

COMMITTEE ON FINANCE

SENATE AMENDMENTS TO H.B. 2619

(Reference to House engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Repeal

3 Section 23-730.01, Arizona Revised Statutes, is repealed.

4 Sec. 2. Title 23, chapter 4, article 5, Arizona Revised Statutes, is
5 amended by adding a new section 23-730.01, to read:

6 23-730.01. Special assessment; unemployment special assessment
7 fund

8 A. EACH EMPLOYER SHALL PAY A SPECIAL ASSESSMENT IN EACH OF CALENDAR
9 YEARS 2011 AND 2012 AT A RATE DETERMINED BY THE DIRECTOR OF THE DEPARTMENT.
10 IF THE AMOUNT OF AN EMPLOYER'S ASSESSMENT IN ANY ONE QUARTER IS LESS THAN TEN
11 DOLLARS, THE ASSESSMENT SHALL BE WAIVED FOR THAT QUARTER.

12 B. THE SPECIAL ASSESSMENT SHALL BE REPORTED IN ACCORDANCE WITH
13 SECTIONS 23-722 AND 23-723 AND COLLECTED IN ACCORDANCE WITH SECTIONS 23-736,
14 23-737, 23-737.01, 23-737.02, 23-738, 23-738.01, 23-739, 23-740, 23-741,
15 23-742, 23-743, 23-744, 23-745, 23-746, 23-746.01, 23-747, 23-748, 23-749,
16 23-752, 23-753, 23-754, 23-755, 23-756 AND 23-757, EXCEPT THAT THE ASSESSMENT
17 FOR TAXABLE WAGES PAID FOR THE FIRST THREE CALENDAR QUARTERS OF TAX YEAR 2011
18 IS PAYABLE WITH THE EMPLOYER'S QUARTERLY STATE UNEMPLOYMENT INSURANCE
19 CONTRIBUTIONS ON OR BEFORE OCTOBER 31, 2011. THE ASSESSMENT FOR ALL OTHER
20 CALENDAR QUARTERS IN TAX YEARS 2011 AND 2012 IS PAYABLE WITH THE EMPLOYER'S
21 QUARTERLY STATE UNEMPLOYMENT INSURANCE CONTRIBUTIONS.

22 C. THE UNEMPLOYMENT SPECIAL ASSESSMENT FUND IS ESTABLISHED AND
23 CONSISTS OF THE MONIES COLLECTED PURSUANT TO THIS SECTION. THE FUND SHALL BE
24 KEPT SEPARATE FROM ALL OTHER MONIES OF THIS STATE. THE DEPARTMENT SHALL
25 ADMINISTER THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED FOR
26 THE PURPOSES PRESCRIBED IN THIS SECTION.

27 D. NOTWITHSTANDING ANY OTHER LAW, IF THIS STATE HAS AN OUTSTANDING
28 LOAN TO PAY UNEMPLOYMENT INSURANCE BENEFITS TO ELIGIBLE CLAIMANTS, FUND
29 MONIES SHALL BE USED TO PAY THE COSTS OF THE LOAN IN THE FOLLOWING MANNER:

1 1. FUND MONIES SHALL FIRST BE USED TO PAY INTEREST CHARGES INCURRED ON
2 THE LOAN. IF THIS STATE IS GRANTED A WAIVER OF INTEREST CHARGES IN EITHER
3 2011 OR 2012, THE AMOUNT OF THE ASSESSMENT SHALL BE REDUCED BY ONE-TENTH OF
4 ONE PER CENT IN EACH CALENDAR YEAR IN WHICH THE INTEREST CHARGE IS WAIVED.

5 2. FUND MONIES SHALL THEN BE USED TO RETIRE THE LOAN PRINCIPAL ON OR
6 BEFORE NOVEMBER 10, 2012.

7 E. IF THE DEPARTMENT DETERMINES THAT THE FUND MONIES WILL NOT BE
8 SUFFICIENT TO PAY THE INTEREST CHARGES AND RETIRE THE PRINCIPAL ON OR BEFORE
9 NOVEMBER 10, 2012, THE DEPARTMENT MAY INCREASE THE ASSESSMENT FOR 2012 AT A
10 RATE DETERMINED BY THE DIRECTOR OF THE DEPARTMENT.

11 F. ANY MONIES REMAINING IN THE FUND AFTER PAYMENT OF ALL PRINCIPAL AND
12 INTEREST ON THE LOAN, INCLUDING DELINQUENT AMOUNTS COLLECTED AFTER THIS
13 PAYMENT, SHALL BE TRANSFERRED TO THE UNEMPLOYMENT COMPENSATION FUND
14 ESTABLISHED BY SECTION 23-701.

15 Sec. 3. Intent

16 Legislative action is necessary to meet federally imposed unemployment
17 insurance trust fund obligations and prevent a federal tax increase on
18 employers in this state. It is the intent of the legislature that the rate
19 determined by the director shall not exceed:

20 1. For calendar year 2011, four-tenths of one per cent of the taxable
21 wages paid for the tax year.

22 2. For calendar year 2012, six-tenths of one per cent of the taxable
23 wages paid for the tax year.

24 3. For any increase in the assessment for calendar year 2012 pursuant
25 to section 23-730.01, subsection E, Arizona Revised Statutes, as added by
26 this act, two-tenths of one per cent of the taxable wages paid for the tax
27 year.

1 Sec. 4. Delayed repeal
2 Section 23-730.01, Arizona Revised Statutes, as added by this act, is
3 repealed from and after December 31, 2012."
4 Amend title to conform

3/24/11
12:41 PM
S: tb