

HOUSE BILL NO. 704  
INTRODUCED BY WANZENRIED

IN THE HOUSE

FEBRUARY 8, 1991                   INTRODUCED AND REFERRED TO COMMITTEE  
ON APPROPRIATIONS.

FEBRUARY 9, 1991                   FIRST READING.

MARCH 25, 1991                   COMMITTEE RECOMMEND BILL  
DO PASS AS AMENDED. REPORT ADOPTED.

MARCH 26, 1991                   PRINTING REPORT.

MARCH 27, 1991                   SECOND READING, DO PASS.

MARCH 28, 1991                   ENGROSSING REPORT.

                                  THIRD READING, PASSED.  
                                  AYES, 74; NOES, 24.

                                  TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 28, 1991                   INTRODUCED AND REFERRED TO COMMITTEE  
ON FINANCE & CLAIMS.

                                  FIRST READING.

APRIL 12, 1991                   COMMITTEE RECOMMEND BILL BE  
CONCURRED IN AS AMENDED. REPORT  
ADOPTED.

APRIL 13, 1991                   SECOND READING, CONCURRED IN AS  
AMENDED.

APRIL 15, 1991                   THIRD READING, CONCURRED IN.  
AYES, 36; NOES, 13.

                                  RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 17, 1991                   RECEIVED FROM SENATE.

                                  SECOND READING, AMENDMENTS  
CONCURRED IN.

APRIL 18, 1991

THIRD READING, AMENDMENTS  
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 704  
 2 INTRODUCED BY Montana

3  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY  
 5 FROM THE FEDERAL SPECIAL REVENUE FUND IN FISCAL YEARS 1992  
 6 AND 1993 TO THE DEPARTMENT OF LABOR AND INDUSTRY TO FUND  
 7 APPRENTICESHIP INSTRUCTION PROGRAMS; AMENDING SECTION  
 8 39-51-1301, MCA, AND SECTION 1, CHAPTER 600, LAWS OF 1989;  
 9 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

10  
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 NEW SECTION. **Section 1.** Appropriation. The following  
 13 money is appropriated from the federal special revenue fund  
 14 established in 39-51-1301 to the department of labor and  
 15 industry to fund apprenticeship instruction programs  
 16 pursuant to 39-6-103:

17	Fiscal year 1992	\$120,000
18	Fiscal year 1993	\$120,000

19 **Section 2.** Section 39-51-1301, MCA, is amended to read:

20 "39-51-1301. ~~(Temporary)~~--Penalty and interest on  
 21 past-due contributions. (1) Contributions unpaid on the date  
 22 on which they are due and payable, as provided by  
 23 subsections (1) and (2) of 39-51-1103 and 39-51-1125, that  
 24 are paid by the end of the month following the due date  
 25 shall be subject to a penalty assessment of \$10 or 10% of

1 the contribution due, whichever is greater. If the  
 2 contributions are not paid by the end of the month following  
 3 the due date, the employer shall be subject to a penalty  
 4 assessment of \$15 or 15% of the contributions due, whichever  
 5 is greater. All past-due contributions shall bear interest  
 6 at the rate of 18% a year, to be prorated on a daily basis.

7 (2) A penalty of \$40 shall be assessed whenever, as the  
 8 result of a willful refusal of an employer to furnish wage  
 9 information or pay contributions on time, the department  
 10 issues a subpoena to obtain wage information or makes a  
 11 summary or jeopardy assessment pursuant to 39-51-1302.

12 (3) There is an account in the federal special revenue  
 13 fund. Penalties and interest collected under this section  
 14 must be deposited in that account. Money deposited in that  
 15 account and appropriated to the department must be used by  
 16 the department to administer this chapter and for programs  
 17 ~~to train and retrain unemployed and underemployed persons to~~  
 18 ~~fund apprenticeship instruction programs pursuant to~~  
 19 ~~39-6-103.~~ Money in the account not appropriated for these  
 20 purposes must be transferred by the department to the  
 21 unemployment insurance trust fund at the end of each fiscal  
 22 year.

23 (4) When failure to pay contributions on time was not  
 24 caused by willful intent of the employer, the department may  
 25 abate the penalty and interest.

1 (5) All money accruing to the unemployment insurance  
 2 trust fund from interest and penalties collected on past-due  
 3 contributions must be used solely for the payment of  
 4 unemployment insurance benefits and may not be used for any  
 5 other purpose. ~~Terminates July 17, 1991 -- sec 17 Ch 600, B~~  
 6 ~~1989.~~

7 39-51-1301. (Effective July 1, 1991) Penalty and  
 8 interest on past-due contributions. (1) Contributions unpaid  
 9 on the date on which they are due and payable, as provided  
 10 by subsections (1) and (2) of 39-51-1103 and 39-51-1125,  
 11 that are paid by the end of the month following the due date  
 12 shall be subject to a penalty assessment of \$10 or 10% of  
 13 the contribution due, whichever is greater. If the  
 14 contributions are not paid by the end of the month following  
 15 the due date, the employer shall be subject to a penalty  
 16 assessment of \$15 or 15% of the contributions due, whichever  
 17 is greater. All past-due contributions shall bear interest  
 18 at the rate of 18% a year, to be prorated on a daily basis.

19 (2) A penalty of \$40 shall be assessed whenever, as the  
 20 result of a willful refusal of an employer to furnish wage  
 21 information or pay contributions on time, the department  
 22 issues a subpoena to obtain wage information or makes a  
 23 summary or jeopardy assessment pursuant to 39-51-1302.

24 (3) Interest and penalties collected pursuant to this  
 25 section shall be paid into the unemployment insurance trust

1 fund.

2 (4) When failure to pay contributions on time was not  
 3 caused by willful intent of the employer, the department may  
 4 abate the penalty and interest.

5 (5) All money accruing to the unemployment insurance  
 6 trust fund from interest and penalties collected on past-due  
 7 contributions must be used solely for the payment of  
 8 unemployment insurance benefits and may not be used for any  
 9 other purpose."

10 **Section 3.** Section 1, Chapter 600, Laws of 1989, is  
 11 amended to read:

12 "Section 1. Section 3, Chapter 13, Special Laws of June  
 13 1986, is amended to read:

14 "Section 3. Effective date ~~---~~termination-date. This  
 15 act is effective on passage and approval ~~and-terminates-July~~  
 16 ~~17-1991."~~

17 NEW SECTION. **Section 4.** Effective date. [This act] is  
 18 effective on passage and approval.

--End--

APPROVED BY COMMITTEE  
ON APPROPRIATIONS

HOUSE BILL NO. 704  
INTRODUCED BY WANZENRIED

1 HOUSE BILL NO. 704  
2 INTRODUCED BY WANZENRIED  
3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY  
5 FROM THE FEDERAL SPECIAL REVENUE FUND IN FISCAL YEARS 1992  
6 AND 1993 TO THE DEPARTMENT OF LABOR AND INDUSTRY TO FUND  
7 APPRENTICESHIP INSTRUCTION PROGRAMS AND DETECTION AND  
8 COLLECTION OF UNPAID CONTRIBUTIONS; AMENDING SECTION  
9 39-51-1301, MCA, AND SECTION 1, CHAPTER 600, LAWS OF 1989;  
10 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

11  
12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 NEW SECTION. Section 1. Appropriation. (1) The  
14 following money is appropriated from the federal special  
15 revenue fund established in 39-51-1301 to the department of  
16 labor and industry to fund apprenticeship instruction  
17 programs pursuant to 39-6-103:

18	Fiscal year 1992	<del>\$120,000</del> \$110,000
19	Fiscal year 1993	<del>\$120,000</del> \$110,000

20 (2) REVENUE IN EXCESS OF THE AMOUNT APPROPRIATED FOR  
21 APPRENTICESHIP INSTRUCTION PROGRAMS IS APPROPRIATED FOR USE  
22 BY THE DEPARTMENT TO DETECT AND COLLECT UNPAID CONTRIBUTIONS  
23 AND OVERPAYMENTS OF BENEFITS TO THE EXTENT THAT FEDERAL  
24 GRANT REVENUES ARE INADEQUATE FOR THE DEPARTMENT'S  
25 COLLECTION EFFORTS.

1 **Section 2.** Section 39-51-1301, MCA, is amended to read:

2 ~~"39-51-1301. (Temporary)---Penalty and interest on~~  
3 ~~past-due contributions. (1) Contributions unpaid on the date~~  
4 ~~on which they are due and payable, as provided by~~  
5 ~~subsections (1) and (2) of 39-51-1103 and 39-51-1125, that~~  
6 ~~are paid by the end of the month following the due date~~  
7 ~~shall be subject to a penalty assessment of \$10 or 10% of~~  
8 ~~the contribution due, whichever is greater. If the~~  
9 ~~contributions are not paid by the end of the month following~~  
10 ~~the due date, the employer shall be subject to a penalty~~  
11 ~~assessment of \$15 or 15% of the contributions due, whichever~~  
12 ~~is greater. All past-due contributions shall bear interest~~  
13 ~~at the rate of 18% a year, to be prorated on a daily basis.~~

14 (2) A penalty of \$40 shall be assessed whenever, as the  
15 result of a willful refusal of an employer to furnish wage  
16 information or pay contributions on time, the department  
17 issues a subpoena to obtain wage information or makes a  
18 summary or jeopardy assessment pursuant to 39-51-1302.

19 (3) There is an account in the federal special revenue  
20 fund. Penalties and interest collected under this section  
21 must be deposited in that account. Money deposited in that  
22 account and appropriated to the department must be used by  
23 the department to administer this chapter and, for programs  
24 to-train-and-retrain-unemployed-and-underemployed-persons to  
25 fund apprenticeship instruction programs pursuant to

1 39-6-103, AND TO DETECT AND COLLECT UNPAID CONTRIBUTIONS AND  
 2 OVERPAYMENTS OF BENEFITS. Money in the account not  
 3 appropriated for these purposes must be transferred by the  
 4 department to the unemployment insurance trust fund at the  
 5 end of each fiscal year.

6 (4) When failure to pay contributions on time was not  
 7 caused by willful intent of the employer, the department may  
 8 abate the penalty and interest.

9 (5) All money accruing to the unemployment insurance  
 10 trust fund from interest and penalties collected on past-due  
 11 contributions must be used solely for the payment of  
 12 unemployment insurance benefits and may not be used for any  
 13 other purpose. ~~(Terminates July 17, 1991--sec 17-Chr-600, L~~  
 14 ~~1989--)~~

15 39-51-1301. (Effective July 1, 1991) Penalty and  
 16 interest on past-due contributions. (1) Contributions unpaid  
 17 on the date on which they are due and payable, as provided  
 18 by subsections (1) and (2) of 39-51-1103 and 39-51-1125,  
 19 that are paid by the end of the month following the due date  
 20 shall be subject to a penalty assessment of \$10 or 10% of  
 21 the contribution due, whichever is greater. If the  
 22 contributions are not paid by the end of the month following  
 23 the due date, the employer shall be subject to a penalty  
 24 assessment of \$15 or 15% of the contributions due, whichever  
 25 is greater. All past-due contributions shall bear interest

1 at the rate of 18% a year, to be prorated on a daily basis.

2 (2) A penalty of \$40 shall be assessed whenever, as the  
 3 result of a willful refusal of an employer to furnish wage  
 4 information or pay contributions on time, the department  
 5 issues a subpoena to obtain wage information or makes a  
 6 summary or jeopardy assessment pursuant to 39-51-1302.

7 (3) Interest and penalties collected pursuant to this  
 8 section shall be paid into the unemployment insurance trust  
 9 fund.

10 (4) When failure to pay contributions on time was not  
 11 caused by willful intent of the employer, the department may  
 12 abate the penalty and interest.

13 (5) All money accruing to the unemployment insurance  
 14 trust fund from interest and penalties collected on past-due  
 15 contributions must be used solely for the payment of  
 16 unemployment insurance benefits and may not be used for any  
 17 other purpose."

18 **Section 3.** Section 1, Chapter 600, Laws of 1989, is  
 19 amended to read:

20 "Section 1. Section 3, Chapter 13, Special Laws of June  
 21 1986, is amended to read:

22 "Section 3. Effective date ---termination---date. This  
 23 act is effective on passage and approval ~~and-terminates-July~~  
 24 ~~17-1991."~~

25 NEW SECTION. **Section 4.** Effective date. [This act] is

HB 0704/02

1 effective on passage and approval.

-End-

## HOUSE BILL NO. 704

INTRODUCED BY WANZENRIED

A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY FROM THE FEDERAL SPECIAL REVENUE FUND IN FISCAL YEARS 1992 AND 1993 TO THE DEPARTMENT OF LABOR AND INDUSTRY TO FUND APPRENTICESHIP INSTRUCTION PROGRAMS AND DETECTION AND COLLECTION OF UNPAID CONTRIBUTIONS; AMENDING SECTION 39-51-1301, MCA, AND SECTION 1, CHAPTER 600, LAWS OF 1989; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Appropriation. (1) The following money is appropriated from the federal special revenue fund established in 39-51-1301 to the department of labor and industry to fund apprenticeship instruction programs pursuant to 39-6-103:

Fiscal year 1992	\$ <del>120,000</del> \$110,000
------------------	---------------------------------

Fiscal year 1993	\$ <del>120,000</del> \$110,000
------------------	---------------------------------

(2) REVENUE IN EXCESS OF THE AMOUNT APPROPRIATED FOR APPRENTICESHIP INSTRUCTION PROGRAMS IS APPROPRIATED FOR USE BY THE DEPARTMENT TO DETECT AND COLLECT UNPAID CONTRIBUTIONS AND OVERPAYMENTS OF BENEFITS TO THE EXTENT THAT FEDERAL GRANT REVENUES ARE INADEQUATE FOR THE DEPARTMENT'S COLLECTION EFFORTS.

**Section 2.** Section 39-51-1301, MCA, is amended to read:

"39-51-1301. ~~(Temporary)~~---Penalty and interest on past-due contributions. (1) Contributions unpaid on the date on which they are due and payable, as provided by subsections (1) and (2) of 39-51-1103 and 39-51-1125, that are paid by the end of the month following the due date shall be subject to a penalty assessment of \$10 or 10% of the contribution due, whichever is greater. If the contributions are not paid by the end of the month following the due date, the employer shall be subject to a penalty assessment of \$15 or 15% of the contributions due, whichever is greater. All past-due contributions shall bear interest at the rate of 18% a year, to be prorated on a daily basis.

(2) A penalty of \$40 shall be assessed whenever, as the result of a willful refusal of an employer to furnish wage information or pay contributions on time, the department issues a subpoena to obtain wage information or makes a summary or jeopardy assessment pursuant to 39-51-1302.

(3) There is an account in the federal special revenue fund. Penalties and interest collected under this section must be deposited in that account. Money deposited in that account and appropriated to the department must be used by the department to administer this chapter and, for programs to-train-and-retrain-unemployed-and-underemployed-persons to fund apprenticeship instruction programs pursuant to



1 39-6-103, AND TO DETECT AND COLLECT UNPAID CONTRIBUTIONS AND  
 2 OVERPAYMENTS OF BENEFITS. Money in the account not  
 3 appropriated for these purposes must be transferred by the  
 4 department to the unemployment insurance trust fund at the  
 5 end of each fiscal year.

6 (4) When failure to pay contributions on time was not  
 7 caused by willful intent of the employer, the department may  
 8 abate the penalty and interest.

9 (5) All money accruing to the unemployment insurance  
 10 trust fund from interest and penalties collected on past-due  
 11 contributions must be used solely for the payment of  
 12 unemployment insurance benefits and may not be used for any  
 13 other purpose. ~~(Terminates July 1, 1991--sec--1, Ch--600, L--~~  
 14 ~~1989--)~~

15 39-51-1301. (Effective July 1, 1991) Penalty and  
 16 interest on past-due contributions. (1) Contributions unpaid  
 17 on the date on which they are due and payable, as provided  
 18 by subsections (1) and (2) of 39-51-1103 and 39-51-1125,  
 19 that are paid by the end of the month following the due date  
 20 shall be subject to a penalty assessment of \$10 or 10% of  
 21 the contribution due, whichever is greater. If the  
 22 contributions are not paid by the end of the month following  
 23 the due date, the employer shall be subject to a penalty  
 24 assessment of \$15 or 15% of the contributions due, whichever  
 25 is greater. All past-due contributions shall bear interest

1 at the rate of 18% a year, to be prorated on a daily basis.

2 (2) A penalty of \$40 shall be assessed whenever, as the  
 3 result of a willful refusal of an employer to furnish wage  
 4 information or pay contributions on time, the department  
 5 issues a subpoena to obtain wage information or makes a  
 6 summary or jeopardy assessment pursuant to 39-51-1302.

7 (3) Interest and penalties collected pursuant to this  
 8 section shall be paid into the unemployment insurance trust  
 9 fund.

10 (4) When failure to pay contributions on time was not  
 11 caused by willful intent of the employer, the department may  
 12 abate the penalty and interest.

13 (5) All money accruing to the unemployment insurance  
 14 trust fund from interest and penalties collected on past-due  
 15 contributions must be used solely for the payment of  
 16 unemployment insurance benefits and may not be used for any  
 17 other purpose."

18 **Section 3.** Section 1, Chapter 600, Laws of 1989, is  
 19 amended to read:

20 "Section 1. Section 3, Chapter 13, Special Laws of June  
 21 1986, is amended to read:

22 "Section 3. Effective date ----termination--date. This  
 23 act is effective on passage and approval and-terminates-July  
 24 17-1991."

25 **NEW SECTION. Section 4.** Effective date. [This act] is

HB 0704/02

1 effective on passage and approval.

-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
April 12, 1991

MR. PRESIDENT:

We, your committee on Finance and Claims having had under consideration House Bill No. 704 (third reading copy -- blue), respectfully report that House Bill No. 704 be amended and as so amended be concurred in:

1. Title 1, line 7.

Following: "PROGRAMS"

Strike: "AND DETECTION AND COLLECTION OF UNPAID CONTRIBUTIONS"

2. Page 1, lines 13 through 25.

Following: "Appropriation."

Strike: remainder of line 13 through line 25 in their entirety

Insert: "Fifty percent of revenue in the account established in 39-51-1301, up to a maximum of \$110,000 in each fiscal year 1992 and 1993, is appropriated to the department of labor and industry to fund apprenticeship instruction programs pursuant to Title 39, chapter 6, part 1."

3. Page 2, line 22.

Following: "department"

Strike: "must"

Insert: "may only"

4. Page 3, line 2.

Following: "BENEFITS"

Insert: "to the extent that federal grant revenue is less than amounts appropriated for this purpose"

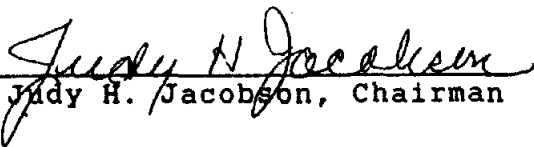
5. Page 3, line 5.

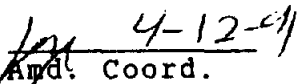
Following: "each"

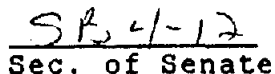
Strike: "fiscal year"

Insert: "biennium"

Signed:

  
Judy H. Jacobson, Chairman

  
4-12-91  
And. Coord.

  
SP 4-12  
Sec. of Senate

SENATE  
HB 704

SENATE COMMITTEE OF THE WHOLE AMENDMENT

April 13, 1991 11:10 am

Mr. Chairman: I move to amend House Bill No. 704 (third reading copy -- blue) as follows:

Strike: amendment number 2 on the Finance and Claims Standing Committee Report dated April 12, 1991 in its entirety

Furthermore, I move that the House Bill No. 704 (third reading copy -- blue) be amended as follows:

1. Page 1, line 13.  
Following: "Appropriation."  
Strike: "(1)"

2. Page 1, lines 20 through 25.  
Strike: lines 20 through 25 in their entirety.

ADOPT

REJECT

Signed:

*Judy Jacobson*  
Senator Jacobson

*JM 4-13-91*  
Amd. Coord.

*SP 4/13*  
Sec. of Senate

SENATE  
HB 704

HOUSE BILL NO. 704

INTRODUCED BY WANZENRIED

A BILL FOR AN ACT ENTITLED: "AN ACT TO APPROPRIATE MONEY FROM THE FEDERAL SPECIAL REVENUE FUND IN FISCAL YEARS 1992 AND 1993 TO THE DEPARTMENT OF LABOR AND INDUSTRY TO FUND APPRENTICESHIP INSTRUCTION PROGRAMS AND DETECTION AND COLLECTION OF UNPAID CONTRIBUTIONS; AMENDING SECTION 39-51-1301, MCA, AND SECTION 1, CHAPTER 600, LAWS OF 1989; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Appropriation. (1) The following money is appropriated from the federal special revenue fund established in 39-51-1301 to the department of labor and industry to fund apprenticeship instruction programs pursuant to 39-6-103:

Fiscal year 1992	\$120,000	\$110,000
Fiscal year 1993	\$120,000	\$110,000

(2) REVENUE IN EXCESS OF THE AMOUNT APPROPRIATED FOR APPRENTICESHIP INSTRUCTION PROGRAMS IS APPROPRIATED FOR USE BY THE DEPARTMENT TO DETECT AND COLLECT UNPAID CONTRIBUTIONS AND OVERPAYMENTS OF BENEFITS TO THE EXTENT THAT FEDERAL GRANT REVENUES ARE INADEQUATE FOR THE DEPARTMENT'S COLLECTION EFFORTS. FIFTY PERCENT OF REVENUE IN THE ACCOUNT

ESTABLISHED IN 39-51-1301 UP TO A MAXIMUM OF \$110,000 IN EACH FISCAL YEAR 1992 AND 1993, IS APPROPRIATED TO THE DEPARTMENT OF LABOR AND INDUSTRY TO FUND APPRENTICESHIP INSTRUCTION PROGRAMS PURSUANT TO TITLE 39, CHAPTER 6, PART 1. (1) THE FOLLOWING MONEY IS APPROPRIATED FROM THE FEDERAL SPECIAL REVENUE FUND ESTABLISHED IN 39-51-1301 TO THE DEPARTMENT OF LABOR AND INDUSTRY TO FUND APPRENTICESHIP INSTRUCTION PROGRAMS PURSUANT TO 39-6-103:

FISCAL YEAR 1992	\$120,000	\$110,000
FISCAL YEAR 1993	\$120,000	\$110,000

(2) REVENUE IN EXCESS OF THE AMOUNT APPROPRIATED FOR APPRENTICESHIP INSTRUCTION PROGRAMS IS APPROPRIATED FOR USE BY THE DEPARTMENT TO DETECT AND COLLECT UNPAID CONTRIBUTIONS AND OVERPAYMENTS OF BENEFITS TO THE EXTENT THAT FEDERAL GRANT REVENUES ARE INADEQUATE FOR THE DEPARTMENT'S COLLECTION EFFORTS.

Section 2. Section 39-51-1301, MCA, is amended to read:

"39-51-1301. (Temporary) Penalty and interest on past-due contributions. (1) Contributions unpaid on the date on which they are due and payable, as provided by subsections (1) and (2) of 39-51-1103 and 39-51-1125, that are paid by the end of the month following the due date shall be subject to a penalty assessment of \$10 or 10% of the contribution due, whichever is greater. If the contributions are not paid by the end of the month following



1 the due date, the employer shall be subject to a penalty  
 2 assessment of \$15 or 15% of the contributions due, whichever  
 3 is greater. All past-due contributions shall bear interest  
 4 at the rate of 18% a year, to be prorated on a daily basis.

5 (2) A penalty of \$40 shall be assessed whenever, as the  
 6 result of a willful refusal of an employer to furnish wage  
 7 information or pay contributions on time, the department  
 8 issues a subpoena to obtain wage information or makes a  
 9 summary or jeopardy assessment pursuant to 39-51-1302.

10 (3) There is an account in the federal special revenue  
 11 fund. Penalties and interest collected under this section  
 12 must be deposited in that account. Money deposited in that  
 13 account and appropriated to the department MAY ONLY be  
 14 used by the department to administer this chapter and, for  
 15 programs-to-train-and-retrain-unemployed--and--underemployed  
 16 persons to fund apprenticeship instruction programs pursuant  
 17 to 39-6-103, AND TO DETECT AND COLLECT UNPAID CONTRIBUTIONS  
 18 AND OVERPAYMENTS OF BENEFITS TO THE EXTENT THAT FEDERAL  
 19 GRANT REVENUE IS LESS THAN AMOUNTS APPROPRIATED FOR THIS  
 20 PURPOSE. Money in the account not appropriated for these  
 21 purposes must be transferred by the department to the  
 22 unemployment insurance trust fund at the end of each fiscal  
 23 year BIENNium.

24 (4) When failure to pay contributions on time was not  
 25 caused by willful intent of the employer, the department may

1 abate the penalty and interest.

2 (5) All money accruing to the unemployment insurance  
 3 trust fund from interest and penalties collected on past-due  
 4 contributions must be used solely for the payment of  
 5 unemployment insurance benefits and may not be used for any  
 6 other purpose. ~~(Terminates July 1, 1991--sec--17--Ch--6007--B--~~  
 7 ~~1989--)~~

8 39-51-1301. (Effective July 1, 1991) Penalty and  
 9 interest on past-due contributions. (1) Contributions unpaid  
 10 on the date on which they are due and payable, as provided  
 11 by subsections (1) and (2) of 39-51-1103 and 39-51-1125,  
 12 that are paid by the end of the month following the due date  
 13 shall be subject to a penalty assessment of \$10 or 10% of  
 14 the contribution due, whichever is greater. If the  
 15 contributions are not paid by the end of the month following  
 16 the due date, the employer shall be subject to a penalty  
 17 assessment of \$15 or 15% of the contributions due, whichever  
 18 is greater. All past-due contributions shall bear interest  
 19 at the rate of 18% a year, to be prorated on a daily basis.

20 (2) A penalty of \$40 shall be assessed whenever, as the  
 21 result of a willful refusal of an employer to furnish wage  
 22 information or pay contributions on time, the department  
 23 issues a subpoena to obtain wage information or makes a  
 24 summary or jeopardy assessment pursuant to 39-51-1302.

25 (3) Interest and penalties collected pursuant to this

1 section shall be paid into the unemployment insurance trust  
2 fund.

3 (4) When failure to pay contributions on time was not  
4 caused by willful intent of the employer, the department may  
5 abate the penalty and interest.

6 (5) All money accruing to the unemployment insurance  
7 trust fund from interest and penalties collected on past-due  
8 contributions must be used solely for the payment of  
9 unemployment insurance benefits and may not be used for any  
10 other purpose."

11 **Section 3.** Section 1, Chapter 600, Laws of 1989, is  
12 amended to read:

13 "Section 1. Section 3, Chapter 13, Special Laws of June  
14 1986, is amended to read:

15 "Section 3. ~~Effective date ----termination--date.~~ This  
16 act is effective on passage and approval ~~and-terminates-July~~  
17 ~~17-1991.~~"

18 NEW SECTION. **Section 4.** ~~Effective date.~~ [This act] is  
19 effective on passage and approval.

-End-