

HOUSE BILL NO. 32

INTRODUCED BY WALLIN, BARDANOUVE, LYNCH

BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY

IN THE HOUSE

June 19, 1986	Introduced and referred to Committee on Appropriations.
June 25, 1986	Committee recommend bill do pass as amended. Report adopted.
	Bill printed and placed on members' desks.
June 26, 1986	Second reading, do pass.
	Third reading, passed.
	Transmitted to Senate.

IN THE SENATE

June 26, 1986	Introduced and referred to Committee on Labor and Employment Relations.
June 27, 1986	Committee recommend bill be concurrent in as amended. Report adopted.
	Second reading, concurrent in.
	Third reading, concurrent in. Ayes, 47; Noes, 0.
	Returned to House with amendments.

IN THE HOUSE

June 28, 1986

Received from Senate.

Second reading, amendments  
concurred in.

Third reading, amendments  
concurred in.

Sent to enrolling.

Reported correctly enrolled.

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2 INTRODUCED BY Walter Belandier Lynch  
3 BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY  
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT DURING  
6 FISCAL YEARS 1987 THROUGH 1989 PENALTIES AND INTEREST ON  
7 OVERDUE EMPLOYER CONTRIBUTIONS APPROPRIATED TO THE  
8 DEPARTMENT OF LABOR AND INDUSTRY MUST BE USED TO ADMINISTER  
9 THE UNEMPLOYMENT INSURANCE LAW AND FOR JOB TRAINING  
10 PROGRAMS; AMENDING SECTION 39-51-1301, MCA; AND PROVIDING AN  
11 IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE."  
12

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

14 Section 1. Section 39-51-1301, MCA, is amended to  
15 read:

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

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

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

9 ~~(3) Interest and penalties collected pursuant to this~~  
10 ~~section shall be paid into the unemployment insurance trust~~  
11 ~~fund. There is an account in the state special revenue fund.~~  
12 ~~Penalties and interest collected under this section must be~~  
13 ~~deposited in that account. Money deposited in that account~~  
14 ~~and appropriated to the department must be used by the~~  
15 ~~department to administer this chapter and for programs to~~  
16 ~~train and retrain unemployed and underemployed persons.~~  
17 ~~Money in the account not appropriated for these purposes~~  
18 ~~must be transferred by the department to the unemployment~~  
19 ~~insurance trust fund at the end of each fiscal year.~~

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

23 (5) All money accruing to the unemployment insurance  
24 trust fund from interest and penalties collected on past-due  
25 contributions must be used solely for the payment of

1 unemployment insurance benefits and may not be used for any  
2 other purpose."

3 NEW SECTION. Section 2. Extension of authority. Any  
4 existing authority of the department of labor and industry  
5 to make rules on the subject of the provisions of this act  
6 is extended to the provisions of this act.

7 NEW SECTION. Section 3. Effective date -- termination  
8 date. This act is effective on passage and approval and  
9 terminates July 1, 1989.

-End-

APPROVED BY COMMITTEE  
ON APPROPRIATIONS

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

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~~(3) Interest and penalties collected pursuant to this section shall be paid into the unemployment insurance trust fund. There is an account in the state 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. Money in the account not appropriated for these purposes must be transferred by the department to the unemployment insurance trust fund at the end of each fiscal year.~~

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(5) All money accruing to the unemployment insurance trust fund from interest and penalties collected on past-due

**SECOND READING**

HB 32

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(3) ~~Interest and penalties collected pursuant to this section shall be paid into the unemployment insurance trust fund.~~ There is an account in the state 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. Money in the account not appropriated for these purposes must be transferred by the department to the unemployment insurance trust fund at the end of each fiscal year.

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

(5) All money accruing to the unemployment insurance trust fund from interest and penalties collected on past-due

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

(5) All money accruing to the unemployment insurance

REFERENCE BILL  
HB 32

1 trust fund from interest and penalties collected on past-due  
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3 unemployment insurance benefits and may not be used for any  
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10 date. This act is effective on passage and approval and  
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-End-

# STANDING COMMITTEE REPORT

June 27

19<sup>86</sup>

MR. PRESIDENT

## LABOR AND EMPLOYMENT RELATIONS

We, your committee on

HOUSE BILL

having had under consideration

No. 32

third reading copy ( blue )  
color

Wallin (Lynch)

UNEMPLOYMENT INSURANCE AND JOB TRAINING PROGRAM ADMINISTRATIVE  
COSTS

HOUSE BILL

No. 32

Respectfully report as follows: That

be amended as follows:

1. Title, line 6.  
Strike: "YEAR"  
Insert: "YEARS"  
Following: "THROUGH-1989"  
Insert: "THROUGH 1989"
2. Page 3, line 10.  
Strike: "1987"  
Insert: "1989"

AND AS AMENDED  
BE CONCURRED IN

~~XXXXXX~~

~~XXXXXX~~

SENATOR J. D. LYNCH

Chairman.