

Bill No. CS for SB 2302

Amendment No.      Barcode 153974

	CHAMBER ACTION	
<u>Senate</u>		<u>House</u>

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11 Senator Pruitt moved the following amendment:

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13 **Senate Amendment (with title amendment)**

14 On page 117, line 1,

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16 insert:

17 Section 51. Subsection (1) and paragraph (e) of

18 subsection (3) of section 443.131, Florida Statutes, are

19 amended to read:

20 443.131 Contributions.--

21 (1) WHEN PAYABLE.--Contributions shall accrue and

22 become payable by each employer for each calendar quarter in

23 which he or she is subject to this chapter, with respect to

24 wages paid during such calendar quarter for employment. Such

25 contributions shall become due and be paid by each employer to

26 the Agency for Workforce Innovation or its designee ~~division~~

27 for the fund, in accordance with such rules as the Agency for

28 Workforce Innovation or its designee ~~division~~ may prescribe.

29 However, nothing in this subsection shall be construed to

30 prohibit the Agency for Workforce Innovation or its designee

31 ~~division~~ from allowing, ~~on a limited basis,~~ at the request of

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1 the employer, ~~certain~~ employers of employees performing  
2 domestic services, as defined in s. 443.036(21)(g) ~~and by rule~~  
3 ~~of the division~~, to pay contributions or report wages at  
4 intervals other than quarterly when such payment or reporting  
5 is to the advantage of the Agency for Workforce Innovation or  
6 its designee division and the employers, and when such  
7 nonquarterly payment and reporting is authorized under federal  
8 law. This provision gives employers of employees performing  
9 domestic services the option to elect to report wages and pay  
10 taxes annually, with a due date of January April 1 and a  
11 delinquency date of February 1 April 30. In order to qualify  
12 for this election, the employer must employ have only  
13 employees who perform domestic services employees, be eligible  
14 for a variation from the standard rate as computed pursuant to  
15 subsection (3) in good standing, apply to this program no  
16 later than December 1 30 of the preceding calendar year, and  
17 agree to provide the Agency for Workforce Innovation or its  
18 designee division with any special reports which might be  
19 requested, as required by rule 60BB-2.025(5) 38B-2.025(5),  
20 including copies of all federal employment tax forms. Failure  
21 to timely furnish any wage information when required by the  
22 Agency for Workforce Innovation or its designee shall may  
23 result in the employer's loss of the privilege to elect  
24 participation in this program, effective the calendar quarter  
25 immediately following the calendar quarter in which such  
26 failure occurred. The employer is eligible to reapply for  
27 annual reporting after 1 complete calendar year has elapsed  
28 since the employer's disqualification if the employer timely  
29 furnished any requested wage information during the period in  
30 which annual reporting was denied. Contributions shall not be  
31 deducted, in whole or in part, from the wages of individuals

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1 in such employer's employ. In the payment of any  
2 contributions, a fractional part of a cent shall be  
3 disregarded unless it amounts to one-half cent or more, in  
4 which case it shall be increased to 1 cent.

5 (3) CONTRIBUTION RATES BASED ON BENEFIT EXPERIENCE.--

6 (e)1. Variations from the standard rate of  
7 contributions shall be assigned with respect to each calendar  
8 year to employers eligible therefor. In determining the  
9 contribution rate, varying from the standard rate to be  
10 assigned each employer, adjustment factors provided for in  
11 sub-subparagraphs a.-c. will be added to the benefit ratio.  
12 This addition will be accomplished in two steps by adding a  
13 variable adjustment factor and a final adjustment factor as  
14 defined below. The sum of these adjustment factors provided  
15 for in sub-subparagraphs a.-c. will first be algebraically  
16 summed. The sum of these adjustment factors will then be  
17 divided by a gross benefit ratio to be determined as follows:  
18 Total benefit payments for the previous 3 years, as defined in  
19 subparagraph (b)1., charged to employers eligible to be  
20 assigned a contribution rate different from the standard rate  
21 minus excess payments for the same period divided by taxable  
22 payroll entering into the computation of individual benefit  
23 ratios for the calendar year for which the contribution rate  
24 is being computed. The ratio of the sum of the adjustment  
25 factors provided for in sub-subparagraphs a.-c. to the gross  
26 benefit ratio will be multiplied by each individual benefit  
27 ratio below the maximum tax rate to obtain variable adjustment  
28 factors; except that in any instance in which the sum of an  
29 employer's individual benefit ratio and variable adjustment  
30 factor exceeds the maximum tax rate, the variable adjustment  
31 factor will be reduced so that the sum equals the maximum tax

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1 rate. The variable adjustment factor of each such employer  
2 will be multiplied by his or her taxable payroll entering into  
3 the computation of his or her benefit ratio. The sum of these  
4 products will be divided by the taxable payroll of such  
5 employers that entered into the computation of their benefit  
6 ratios. The resulting ratio will be subtracted from the sum of  
7 the adjustment factors provided for in sub-subparagraphs a.-c.  
8 to obtain the final adjustment factor. The variable adjustment  
9 factors and the final adjustment factor will be computed to  
10 five decimal places and rounded to the fourth decimal place.  
11 This final adjustment factor will be added to the variable  
12 adjustment factor and benefit ratio of each employer to obtain  
13 each employer's contribution rate; however, at no time shall  
14 an employer's contribution rate be rounded to less than 0.1  
15 percent.

16 a. An adjustment factor for noncharge benefits will be  
17 computed to the fifth decimal place, and rounded to the fourth  
18 decimal place, by dividing the amount of benefit payments  
19 noncharged in the 3 preceding years as defined in subparagraph  
20 (b)1. by the taxable payroll of employers eligible to be  
21 considered for assignment of a contribution rate different  
22 from the standard rate that have a benefit ratio for the  
23 current year less than the maximum contribution rate. The  
24 taxable payroll of such employers will be the taxable payrolls  
25 for the 3 years ending June 30 of the current calendar year  
26 that had been reported to the division by September 30 of the  
27 same calendar year. Noncharge benefits for the purpose of this  
28 section shall be defined as benefit payments to an individual  
29 which were paid from the Unemployment Compensation Trust Fund  
30 but which were not charged to the unemployment record of any  
31 employer.

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1           b. An excess payments adjustment factor will be  
2 computed to the fifth decimal place, and rounded to the fourth  
3 decimal place, by dividing the total excess payments during  
4 the 3 preceding years as defined in subparagraph (b)1. by the  
5 taxable payroll of employers eligible to be considered for  
6 assignment of a contribution rate different from the standard  
7 rate that have a benefit ratio for the current year less than  
8 the maximum contribution rate. The taxable payroll of such  
9 employers will be the same as used in computing the noncharge  
10 adjustment factor as described in sub-subparagraph a. The term  
11 "excess payments" for the purpose of this section is defined  
12 as the amount of benefit payments charged to the employment  
13 record of an employer during the 3 preceding years, as defined  
14 in subparagraph (b)1., less the product of the maximum  
15 contribution rate and his or her taxable payroll for the 3  
16 years ending June 30 of the current calendar year that had  
17 been reported to the division by September 30 of the same  
18 calendar year. The term "total excess payments" is defined as  
19 the sum of the individual employer excess payments for those  
20 employers that were eligible to be considered for assignment  
21 of a contribution rate different from the standard rate.

22           c. If the balance in the Unemployment Compensation  
23 Trust Fund as of June 30 of the calendar year immediately  
24 preceding the calendar year for which the contribution rate is  
25 being computed is less than 3.7 ~~4~~ percent of the taxable  
26 payrolls for the year ending June 30 as reported to the  
27 division by September 30 of that calendar year, a positive  
28 adjustment factor will be computed. Such adjustment factor  
29 shall be computed annually to the fifth decimal place, and  
30 rounded to the fourth decimal place, by dividing the sum of  
31 the total taxable payrolls for the year ending June 30 of the

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1 current calendar year as reported to the division by September  
2 30 of such calendar year into a sum equal to one-fourth of the  
3 difference between the amount in the fund as of June 30 of  
4 such calendar year and the sum of 4.7 5 percent of the total  
5 taxable payrolls for that year. Such adjustment factor will  
6 remain in effect in subsequent years until a balance in the  
7 Unemployment Compensation Trust Fund as of June 30 of the year  
8 immediately preceding the effective date of such contribution  
9 rate equals or exceeds 3.7 4 percent of the taxable payrolls  
10 for the year ending June 30 of the current calendar year as  
11 reported to the division by September 30 of that calendar  
12 year. If the balance in the Unemployment Compensation Trust  
13 Fund as of June 30 of the year immediately preceding the  
14 calendar year for which the contribution rate is being  
15 computed exceeds 4.7 5 percent of the taxable payrolls for the  
16 year ending June 30 of the current calendar year as reported  
17 to the division by September 30 of that calendar year, a  
18 negative adjustment factor will be computed. Such adjustment  
19 factor shall be computed annually to the fifth decimal place,  
20 and rounded to the fourth decimal place, by dividing the sum  
21 of the total taxable payrolls for the year ending June 30 of  
22 the current calendar year as reported to the division by  
23 September 30 of such calendar year into a sum equal to  
24 one-fourth of the difference between the amount in the fund as  
25 of June 30 of the current calendar year and 4.7 5 percent of  
26 the total taxable payrolls of such year. Such adjustment  
27 factor will remain in effect in subsequent years until the  
28 balance in the Unemployment Compensation Trust Fund as of June  
29 30 of the year immediately preceding the effective date of  
30 such contribution rate is less than 4.7 5 percent but more  
31 than 3.7 4 percent of the taxable payrolls for the year ending

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1 June 30 of the current calendar year as reported to the  
2 division by September 30 of that calendar year.

3 d. The maximum contribution rate that can be assigned  
4 to any employer shall be 5.4 percent, except those employers  
5 participating in an approved short-time compensation plan in  
6 which case the maximum shall be 1 percent above the current  
7 maximum contribution rate, with respect to any calendar year  
8 in which short-time compensation benefits are in the  
9 employer's employment record.

10 2. In the event of the transfer of employment records  
11 to an employing unit pursuant to paragraph (g) which, prior to  
12 such transfer, was an employer, the division shall recompute a  
13 benefit ratio for the successor employer on the basis of the  
14 combined employment records and reassign an appropriate  
15 contribution rate to such successor employer as of the  
16 beginning of the calendar quarter immediately following the  
17 effective date of such transfer of employment records.

18  
19 (Redesignate subsequent sections.)

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22 ===== T I T L E A M E N D M E N T =====

23 And the title is amended as follows:

24 On page 5, line 20, after the semicolon

25  
26 insert:

27 amending s. 443.131, F.S.; providing for  
28 payment of employer contributions to the Agency  
29 for Workforce Innovation instead of the  
30 Division of Unemployment Compensation of the  
31 Department of Labor and Employment Security;

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revising procedures and requirements for such  
payments by employers of employees providing  
domestic services; reducing trust fund balance  
thresholds used in computing contribution rate  
adjustment factors;