED  
13 BY THE AVERAGE CHARGEABLE PAYROLL, COMPUTED TO THE NEAREST  
14 ONE PERCENT.

15           (B) "RESERVE RATIO" MEANS THE FUND BALANCE ON ANY JUNE 30  
16 AS A PROPORTION OF TOTAL WAGES REPORTED BY EXPERIENCE-RATED  
17 EMPLOYERS.

18           (C) "To" IN THE COLUMN HEADINGS, WHICH MAKE REFERENCE TO  
19 FUND BALANCES (RESOURCES AVAILABLE FOR BENEFITS), MEANS "NOT  
20 INCLUDING".

21           (III) (A) THE TOTAL OF AN EMPLOYER'S PREMIUMS PAID,  
22 DESIGNATED, AND DEPOSITED INTO THE UNEMPLOYMENT COMPENSATION  
23 FUND ON THE EMPLOYER'S OWN BEHALF ON OR BEFORE THIRTY-ONE DAYS  
24 IMMEDIATELY AFTER THE COMPUTATION DATE AND THE TOTAL BENEFITS  
25 THAT WERE CHARGEABLE TO THE EMPLOYER'S ACCOUNT AND WERE PAID  
26 BEFORE THE COMPUTATION DATE, WITH RESPECT TO WEEKS, OR ANY  
27 ESTABLISHED PAYROLL PERIOD OF UNEMPLOYMENT, BEGINNING BEFORE

1 THE COMPUTATION DATE, IS USED TO COMPUTE THE EMPLOYER'S PREMIUM  
2 FOR THE FOLLOWING CALENDAR YEAR.

3 (B) THE FOLLOWING STANDARD PREMIUM RATE SCHEDULE  
4 REFLECTS THE RATES APPLICABLE IN COMPUTING AN EMPLOYER'S  
5 PREMIUM:

Standard Premium Rate Schedule							
	Reserve Ratio	Reserve Ratio	Reserve Ratio	Reserve Ratio	Reserve Ratio	Reserve Ratio	Reserve Ratio
	0.014 or Greater	0.011 to 0.014	0.008 to 0.011	0.006 to 0.008	0.004 to 0.006	0.000 to 0.004	0.000 to Deficit
<b>Eligible Employers Percent of Excess</b>							
+20 or more	0.0046	0.0050	0.0052	0.0056	0.0059	0.0064	0.0068
+18 to +19	0.0051	0.0056	0.0058	0.0062	0.0066	0.0070	0.0074
+16 to +17	0.0052	0.0057	0.0059	0.0063	0.0067	0.0071	0.0076
+14 to +15	0.0055	0.0060	0.0062	0.0068	0.0072	0.0077	0.0082
+12 to +13	0.0059	0.0065	0.0068	0.0074	0.0079	0.0086	0.0091
+10 to +11	0.0068	0.0075	0.0078	0.0085	0.0092	0.0099	0.0106
+8 to +9	0.0086	0.0095	0.0099	0.0108	0.0117	0.0126	0.0135
+6 to +7	0.0104	0.0116	0.0122	0.0133	0.0144	0.0156	0.0167
+4 to +5	0.0124	0.0139	0.0145	0.0159	0.0173	0.0186	0.0201
+2 to +3	0.0174	0.0193	0.0203	0.0222	0.0242	0.0262	0.0282
+0 to +1	0.0244	0.0272	0.0285	0.0313	0.0341	0.0369	0.0397
Unrated	0.0153	0.0153	0.0153	0.0153	0.0153	0.0153	0.0153
-0 to -1	0.0311	0.0347	0.0365	0.0402	0.0438	0.0474	0.0511
-2 to -3	0.0331	0.0371	0.0390	0.0428	0.0467	0.0506	0.0545
-4 to -5	0.0352	0.0393	0.0414	0.0455	0.0497	0.0538	0.0580
-6 to -7	0.0373	0.0416	0.0438	0.0482	0.0526	0.0570	0.0614
-8 to -9	0.0392	0.0439	0.0463	0.0509	0.0555	0.0601	0.0648
-10 to -11	0.0413	0.0462	0.0486	0.0536	0.0584	0.0633	0.0682
-12 to -13	0.0433	0.0485	0.0510	0.0562	0.0613	0.0664	0.0716
-14 to -15	0.0454	0.0508	0.0535	0.0589	0.0643	0.0697	0.0751
-16 to -17	0.0474	0.0530	0.0559	0.0615	0.0671	0.0728	0.0785
-18 to -19	0.0494	0.0554	0.0583	0.0642	0.0701	0.0760	0.0819
-20 to -21	0.0515	0.0576	0.0607	0.0669	0.0730	0.0791	0.0853
-22 to -23	0.0535	0.0599	0.0631	0.0695	0.0759	0.0823	0.0887
-24 to -25	0.0555	0.0621	0.0654	0.0721	0.0788	0.0854	0.0921
More than -25	0.0565	0.0633	0.0666	0.0734	0.0801	0.0868	0.0935

1           (IV) THE SUPPORT SURCHARGE RATE, WHICH IS THE RATE  
2 DEDICATED TO EMPLOYER SUPPORT SURCHARGE PAYMENTS DEPOSITED  
3 INTO THE EMPLOYMENT SUPPORT FUND, THE BENEFIT RECOVERY FUND,  
4 AND THE EMPLOYMENT AND TRAINING TECHNOLOGY FUND, IS  
5 CALCULATED USING THE FOLLOWING SUPPORT SURCHARGE RATE  
6 SCHEDULE:

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**Support Surcharge Rate Schedule**

	<b>Reserve Ratio</b>	<b>Reserve Ratio</b>	<b>Reserve Ratio</b>	<b>Reserve Ratio</b>	<b>Reserve Ratio</b>	<b>Reserve Ratio</b>	<b>Reserve Ratio</b>
	0.014 or Greater	0.011 to 0.014	0.008 to 0.011	0.006 to 0.008	0.004 to 0.006	0.000 to 0.004	0.000 to Deficit
<b>Eligible Employers Percent of Excess</b>							
+20 or more	0.0005	0.0006	0.0006	0.0006	0.0007	0.0007	0.0007
+18 to +19	0.0006	0.0006	0.0006	0.0007	0.0007	0.0008	0.0008
+16 to +17	0.0006	0.0006	0.0006	0.0007	0.0007	0.0008	0.0008
+14 to +15	0.0006	0.0007	0.0007	0.0007	0.0008	0.0009	0.0009
+12 to +13	0.0007	0.0007	0.0007	0.0008	0.0009	0.0009	0.0010
+10 to +11	0.0007	0.0008	0.0009	0.0009	0.0010	0.0011	0.0012
+8 to +9	0.0009	0.0010	0.0011	0.0012	0.0013	0.0014	0.0015
+6 to +7	0.0012	0.0013	0.0013	0.0015	0.0016	0.0017	0.0019
+4 to +5	0.0014	0.0015	0.0016	0.0018	0.0019	0.0021	0.0022
+2 to +3	0.0019	0.0021	0.0022	0.0025	0.0027	0.0029	0.0031
+0 to +1	0.0027	0.0030	0.0032	0.0035	0.0038	0.0041	0.0044
Unrated	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017	0.0017
-0 to -1	0.0035	0.0039	0.0041	0.0045	0.0049	0.0053	0.0057
-2 to -3	0.0037	0.0041	0.0043	0.0048	0.0052	0.0056	0.0061
-4 to -5	0.0039	0.0044	0.0046	0.0051	0.0055	0.0060	0.0064
-6 to -7	0.0041	0.0046	0.0049	0.0053	0.0058	0.0063	0.0068
-8 to -9	0.0044	0.0049	0.0051	0.0056	0.0062	0.0067	0.0072
-10 to -11	0.0046	0.0051	0.0054	0.0059	0.0065	0.0070	0.0076
-12 to -13	0.0048	0.0054	0.0057	0.0062	0.0068	0.0074	0.0080
-14 to -15	0.0050	0.0056	0.0059	0.0065	0.0071	0.0077	0.0083
-16 to -17	0.0053	0.0059	0.0062	0.0068	0.0075	0.0081	0.0087
-18 to -19	0.0055	0.0061	0.0065	0.0071	0.0078	0.0084	0.0091
-20 to -21	0.0057	0.0064	0.0067	0.0074	0.0081	0.0088	0.0095
-22 to -23	0.0059	0.0067	0.0070	0.0077	0.0084	0.0091	0.0099
-24 to -25	0.0062	0.0069	0.0073	0.0080	0.0087	0.0095	0.0102
More than -25	0.0063	0.0070	0.0074	0.0081	0.0089	0.0096	0.0104

1 (h) ~~No later than January 1, 2013,~~ The division shall develop AND  
2 MAINTAIN an online computer application that allows employers to review  
3 and manage account information. The online computer application shall  
4 include at least the following:

5 (I) A method for employers to file ~~premium~~ WAGE reports and  
6 make premium payments;

7 **SECTION 3.** In Colorado Revised Statutes, 8-77-103, **amend**  
8 (3)(c) as follows:

9 **8-77-103. Advances from federal unemployment trust fund -**  
10 **Title XII repayment fund.** (3) (c) Money in the fund is continuously  
11 appropriated to the division to repay federal advances received pursuant  
12 to this section, ANY COSTS ASSOCIATED WITH BONDS OR NOTES ISSUED  
13 PURSUANT TO SECTION 8-71-103 OR 8-77-103.5, and any interest owing  
14 on ~~such~~ FEDERAL advances, BONDS, OR NOTES, AS PERMITTED BY THE  
15 FEDERAL "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2, AS THE  
16 ACT MAY BE SUBSEQUENTLY AMENDED, AND BY ANY OTHER APPLICABLE  
17 FEDERAL LAW.

18 **SECTION 4.** In Colorado Revised Statutes, 8-77-109, **amend**  
19 (1)(b), (2)(a), and (2)(a.9)(II)(A); **repeal** (5); and **add** (6) as follows:

20 **8-77-109. Employment support fund - employment and**  
21 **training technology fund - created - uses - repeal.** (1) (b) There is  
22 hereby established the employment support fund. This fund consists of  
23 ~~the first 0.00145~~ 59.46 PERCENT OF THE SUPPORT SURCHARGE RATE  
24 assessed ANNUALLY as part of each employer's ~~premium under section~~  
25 ~~8-76-102.5 (3)(a)~~ SUPPORT SURCHARGE RATE PAYMENTS PAID AND  
26 DEDICATED TO THE EMPLOYMENT SUPPORT FUND IN ACCORDANCE WITH  
27 SECTION 8-76-102.5 (3)(a)(IV).

1           (2) (a) (I) (A) EXCEPT AS SET FORTH IN SUBSECTION (2)(a)(II) OF  
2 THIS SECTION AND EXCEPT AS PROVIDED IN SUBSECTION (2)(a)(I)(B) OF  
3 THIS SECTION, the state treasurer shall credit the money collected pursuant  
4 to this section to the employment support fund created in subsection (1)  
5 of this section. ~~except that,~~

6           (B) To the extent allowed by the United States department of  
7 labor employment training administration, the state treasurer shall credit  
8 ~~.00035~~ 18.92 PERCENT of each employer's ~~premium under section~~  
9 ~~8-76-102.5 (3)(a)~~ ANNUAL SUPPORT SURCHARGE RATE DETERMINED  
10 PURSUANT TO SECTION 8-76-102.5 (3)(a)(IV) to the benefit recovery fund,  
11 ~~created in section 8-73-116~~, up to a maximum of fifteen million dollars  
12 each year.

13           (II) (A) At the end of the ~~state fiscal year 2023-24~~ STATE FISCAL  
14 YEAR, THE STATE TREASURER SHALL CREDIT any money ~~in the~~  
15 ~~employment support fund~~ COLLECTED PURSUANT TO THIS SECTION that  
16 ~~exceeds the total of a .0011 assessed as part of each employer's premium~~  
17 ~~plus seventeen million~~ WOULD CAUSE THE BALANCE IN THE EMPLOYMENT  
18 SUPPORT FUND TO EXCEED THIRTY-TWO MILLION FIVE HUNDRED  
19 THOUSAND dollars ~~shall be transferred by the state treasurer~~ to the  
20 unemployment compensation fund. ~~created in section 8-77-101 (1).~~

21           (B) AT THE END OF THE 2024-25 STATE FISCAL YEAR AND EACH  
22 STATE FISCAL YEAR THEREAFTER, THE LIMIT ON THE AMOUNT OF MONEY  
23 IN THE EMPLOYMENT SUPPORT FUND SPECIFIED IN SUBSECTION  
24 (2)(a)(II)(A) OF THIS SECTION SHALL BE ADJUSTED BASED ON THE CHANGE  
25 IN AVERAGE WEEKLY EARNINGS, AS DETERMINED IN ACCORDANCE WITH  
26 SECTION 8-73-102 (1), IN THE IMMEDIATELY PRECEDING STATE FISCAL  
27 YEAR, AND THE STATE TREASURER SHALL CREDIT ANY AMOUNT THAT

1 EXCEEDS THE AMOUNT SPECIFIED IN SUBSECTION (2)(a)(II)(A) OF THIS  
2 SECTION, AS ADJUSTED PURSUANT TO THIS SUBSECTION (2)(a)(II)(B), TO  
3 THE UNEMPLOYMENT COMPENSATION FUND.

4 (C) ANY AMOUNT CREDITED TO THE UNEMPLOYMENT  
5 COMPENSATION FUND PURSUANT TO THIS SUBSECTION (2)(a)(II) IS NOT  
6 INCLUDED IN THE CALCULATION OF AN EMPLOYER'S ANNUAL EXPERIENCE  
7 RATE.

8 (III) The general assembly shall appropriate the money in the  
9 employment support fund annually to the department of labor and  
10 employment:

11 ~~(H)~~ (A) To be used to offset funding deficits for program  
12 administration, including information technology initiatives, under the  
13 provisions of articles 70 to 83 of this ~~title~~ TITLE 8 and to further support  
14 programs to strengthen unemployment fund solvency; and

15 ~~(H)~~ ~~(A)~~ (B) To fund labor standards, labor relations, and the  
16 Colorado works grievance procedure under the provisions of articles 1 to  
17 6, 9, 10, 12, and 13 of this ~~title~~ TITLE 8 and section 26-2-716 (3)(b).  
18 C.R.S. THIS SUBSECTION (2)(a)(III)(B) IS REPEALED, EFFECTIVE JUNE 30,  
19 2025.

20 ~~(B) (Deleted by amendment, L. 2003, p. 2181, § 1, effective June~~  
21 ~~3, 2003.)~~

22 ~~(C) Repealed.~~

23 (a.9) (II) (A) The employment and training technology fund,  
24 referred to in this subsection (2)(a.9) as the "fund", is created in the state  
25 treasury. Notwithstanding any provision of this subsection (2) to the  
26 contrary, on and after April 27, 2021, ~~0.0004 assessed against~~ THE STATE  
27 TREASURER SHALL CREDIT 21.62 PERCENT OF each employer's **premium**

1 ~~under section 8-76-102.5 (3)(a) shall be credited~~ ANNUAL SUPPORT  
2 SURCHARGE RATE UNDER SECTION 8-76-102.5 (3)(a)(IV) to the  
3 employment and training technology fund. On and after April 27, 2021,  
4 and on or before June 30, 2023, if cumulative revenue to the employment  
5 and training technology fund equals thirty-one million dollars, less any  
6 money transferred to the unemployment compensation fund, no additional  
7 money shall be credited to the employment and training technology fund  
8 but instead shall be allocated to the unemployment compensation fund.  
9 On and after July 1, 2023, any amount collected in a fiscal year in excess  
10 of seven million dollars under this subsection (2)(a.9)(II) shall be credited  
11 TO THE FUND AND THEN TRANSFERRED to the unemployment  
12 compensation fund. Money in the fund shall be used for employment and  
13 training automation initiatives established by the director of the division.  
14 Money in the fund is subject to annual appropriation by the general  
15 assembly for the purposes of this subsection (2)(a.9) and shall not revert  
16 to the general fund or any other fund at the end of any fiscal year. The  
17 money in the fund is exempt from section 24-75-402. At any time, the  
18 money in the employment and training technology fund may be  
19 appropriated by the general assembly to the unemployment compensation  
20 fund or allocated to the unemployment compensation fund at the  
21 discretion of the executive director of the department of labor and  
22 employment.

23 (5) ~~The department shall conduct a study with the United States~~  
24 ~~department of labor and any relevant stakeholders to evaluate the~~  
25 ~~employment support fund and determine what steps may be necessary to~~  
26 ~~ensure the fund conforms with federal law. The department shall report~~  
27 ~~the findings of the study to the house committee on business affairs and~~

1 ~~labor and the senate committee on business, labor, and technology by~~  
2 ~~December 15, 2022.~~

3 (6) (a) THE PORTION OF EACH EMPLOYER'S SUPPORT SURCHARGE  
4 RATE THAT THE EMPLOYER PAID AND THAT IS DEDICATED TO THE  
5 EMPLOYMENT SUPPORT FUND PURSUANT TO SECTION 8-76-102.5  
6 (3)(a)(IV), TO THE BENEFIT RECOVERY FUND PURSUANT TO SECTION  
7 8-73-116, AND TO THE EMPLOYMENT AND TRAINING TECHNOLOGY FUND  
8 PURSUANT TO SUBSECTION (2)(a.9)(II)(A) OF THIS SECTION:

9 (I) IS NOT INCLUDED IN THE CALCULATION OF THE EMPLOYER'S  
10 ANNUAL EXPERIENCE RATE AND CREDIT UNDER THE "FEDERAL  
11 UNEMPLOYMENT TAX ACT", 26 U.S.C. SEC. 3301 ET SEQ.; AND

12 (II) MUST BE IMMEDIATELY DEPOSITED, UPON PAYMENT, INTO A  
13 SEPARATE ACCOUNT, UNRELATED TO THE UNEMPLOYMENT COMPENSATION  
14 FUND.

15 (b) ANY MONEY TRANSFERRED FROM THE EMPLOYMENT SUPPORT  
16 FUND, THE BENEFIT RECOVERY FUND, OR THE EMPLOYMENT AND TRAINING  
17 TECHNOLOGY FUND TO THE UNEMPLOYMENT COMPENSATION FUND  
18 PURSUANT TO THIS SECTION IS NOT USED IN CALCULATING THE  
19 EMPLOYER'S EXPERIENCE RATE OR PERCENT OF EXCESS FOR THE  
20 STANDARD PREMIUM RATE SCHEDULE.

21 **SECTION 5.** In Colorado Revised Statutes, 8-79-104, **amend**  
22 (1)(a)(II)(A) and (1)(d) as follows:

23 **8-79-104. Failure to file true report - penalty.** (1) (a) (II) (A) It  
24 is the responsibility of each employer subject to articles 70 to 82 of this  
25 ~~title~~ TITLE 8 to file true and accurate reports, whether or not premiums or  
26 surcharges are due, and to pay all premiums and surcharges when due.  
27 Whenever an employer fails to furnish ~~premium~~ WAGE reports required

1 by the division by the due date, the division shall assess against the  
2 employer a penalty of fifty dollars for each occurrence; except that an  
3 "employer newly subject" as defined by section 8-76-102.5 (4) shall be  
4 assessed a penalty of ten dollars for each occurrence during the first four  
5 quarters of coverage. Each subsequent quarter in which the employer  
6 continues the failure to file the WAGE reports shall be considered a  
7 separate occurrence. Penalties collected by the division pursuant to this  
8 ~~sub-subparagraph (A)~~ SUBSECTION (1)(a)(II)(A) shall be paid into the  
9 unemployment revenue fund.

10 (d) Any penalty imposed pursuant to this subsection (1) shall be  
11 waived if good cause is shown for failing to pay the premiums or  
12 surcharges or to make ~~premium~~ WAGE reports, as prescribed by rule of the  
13 division. Penalties under this subsection (1) that are unpaid on the date on  
14 which they are due shall bear interest at the same rate and in the same  
15 manner as unpaid premiums and surcharges under articles 70 to 82 of this  
16 ~~title~~ TITLE 8. The provisions of section 13-80-108 (9) ~~C.R.S.~~, shall be  
17 used for determining when an offense is committed for the purposes of  
18 this subsection (1).

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20 **SECTION 6. Safety clause.** The general assembly hereby finds,  
21 determines, and declares that this act is necessary for the immediate  
22 preservation of the public peace, health, or safety.