

Council Substitute for House Bill No. 7033

An act relating to unemployment compensation; reviving, readopting, and amending s. 443.1117, F.S.; providing for retroactive application; establishing temporary state extended benefits for weeks of unemployment; revising definitions; providing for state extended benefits for certain weeks and for periods of high unemployment; providing applicability; amending s. 443.1217, F.S.; reducing the amount of exempt wages beginning January 1, 2010; increasing the amount of exempt wages beginning January 1, 2012; suspending an exempt wages adjustment when repayment of a federal advance is owed; amending s. 443.131, F.S.; providing that a positive adjustment factor begins January 1, 2012; providing criteria for the determination of taxable payroll beginning January 1, 2012; providing rate calculation direction to the tax collection service provider for the rate effective January 1, 2012; requiring an employer assessment when federal advance interest is due; requiring the Revenue Estimating Conference to calculate interest based on certain factors at a date certain; requiring an assessment by a date certain; providing a formula for calculation of the employer interest assessment rate and payment; providing for a separate collection of such assessment by a tax collection service provider; naming an account to hold interest collected until payment is directed; providing for credit of excess interest funds collected; providing for a suspension or termination of assessment under certain circumstances; providing credit for interest funds collected prior to suspension or termination; providing a limitation; providing for the elimination of provisions that interfere with federal interest relief or federal tax credit; amending s. 443.141, F.S.; providing retroactive effect; providing a schedule for contributing employers to make payments for 2010 and 2011 contributions due for wages; requiring a contributing employer to pay a fee of up to \$5 to participate in the new schedule; providing for penalties, interest, and fees on delinquent contributions; providing appropriations for purposes of implementation; providing that the act fulfills an important state interest; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Notwithstanding the expiration date contained in section 4 of chapter 2009-99, Laws of Florida, effective upon this act becoming a law, retroactive to January 2, 2010, and expiring February 27, 2010, section 443.1117, Florida Statutes, is revived, readopted, and amended to read:

443.1117 Temporary extended benefits.—

(1) **APPLICABILITY OF EXTENDED BENEFITS STATUTE.**—Except when the result is inconsistent with the other provisions of this section, the provisions of s. 443.1115(3), (4), (6), and (7) apply to all claims covered by this section.

(2) DEFINITIONS.—For the purposes of this section, the term:

(a) “Regular benefits” and “extended benefits” have the same meaning as in s. 443.1115.

(b) “Eligibility period” means the period consisting of the weeks in an individual’s benefit year or emergency benefit period which begin in an extended benefit period and, if the benefit year or emergency benefit period ends within that extended benefit period, any subsequent weeks beginning in that period.

(c) “Emergency benefits” means Emergency Unemployment Compensation paid pursuant to Pub. L. No. 110-252, Pub. L. No. 110-449, and Pub. L. No. 111-5, Pub. L. No. 111-92, and Pub. L. No. 111-118.

(d) “Extended benefit period” means a period that:

1. Begins with the third week after a week for which there is a state “on” indicator; and

2. Ends with any of the following weeks, whichever occurs later:

a. The third week after the first week for which there is a state “off” indicator;

b. The 13th consecutive week of that period.

However, an extended benefit period may not begin by reason of a state “on” indicator before the 14th week after the end of a prior extended benefit period that was in effect for this state.

(e) “Emergency benefit period” means the period during which an individual receives emergency benefits as defined in paragraph (c).

(f) “Exhaustee” means an individual who, for any week of unemployment in her or his eligibility period:

1. Has received, before that week, all of the regular benefits and emergency benefits, if any, available under this chapter or any other law, including dependents’ allowances and benefits payable to federal civilian employees and ex-servicemembers under 5 U.S.C. ss. 8501-8525, in the current benefit year or emergency benefit period that includes that week. For the purposes of this subparagraph, an individual has received all of the regular benefits and emergency benefits, if any, available although, as a result of a pending appeal for wages paid for insured work which were not considered in the original monetary determination in the benefit year, she or he may subsequently be determined to be entitled to added regular benefits;

2. Had a benefit year which expired before that week, and was paid no, or insufficient, wages for insured work on the basis of which she or he could establish a new benefit year that includes that week; and

3.a. Has no right to unemployment benefits or allowances under the Railroad Unemployment Insurance Act or other federal laws as specified in regulations issued by the United States Secretary of Labor; and

b. Has not received and is not seeking unemployment benefits under the unemployment compensation law of Canada; but if an individual is seeking those benefits and the appropriate agency finally determines that she or he is not entitled to benefits under that law, she or he is considered an exhaustee.

(g) “State ‘on’ indicator” means, with respect to weeks of unemployment beginning on or after February 1, 2009, and ending on or before January 30, 2010 ~~December 12, 2009~~, the occurrence of a week in which the average total unemployment rate, seasonally adjusted, as determined by the United States Secretary of Labor, for the period consisting of the most recent 3 months for which data for all states are published by the United States Department of Labor:

1. Equals or exceeds 110 percent of the average of those rates for the corresponding 3-month period ending in each of the preceding 2 calendar years; and

2. Equals or exceeds 6.5 percent.

(h) “High unemployment period” means, with respect to weeks of unemployment beginning on or after February 1, 2009, and ending on or before January 30, 2010 ~~December 12, 2009~~, any week in which the average total unemployment rate, seasonally adjusted, as determined by the United States Secretary of Labor, for the period consisting of the most recent 3 months for which data for all states are published by the United States Department of Labor:

1. Equals or exceeds 110 percent of the average of those rates for the corresponding 3-month period ending in each of the preceding 2 calendar years; and

2. Equals or exceeds 8 percent.

(i) “State ‘off’ indicator” means the occurrence of a week in which there is no state “on” indicator or which does not constitute a high unemployment period.

(3) TOTAL EXTENDED BENEFIT AMOUNT.—Except as provided in subsection (4) ~~(5)~~:

(a) For any week for which there is an “on” indicator pursuant to paragraph (2)(g), the total extended benefit amount payable to an eligible individual for her or his applicable benefit year is the lesser of:

1. Fifty percent of the total regular benefits payable under this chapter in the applicable benefit year; or

2. Thirteen times the weekly benefit amount payable under this chapter for a week of total unemployment in the applicable benefit year.

(b) For any high unemployment period as defined in paragraph (2)(h), the total extended benefit amount payable to an eligible individual for her or his applicable benefit year is the lesser of:

1. Eighty percent of the total regular benefits payable under this chapter in the applicable benefit year; or
2. Twenty times the weekly benefit amount payable under this chapter for a week of total unemployment in the applicable benefit year.

(4) **EFFECT ON TRADE READJUSTMENT.**—Notwithstanding any other provision of this chapter, if the benefit year of an individual ends within an extended benefit period, the number of weeks of extended benefits the individual is entitled to receive in that extended benefit period for weeks of unemployment beginning after the end of the benefit year, except as provided in this section, is reduced, but not to below zero, by the number of weeks for which the individual received, within that benefit year, trade readjustment allowances under the Trade Act of 1974, as amended.

Section 2. The provisions of s. 443.1117, Florida Statutes, as revived, readopted, and amended by section 1 of this act, apply only to claims for weeks of unemployment in which an exhaustee establishes entitlement to extended benefits pursuant to that section which are established for the period between February 22, 2009, and February 27, 2010.

Section 3. Subsection (1) and paragraph (a) of subsection (2) of section 443.1217, Florida Statutes, are amended to read:

443.1217 Wages.—

(1) The wages subject to this chapter include all remuneration for employment, including commissions, bonuses, back pay awards, and the cash value of all remuneration paid in any medium other than cash. The reasonable cash value of remuneration in any medium other than cash must be estimated and determined in accordance with rules adopted by the Agency for Workforce Innovation or the state agency providing tax collection services. The wages subject to this chapter include tips or gratuities received while performing services that constitute employment and are included in a written statement furnished to the employer under s. 6053(a) of the Internal Revenue Code of 1954. As used in this section only, the term “employment” includes services constituting employment under any employment security law of another state or of the Federal Government.

(2) For the purpose of determining an employer’s contributions, the following wages are exempt from this chapter:

(a)1. Beginning January 1, 2010, that part of remuneration paid to an individual by an employer for employment during a calendar year in excess of the first \$7,000 of remuneration paid to the individual by an employer or his or her predecessor during that calendar year, unless that part of the remuneration is subject to a tax, under a federal law imposing the tax, against which credit may be taken for contributions required to be paid into a state unemployment fund.

2. Beginning January 1, 2012, that part of remuneration paid to an individual by an employer for employment during a calendar year in excess of the first \$8,500 of remuneration paid to the individual by the employer

or his or her predecessor during that calendar year, unless that part of the remuneration is subject to a tax, under a federal law imposing the tax, against which credit may be taken for contributions required to be paid into a state unemployment fund. ~~As used in this section only, the term “employment” includes services constituting employment under any employment security law of another state or of the Federal Government.~~

3. Beginning January 1, 2015, the part of remuneration paid to an individual by an employer for employment during a calendar year in excess of the first \$7,000 of remuneration paid to the individual by an employer or his or her predecessor during that calendar year, unless that part of the remuneration is subject to a tax, under a federal law imposing the tax, against which credit may be taken for contributions required to be paid into a state unemployment fund. The wage base exemption adjustment authorized by this subparagraph shall be suspended in any calendar year in which repayment of the principal amount of an advance received from the Unemployment Compensation Trust Fund under 42 U.S.C. s. 1321 is due to the Federal Government is exempt from this chapter.

Section 4. Paragraph (e) of subsection (3) of section 443.131, Florida Statutes, is amended, and subsections (5) and (6) are added to that section, to read:

443.131 Contributions.—

(3) VARIATION OF CONTRIBUTION RATES BASED ON BENEFIT EXPERIENCE.—

(e) Assignment of variations from the standard rate.—For the calculation of contribution rates effective January 1, 2010, and thereafter:

1. The tax collection service provider shall assign a variation from the standard rate of contributions for each calendar year to each eligible employer. In determining the contribution rate, varying from the standard rate to be assigned each employer, adjustment factors computed under sub-subparagraphs a.-d. shall be added to the benefit ratio. This addition shall be accomplished in two steps by adding a variable adjustment factor and a final adjustment factor. The sum of these adjustment factors computed under sub-subparagraphs a.-d. shall first be algebraically summed. The sum of these adjustment factors shall next be divided by a gross benefit ratio determined as follows: Total benefit payments for the 3-year period described in subparagraph (b)2. shall be charged to employers eligible for a variation from the standard rate, minus excess payments for the same period, divided by taxable payroll entering into the computation of individual benefit ratios for the calendar year for which the contribution rate is being computed. The ratio of the sum of the adjustment factors computed under sub-subparagraphs a.-d. to the gross benefit ratio shall be multiplied by each individual benefit ratio that is less than the maximum contribution rate to obtain variable adjustment factors; except that in any instance in which the sum of an employer’s individual benefit ratio and variable adjustment factor exceeds the maximum contribution rate, the variable adjustment factor shall be reduced in order that the sum equals the maximum

contribution rate. The variable adjustment factor for each of these employers is multiplied by his or her taxable payroll entering into the computation of his or her benefit ratio. The sum of these products shall be divided by the taxable payroll of the employers who entered into the computation of their benefit ratios. The resulting ratio shall be subtracted from the sum of the adjustment factors computed under sub-subparagraphs a.-d. to obtain the final adjustment factor. The variable adjustment factors and the final adjustment factor shall be computed to five decimal places and rounded to the fourth decimal place. This final adjustment factor shall be added to the variable adjustment factor and benefit ratio of each employer to obtain each employer's contribution rate. An employer's contribution rate may not, however, be rounded to less than 0.1 percent.

a. An adjustment factor for noncharge benefits shall be computed to the fifth decimal place and rounded to the fourth decimal place by dividing the amount of noncharge benefits during the 3-year period described in subparagraph (b)2. by the taxable payroll of employers eligible for a variation from the standard rate who have a benefit ratio for the current year which is less than the maximum contribution rate. For purposes of computing this adjustment factor, the taxable payroll of these employers is the taxable payrolls for the 3 years ending June 30 of the current calendar year as reported to the tax collection service provider by September 30 of the same calendar year. As used in this sub-subparagraph, the term "noncharge benefits" means benefits paid to an individual from the Unemployment Compensation Trust Fund, but which were not charged to the employment record of any employer.

b. An adjustment factor for excess payments shall be computed to the fifth decimal place, and rounded to the fourth decimal place by dividing the total excess payments during the 3-year period described in subparagraph (b)2. by the taxable payroll of employers eligible for a variation from the standard rate who have a benefit ratio for the current year which is less than the maximum contribution rate. For purposes of computing this adjustment factor, the taxable payroll of these employers is the same figure used to compute the adjustment factor for noncharge benefits under subparagraph a. As used in this sub-subparagraph, the term "excess payments" means the amount of benefits charged to the employment record of an employer during the 3-year period described in subparagraph (b)2., less the product of the maximum contribution rate and the employer's taxable payroll for the 3 years ending June 30 of the current calendar year as reported to the tax collection service provider by September 30 of the same calendar year. As used in this sub-subparagraph, the term "total excess payments" means the sum of the individual employer excess payments for those employers that were eligible to be considered for assignment of a contribution rate different from the standard rate.

c.(I) Beginning January 1, 2012, if the balance of the Unemployment Compensation Trust Fund on June 30 of the calendar year immediately preceding the calendar year for which the contribution rate is being computed is less than 4 percent of the taxable payrolls for the year ending June 30 as reported to the tax collection service provider by September 30 of that calendar year, a positive adjustment factor shall be computed. The positive

adjustment factor shall be computed annually to the fifth decimal place and rounded to the fourth decimal place by dividing the sum of the total taxable payrolls for the year ending June 30 of the current calendar year as reported to the tax collection service provider by September 30 of that calendar year into a sum equal to one-third of the difference between the balance of the fund as of June 30 of that calendar year and the sum of 5 percent of the total taxable payrolls for that year. The positive adjustment factor remains in effect for subsequent years until the balance of the Unemployment Compensation Trust Fund as of June 30 of the year immediately preceding the effective date of the contribution rate equals or exceeds 5 percent of the taxable payrolls for the year ending June 30 of the current calendar year as reported to the tax collection service provider by September 30 of that calendar year.

(II) Beginning January 1, 2015, and for each year thereafter, the positive adjustment authorized by this section shall be computed by dividing the sum of the total taxable payrolls for the year ending June 30 of the current calendar year as reported to the tax collection service provider by September 30 of that calendar year into a sum equal to one-fourth of the difference between the balance of the fund as of June 30 of that calendar year and the sum of 5 percent of the total taxable payrolls for that year. The positive adjustment factor remains in effect for subsequent years until the balance of the Unemployment Compensation Trust Fund as of June 30 of the year immediately preceding the effective date of the contribution rate equals or exceeds 4 percent of the taxable payrolls for the year ending June 30 of the current calendar year as reported to the tax collection service provider by September 30 of that calendar year.

d. If, beginning January 1, 2015, and each year thereafter, the balance of the Unemployment Compensation Trust Fund as of June 30 of the year immediately preceding the calendar year for which the contribution rate is being computed exceeds 5 percent of the taxable payrolls for the year ending June 30 of the current calendar year as reported to the tax collection service provider by September 30 of that calendar year, a negative adjustment factor shall be computed. The negative adjustment factor shall be computed annually beginning on January 1, 2015, and each year thereafter, to the fifth decimal place and rounded to the fourth decimal place by dividing the sum of the total taxable payrolls for the year ending June 30 of the current calendar year as reported to the tax collection service provider by September 30 of the calendar year into a sum equal to one-fourth of the difference between the balance of the fund as of June 30 of the current calendar year and 5 percent of the total taxable payrolls of that year. The negative adjustment factor remains in effect for subsequent years until the balance of the Unemployment Compensation Trust Fund as of June 30 of the year immediately preceding the effective date of the contribution rate is less than 5 percent, but more than 4 percent of the taxable payrolls for the year ending June 30 of the current calendar year as reported to the tax collection service provider by September 30 of that calendar year. The negative adjustment authorized by this section is suspended in any calendar year in which repayment of the principal amount of an advance received from the federal Unemployment Compensation Trust Fund under 42 U.S.C. s. 1321 is due to the Federal Government.

e. The maximum contribution rate that may be assigned to an employer is 5.4 percent, except employers participating in an approved short-time compensation plan may be assigned a maximum contribution rate that is 1 percent greater than the maximum contribution rate for other employers in any calendar year in which short-time compensation benefits are charged to the employer's employment record.

f. As used in this subsection, "taxable payroll" shall be determined by excluding any part of the remuneration paid to an individual by an employer for employment during a calendar year in excess of the first \$7,000. Beginning January 1, 2012, "taxable payroll" shall be determined by excluding any part of the remuneration paid to an individual by an employer for employment during a calendar year as described in s. 443.1217(2). For the purposes of the employer rate calculation that will take effect January 1, 2012, and January 1, 2013, the tax collection service provider shall use the data available for taxable payroll from 2009 based on excluding any part of the remuneration paid to an individual by an employer for employment during a calendar year in excess of the first \$7,000, and for 2010 and 2011, the data available for taxable payroll based on excluding any part of the remuneration paid to an individual by an employer for employment during a calendar year in excess of the first \$8,500.

2. If the transfer of an employer's employment record to an employing unit under paragraph (f) which, before the transfer, was an employer, the tax collection service provider shall recompute a benefit ratio for the successor employer based on the combined employment records and reassign an appropriate contribution rate to the successor employer effective on the first day of the calendar quarter immediately after the effective date of the transfer.

(5) ADDITIONAL RATE FOR INTEREST ON FEDERAL ADVANCES.—

(a) When the Unemployment Compensation Trust Fund has received advances from the Federal Government under the provisions of 42 U.S.C. s. 1321, each contributing employer shall be assessed an additional rate solely for the purpose of paying interest due on such federal advances. The additional rate shall be assessed no later than February 1 in each calendar year in which an interest payment is due. The Revenue Estimating Conference shall estimate the amount of such interest no later than December 1 of the calendar year preceding the calendar year in which an interest payment is due. The Revenue Estimating Conference shall, at a minimum, consider the following as the basis for the estimate:

1. The amounts actually advanced to the trust fund.
2. Amounts expected to be advanced to the trust fund based on current and projected unemployment patterns and employer contributions.
3. The interest payment due date.
4. The interest rate that will be applied by the Federal Government to any accrued outstanding balances.

(b) The additional rate assessed for a calendar year shall be determined by dividing the estimated amount of interest to be paid in that year by 95 percent of the taxable wages as described in s. 443.1217 paid by all employers for the year ending June 30 of the immediately preceding calendar year. The amount to be paid by each employer shall be the product obtained by multiplying such employer's taxable wages as described in s. 443.1217 for the year ending June 30 of the immediately preceding calendar year by the rate as determined by this subsection. The tax collection service provider shall make a separate collection of such assessment, which may be collected at the time of employer contributions and subject to the same penalties for failure to file a report, imposition of the standard rate pursuant to paragraph (3)(h), and interest if the assessment is not received on or before June 30. Paragraphs (d) and (e) of s. 443.141(1) do not apply to this separately collected assessment. The tax collection service provider shall maintain those funds in the tax collection service provider's Audit and Warrant Clearing Trust Fund until the provider is directed by the Governor or the Governor's designee to make the interest payment to the Federal Government. Assessments on deposit may be invested and any interest earned shall be part of the balance available to pay the interest on advances received from the Federal Government under 42 U.S.C. s. 1321. In the calendar year that all advances from the Federal Government under 42 U.S.C. s. 1321 and associated interest are repaid, if there are assessment funds in excess of the amount required to meet the final interest payment, any such excess assessed funds shall be credited to employer accounts in the Unemployment Compensation Trust Fund in an amount equal to the employer's contribution to the assessment for that year divided by the total amount of the assessment for that year, the result of which is multiplied by the amount of excess assessed funds. However, if the state is permitted to defer interest payments due during a calendar year under 42 U.S.C. s. 1322, payment of the interest assessment shall not be due. If a deferral of interest expires or is subsequently disallowed by the Federal Government, either prospectively or retroactively, the interest assessment shall be immediately due and payable. Notwithstanding any other provision of this section, if interest due during a calendar year on federal advances is forgiven or postponed under federal law and is no longer due during that calendar year, no interest assessment shall be assessed against an employer for that calendar year, and any assessment already assessed and collected against an employer before the forgiveness or postponement of the interest for that calendar year shall be credited to such employer's account in the Unemployment Compensation Trust Fund. However, such funds may be used only to pay benefits or refunds of erroneous contributions.

(6) INVALIDITY OF CERTAIN PROVISIONS.—If any provision of this section prevents the state from qualifying for any federal interest relief provisions provided under s. 1202 of the Social Security Act, 42 U.S.C. s. 1322, or prevents employers in this state from qualifying for the limitation on credit reduction as provided under s. 3302(f) of the Federal Unemployment Tax Act, 26 U.S.C. s. 3302(f), that provision is invalid to the extent necessary to maintain qualification for the interest relief provisions and federal unemployment tax credits.

Section 5. Effective upon this act becoming a law, and retroactive to January 1, 2010, paragraphs (d) and (e) are added to subsection (1) of section 443.141, Florida Statutes, to read:

443.141 Collection of contributions and reimbursements.—

(1) PAST DUE CONTRIBUTIONS AND REIMBURSEMENTS.—

(d) Payments for 2010 Contributions.—For an annual administrative fee not to exceed \$5, a contributing employer may pay its quarterly contributions due for wages paid in the first three quarters of 2010 in equal installments if those contributions are paid as follows:

1. For contributions due for wages paid in the first quarter of 2010, one-fourth of the contributions due must be paid on or before April 30, 2010, one-fourth must be paid on or before July 31, 2010, one-fourth must be paid on or before October 31, 2010, and the remaining one-fourth must be paid on or before December 31, 2010.

2. In addition to the payments specified in subparagraph 1., for contributions due for wages paid in the second quarter of 2010, one-third of the contributions due must be paid on or before July 31, 2010, one-third must be paid on or before October 31, 2010, and the remaining one-third must be paid on or before December 31, 2010.

3. In addition to the payments specified in subparagraphs 1. and 2., for contributions due for wages paid in the third quarter of 2010, one-half of the contributions due must be paid on or before October 31, 2010, and the remaining one-half must be paid on or before December 31, 2010.

4. The annual administrative fee not to exceed \$5 for the election to pay under the installment method shall be collected at the time the employer makes the first installment payment. The \$5 fee shall be segregated from the payment and shall be deposited in the Operating Trust Fund within the Department of Revenue.

5. Interest does not accrue on any contribution that becomes due for wages paid in the first three quarters of 2010 if the employer pays the contribution in accordance with subparagraphs 1.-4. Interest and fees continue to accrue on prior delinquent contributions and commence accruing on all contributions due for wages paid in the first three quarters of 2010 which are not paid in accordance with subparagraphs 1.-3. Penalties may be assessed in accordance with this chapter. The contributions due for wages paid in the fourth quarter of 2010 are not affected by this paragraph and are due and payable in accordance with this chapter.

(e) Payments for 2011 Contributions.—For an annual administrative fee not to exceed \$5, a contributing employer may pay its quarterly contributions due for wages paid in the first three quarters of 2011 in equal installments if those contributions are paid as follows:

1. For contributions due for wages paid in the first quarter of 2011, one-fourth of the contributions due must be paid on or before April 30, 2011, one-fourth must be paid on or before July 31, 2011, one-fourth must be paid on

or before October 31, 2011, and the remaining one-fourth must be paid on or before December 31, 2011.

2. In addition to the payments specified in subparagraph 1., for contributions due for wages paid in the second quarter of 2011, one-third of the contributions due must be paid on or before July 31, 2011, one-third must be paid on or before October 31, 2011, and the remaining one-third must be paid on or before December 31, 2011.

3. In addition to the payments specified in subparagraphs 1. and 2., for contributions due for wages paid in the third quarter of 2011, one-half of the contributions due must be paid on or before October 31, 2011, and the remaining one-half must be paid on or before December 31, 2011.

4. The annual administrative fee not to exceed \$5 for the election to pay under the installment method shall be collected at the time the employer makes the first installment payment. The \$5 fee shall be segregated from the payment and shall be deposited in the Operating Trust Fund within the Department of Revenue.

5. Interest does not accrue on any contribution that becomes due for wages paid in the first three quarters of 2011 if the employer pays the contribution in accordance with subparagraphs 1.-4. Interest and fees continue to accrue on prior delinquent contributions and commence accruing on all contributions due for wages paid in the first three quarters of 2011 which are not paid in accordance with subparagraphs 1.-3. Penalties may be assessed in accordance with this chapter. The contributions due for wages paid in the fourth quarter of 2011 are not affected by this paragraph and are due and payable in accordance with this chapter.

Section 6. For the 2009-2010 fiscal year, the sum of \$903,642 in nonrecurring funds is appropriated from the Operating Trust Fund to the Administration of Unemployment Compensation Tax Special Category in the Department of Revenue to be used to implement this act. In addition, for the 2009-2010 fiscal year, the sum of \$643,862 in nonrecurring funds is appropriated from the Employment Security Administration Trust Fund in the contracted services appropriation category to the Agency for Workforce Innovation to be used to contract with the Department of Revenue for tax-related services as required to implement this act.

Section 7. The Legislature finds that this act fulfills an important state interest.

Section 8. Except as otherwise expressly provided in this act, this act shall take effect upon becoming a law, retroactive to June 29, 2009.

Approved by the Governor March 2, 2010.

Filed in Office Secretary of State March 2, 2010.