

## CHAPTER 229

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**LABOR AND INDUSTRY**

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## SENATE BILL 03-296

BY SENATOR(S) Reeves, Owen, and Teck;  
also REPRESENTATIVE(S) Young, Plant, and Witwer.

## AN ACT

**CONCERNING THE DIVERSION OF THE UNEMPLOYMENT TAX SURCHARGE FROM THE UNEMPLOYMENT  
COMPENSATION FUND TO THE GENERAL FUND.**

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

**SECTION 1.** 8-76-102 (4) (d), Colorado Revised Statutes, is amended to read:

**8-76-102. Rate of tax - surcharge.** (4) (d) Effective calendar year 2000, the provisions of paragraph (a) of this subsection (4) regarding annual computation of the surcharge tax rate shall no longer apply and the annual surcharge tax rate shall be established at 0.22 percent, with fifty percent of the surcharge tax rate allocated to the ~~unemployment compensation~~ GENERAL fund and fifty percent of the surcharge tax rate allocated to the employment support fund created under the provisions of section 8-77-109; EXCEPT THAT, BEGINNING JULY 1, 2004, THE AMOUNT ALLOCATED TO THE GENERAL FUND SHALL BE ALLOCATED TO THE UNEMPLOYMENT COMPENSATION FUND. The surcharge tax rate shall then be added to the employer's standard or computed tax rate. This tax rate added to the employer tax rate shall also be identified separately on the employer tax rate notice as the tax surcharge for benefits not effectively charged. The combined rate shall be the employer's tax rate for the ensuing calendar year. The surcharge established by this subsection (4) shall not be assessed against any employer whose benefit-charge account balance is zero; except that, if the employer is still being rated under the provisions of section 8-76-103 (3) (a), such employer is subject to the surcharge tax rate.

**SECTION 2.** 8-77-109 (2) (b), Colorado Revised Statutes, is amended to read:

**8-77-109. Employment support fund - created - repeal.** (2) (b) The UNEXPENDED AND UNOBLIGATED moneys in the employment support fund shall not revert to the general fund at the end of any fiscal year and any unobligated amounts

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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.*

remaining in the fund at the end of any fiscal year shall be retained in the employment support fund for purposes of this subsection (2).

**SECTION 3. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 1, 2003