

CHAPTER 89

**LABOR AND INDUSTRY**

**HOUSE BILL 01-1251**

BY REPRESENTATIVE(S) Hodge, Mace, and Weddig;  
also SENATOR(S) McElhany.

**AN ACT**

CONCERNING REPLACEMENT OF THE STANDARD INDUSTRIAL CLASSIFICATION CODING SYSTEM WITH THE  
NORTH AMERICAN INDUSTRY CLASSIFICATION CODING SYSTEM.

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

**SECTION 1.** 8-76-103 (3) (a) (III), Colorado Revised Statutes, is amended to read:

**8-76-103. Future rates based on benefit experience - repeal.**  
(3) (a) (III) (A) On and after January 1, 1992, AND PRIOR TO JANUARY 1, 2002, those employers newly subject to articles 70 to 82 of this title, unless and until there have been thirty-six consecutive calendar months immediately preceding the computation date and who are assigned the two-digit major group standard industrial classification codes 15, 16, or 17 for the construction industry, shall pay taxes at the standard rate, at the actual experience rate, or at a rate equal to the average industry tax rate as determined by the division, whichever is greater.

(B) For the purposes of this subsection (3), assignment by the division of employment and training of industrial classifications to employers shall be in accordance with procedures and guidelines of the bureau of labor statistics of the United States department of labor and shall be to the appropriate two-digit major group found in the standard industrial classification manual issued by the office of management and budget.

(C) For purposes of this subsection (3), "average industry tax rate" means the average tax rate of all employers assigned the same two-digit industry code. Such rate shall be computed annually by the division using the latest available data as of the computation date.

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

(D) ON AND AFTER JANUARY 1, 2002, THOSE EMPLOYERS ASSIGNED THE TWO-DIGIT MAJOR GROUP STANDARD INDUSTRIAL CLASSIFICATION CODES 15, 16, OR 17 FOR THE CONSTRUCTION INDUSTRY PRIOR TO SAID DATE SHALL BE ASSIGNED A THREE-DIGIT NORTH AMERICAN INDUSTRY CLASSIFICATION CODE IN ACCORDANCE WITH SUB-SUBPARAGRAPH (F) OF THIS SUBPARAGRAPH (III) AND SHALL PAY TAXES PURSUANT TO SUB-SUBPARAGRAPH (E) OF THIS SUBPARAGRAPH (III).

(E) ON AND AFTER JANUARY 1, 2002, THOSE EMPLOYERS NEWLY SUBJECT TO ARTICLES 70 TO 82 OF THIS TITLE AND ASSIGNED THE THREE-DIGIT NORTH AMERICAN INDUSTRY CLASSIFICATION CODES 236, 237, OR 238 FOR THE CONSTRUCTION INDUSTRY, UNLESS AND UNTIL THERE HAVE BEEN THIRTY-SIX CONSECUTIVE CALENDAR MONTHS IMMEDIATELY PRECEDING THE COMPUTATION DATE, SHALL PAY TAXES AT THE STANDARD RATE, AT THE ACTUAL EXPERIENCE RATE, OR AT A RATE EQUAL TO THE AVERAGE INDUSTRY TAX RATE AS DETERMINED BY THE DIVISION, WHICHEVER IS GREATER.

(F) ON AND AFTER JANUARY 1, 2002, FOR PURPOSES OF THIS SUBSECTION (3), ASSIGNMENT BY THE DIVISION OF EMPLOYMENT AND TRAINING OF INDUSTRIAL CLASSIFICATIONS TO EMPLOYERS PURSUANT TO SUB-SUBPARAGRAPH (E) OF THIS SUBPARAGRAPH (III) SHALL BE IN ACCORDANCE WITH PROCEDURES AND GUIDELINES OF THE BUREAU OF LABOR STATISTICS OF THE UNITED STATES DEPARTMENT OF LABOR AND SHALL BE TO THE APPROPRIATE THREE-DIGIT SUBSECTOR LEVEL FOUND IN THE NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM MANUAL ISSUED BY THE OFFICE OF MANAGEMENT AND BUDGET.

(G) ON AND AFTER JANUARY 1, 2002, FOR PURPOSES OF THIS SUBSECTION (3), "AVERAGE INDUSTRY TAX RATE" MEANS THE AVERAGE TAX RATE OF ALL EMPLOYERS ASSIGNED THE SAME THREE-DIGIT NORTH AMERICAN INDUSTRY CLASSIFICATION CODE PURSUANT TO SUB-SUBPARAGRAPH (E) OF THIS SUBPARAGRAPH (III). SUCH RATE SHALL BE COMPUTED ANNUALLY BY THE DIVISION USING THE LATEST AVAILABLE DATA AS OF THE COMPUTATION DATE.

(H) SUB-SUBPARAGRAPHS (A), (B), (C), AND (D) OF THIS SUBPARAGRAPH (III) ARE REPEALED, EFFECTIVE JANUARY 1, 2005.

**SECTION 2. Effective date.** This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: March 28, 2001