

Second Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO

**ENGROSSED**

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

LLS NO. 12-0493.01 Bart Miller x2173

**HOUSE BILL 12-1127**

---

**HOUSE SPONSORSHIP**

**Liston,** Priola, Holbert, Swalm, Swerdfeger, Szabo

**SENATE SPONSORSHIP**

**Williams S.,**

---

**House Committees**

Economic and Business Development

**Senate Committees**

---

**A BILL FOR AN ACT**

101 **CONCERNING ELIMINATION OF AN INCREASE IN THE UNEMPLOYMENT**  
102 **INSURANCE PREMIUM RATE FOR NEW EMPLOYERS.**

---

**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 current unemployment insurance premium rate for new employers is 0.0170. In legislation enacted in 2011 (House Bill 11-1088), once solvency in the unemployment insurance fund is achieved, the rate for new employers would increase. This bill eliminates this rate increase and keeps the rate at 0.0170 after solvency in the unemployment

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.*

HOUSE  
Amended 2nd Reading  
February 8, 2012

insurance fund is reached.

---

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

2 **SECTION 1.** In Colorado Revised Statutes, 8-76-102.5, **amend**  
3 (3) (a) and (4) (a) as follows:

4 **8-76-102.5. Rates effective upon fund solvency - repeal of**  
5 **prior rates - solvency surcharge - definitions.** (3) (a) (I) Each  
6 employer's rate for the twelve months commencing January 1 of any  
7 calendar year ~~shall be~~ IS determined on the basis of the employer's record  
8 prior to the computation date for the year. The computation date for any  
9 calendar year is July 1 of the year preceding the calendar year for which  
10 the rate is computed.

11 (II) The total of all of an employer's premiums paid on his or her  
12 own behalf on or before thirty-one days immediately after the  
13 computation date and the total benefits that were chargeable to the  
14 employer's account and were paid before the computation date, with  
15 respect to weeks, or any established payroll period of unemployment,  
16 beginning before the computation date, ~~shall be~~ IS used to compute his or  
17 her premium rate for the ensuing calendar year; except that the maximum  
18 rate for negative excess employers that is credited to the unemployment  
19 compensation fund ~~shall~~ MUST be at least 0.0613 assessed as part of each  
20 employer's premium under this paragraph (a), and for these employers the  
21 maximum combined premium rate ~~shall~~ MUST be at least 0.0628 but not  
22 greater than 0.1039. "Percent of excess" means the percentage resulting  
23 from dividing the excess of premiums paid over benefits charged by the  
24 average chargeable payroll, computed to the nearest one percent. The  
25 word "to" in the column headings, which make reference to fund balances

- 1 (resources available for benefits), means "not including". "Reserve ratio"
- 2 means the fund balance on any June 30 as a proportion of total wages
- 3 reported by experience-rated employers.

1

### Standard Premium Rate Schedule

2

	Reserve	Reserve	Reserve	Reserve	Reserve	Reserve	Reserve
--	---------	---------	---------	---------	---------	---------	---------

3

	Ratio	Ratio	Ratio	Ratio	Ratio	Ratio	Ratio
--	-------	-------	-------	-------	-------	-------	-------

4

	0.014 or	0.011 to	0.008 to	0.006 to	0.004 to	0.000 to	0.000 to
--	----------	----------	----------	----------	----------	----------	----------

5

	Greater	0.014	0.011	0.008	0.006	0.004	Deficit
--	---------	-------	-------	-------	-------	-------	---------

6

**Eligible**

7

**Employers Percent of Excess**

8

+20 or more	0.0051	0.0056	0.0058	0.0062	0.0066	0.0071	0.0075
-------------	--------	--------	--------	--------	--------	--------	--------

9

+18 to +19	0.0057	0.0062	0.0064	0.0069	0.0073	0.0078	0.0082
------------	--------	--------	--------	--------	--------	--------	--------

10

+16 to +17	0.0058	0.0063	0.0065	0.0070	0.0074	0.0079	0.0084
------------	--------	--------	--------	--------	--------	--------	--------

11

+14 to +15	0.0061	0.0067	0.0069	0.0075	0.0080	0.0086	0.0091
------------	--------	--------	--------	--------	--------	--------	--------

12

+12 to +13	0.0066	0.0072	0.0075	0.0082	0.0088	0.0095	0.0101
------------	--------	--------	--------	--------	--------	--------	--------

13

+10 to +11	0.0075	0.0083	0.0087	0.0094	0.0102	0.0110	0.0118
------------	--------	--------	--------	--------	--------	--------	--------

14

+8 to +9	0.0095	0.0105	0.0110	0.0120	0.0130	0.0140	0.0150
----------	--------	--------	--------	--------	--------	--------	--------

15

+6 to +7	0.0116	0.0129	0.0135	0.0148	0.0160	0.0173	0.0186
----------	--------	--------	--------	--------	--------	--------	--------

16

+4 to +5	0.0138	0.0154	0.0161	0.0177	0.0192	0.0207	0.0223
----------	--------	--------	--------	--------	--------	--------	--------

17

+2 to +3	0.0193	0.0214	0.0225	0.0247	0.0269	0.0291	0.0313
----------	--------	--------	--------	--------	--------	--------	--------

18

+0 to +1	0.0271	0.0302	0.0317	0.0348	0.0379	0.0410	0.0441
----------	--------	--------	--------	--------	--------	--------	--------

19

Unrated	<del>0.0296</del> 0.0170	<del>0.0326</del> 0.0170	<del>0.0342</del> 0.0170	<del>0.0373</del> 0.0170	<del>0.0403</del> 0.0170	<del>0.0434</del> 0.0170	<del>0.0465</del> 0.0170
---------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

20

-0 to -1	0.0346	0.0386	0.0406	0.0447	0.0487	0.0527	0.0568
----------	--------	--------	--------	--------	--------	--------	--------

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

1           (4) (a) THE DIVISION SHALL DETERMINE EMPLOYER PREMIUM RATES  
2           FOR EMPLOYERS NEWLY SUBJECT TO ARTICLES 70 TO 82 OF THIS TITLE  
3           EACH YEAR AS OF THE COMPUTATION DATE IN ACCORDANCE WITH  
4           SUBSECTION (3) OF THIS SECTION. New employers pay the same premiums  
5           as unrated employers as prescribed in subsection (3) of this section OR AT  
6           THE COMPUTED RATE, WHICHEVER IS HIGHER, unless there have been  
7           twelve consecutive calendar months immediately preceding the  
8           computation date during which an employer's account has been  
9           chargeable with benefit payments.

10           **SECTION 2. Safety clause.** The general assembly hereby finds,  
11           determines, and declares that this act is necessary for the immediate  
12           preservation of the public peace, health, and safety.