



March 2, 2021

The Honorable Ron DeSantis
Governor, State of Florida
PL 05 Capitol
400 South Monroe Street
Tallahassee, FL 32399-0001

RE: \$713 million unemployment compensation tax increase on Florida employers

Dear Governor DeSantis, President Simpson, and Speaker Sprowls:

On behalf of our members and other businesses across the state, the undersigned are writing you today to respectfully ask for relief from a significant tax increase being borne by Florida job creators due to the global pandemic.

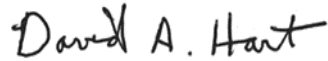
Florida's employers solely fund the unemployment compensation trust fund, which is funded through a tax based on each employer's payroll records and employment records. COVID-19 was a non-chargeable event by statute to individual employment records, and rightfully so. Businesses were forced to be shut down or restrict capacity due to government orders, which forced massive layoffs across the state. However, businesses in Florida are now faced with a \$713 million tax increase as a result of those pandemic-imposed shutdowns and the subsequent economic downturn and layoffs.

This is due to socialized costs in the reemployment assistance system that include non-charged benefits and the need to replenish the trust fund. The non-charged benefits that were not charged to any individual employer are being charged across the entire unemployment compensation system. This \$713 million tax increase, however, is happening at a time that employers are still struggling to keep employees paid or bring employees back to work. It is in the best interest of businesses, employees, and Florida's economy that we find ways to reduce this tax burden and work toward recovering to pre-pandemic levels.

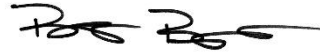
During this legislative session, the undersigned urges you to act within your legislative or executive authority to find ways to relieve this burden on Florida's job creators. We stand willing to assist in this matter and offer our membership and expertise in examining solutions that would reduce the burden of reemployment assistance taxes on employers while still providing benefits to those who lost their jobs through no fault of their own.

Like you, we believe the best way to relieve pressure on the unemployment system and relaunch our economy is to get people back to work. Offering relief from this \$713 million tax increase will go a long way in doing that.

Best,



David A. Hart
Executive VP of Government & Political Relations
Florida Chamber of Commerce



Brewster Bevis
Senior VP of State and Federal Affairs
Associated Industries of Florida



Samantha H. Padgett
General Counsel
Florida Restaurant and Lodging Association



Ken Armstrong
President/CEO
Florida Trucking Association



Bill Herrle
Executive Director Florida
NFIB



R. Scott Shalley
President/CEO
Florida Retail Federation



Karen Phillips
General Counsel
Florida United Business Association

CC: The Honorable Kelli Stargel, Chair, Senate Appropriations Committee
The Honorable Jay Trumbull, Chair, House Appropriations Committee
The Honorable Blaise Ingoglia, Chair, House Commerce Committee
The Honorable Ed Hooper, Chair, Senate Commerce & Tourism Committee
The Honorable Ana Maria Rodriguez, Chair, Senate Finance & Tax Committee
The Honorable Bobby Payne, Chair, House Ways and Means Committee