

35A-4-506 Special Administrative Expense Account.

- (1) There is created a restricted account within the General Fund known as the "Special Administrative Expense Account."
- (2)
 - (a) Subject to Subsection (7), interest and penalties collected under this chapter, less refunds made under Subsection 35A-4-306(5), shall be paid into the restricted account from the clearing account of the restricted account at the end of each calendar month.
 - (b) A contribution to the restricted account and any other money received for that purpose shall be paid into the restricted account.
 - (c) The money in the restricted account may not be expended in any manner that would permit its substitution for, or a corresponding reduction in, federal funds that would in the absence of the money be available to finance expenditures for the administration of this chapter.
- (3) Nothing in this section shall prevent the money from being used as a revolving fund to cover expenditures, necessary and proper under this chapter, for which federal funds have been duly requested but not yet received subject to the charging of those expenditures against the funds when received.
- (4) Subject to Subsections (6) and (7), money in the restricted account shall be deposited, administered, and dispersed in accordance with the directions of the Legislature.
- (5) Subject to Subsection (6), money in the restricted account is made available to replace, within a reasonable time, any money received by this state under Section 302 of the Social Security Act, 42 U.S.C. Sec. 502, as amended, that because of any action of contingency has been lost or has been expended for purposes other than or in amounts in excess of those necessary for the proper administration of this chapter.
- (6) If money in the restricted account is used for a purpose unrelated to the administration of the unemployment compensation program as described in Subsection 303(a)(8) of the Social Security Act, 42 U.S.C. Sec. 503(a)(8), as amended, the division shall develop and follow a cost allocation plan in compliance with United States Department of Labor regulations, including the cost principles described in 29 C.F.R. 97.22(b) and 2 C.F.R. Part 225.
- (7) Beginning October 1, 2013, 15% of a civil penalty for fraud collected under Subsection 35A-4-405(5)(c)(i) shall be deposited into the Unemployment Compensation Fund, described in Section 35A-4-501, in compliance with Subsection 303(a)(11) of the Social Security Act, 42 U.S.C. Sec. 503(a)(8), as amended.
- (8) Money in the restricted account shall be available to the division for expenditure in accordance with this section.
- (9) The state treasurer shall pay all warrants drawn upon it by the division or its duly authorized agent in accordance with rules made by the department.
- (10)
 - (a) The state treasurer is liable on the state treasurer's official bond for the faithful performance of the treasurer's duties in connection with the Special Administrative Expense Account described in this chapter.
 - (b) Liability on the official bond exists in addition to any liability upon any separate bond that exists on the effective date of this provision or that may be given in the future.
 - (c) Any money recovered on any surety bond losses sustained by the Special Administrative Expense Account shall be deposited in the restricted account or in the General Fund if directed by the Legislature.

Amended by Chapter 315, 2013 General Session