

[Understanding UI Reform in 2010](#)

In May 2010 the Unemployment Insurance Program underwent significant changes to return the Unemployment Trust Fund to solvency. The changes passed by legislation avoided increased costs to the state (repayment of interest) and employers (loss of FUTA credits).

- Among the changes enacted:
- Increased penalties for late reports
- Increased the general penalty
- Created a penalty for up to \$5,000 for misclassifying workers
- Required a seller of a business to disclose their experience rating to a potential successor (buyer).
- Employers must file reports for a New Hire within 10 days of the first date of employment; and
- Employers must report the first date of employment, which is now defined to be “the first date services are performed for compensation.”

The following resources will assist you in better understanding the changes enacted by that legislation.

[Reform 2010 Benefit Impact \[PDF\]](#) details - includes information on:

- **Duration of benefits**
- **Misconduct changes** - definitions and examples
- **Severance pay** - will be disqualifying
- **Waiting period** - how it will work
- **Working part-time** - changes and examples

[Reform 2010 Employer Impact \[PDF\]](#) details - includes information on:

- **Misconduct changes** - definitions and examples
- **New Hire reporting** - due within 10 days of hire
- **Penalties** - new and increased penalties related to late reports, misclassification, or non-response to separation requests
- **Selling Business** - must disclose experience rating
- **Taxable wage base** - changes

[Reform 2010 - Snap shot of bills \[PDF\]](#)

[Trust Fund Projections \(model\) \[PDF\]](#)

[UI 2010 Misclassification \[PDF\]](#)