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 concurred in as amended. Report adopted.			
	Second reading, concurred in.			
	Third reading, concurred 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.

LC 0078/01

House BILL NO. 32 1 INTRODUCED BY Malla 2 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



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

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

(3) Interest-and-penalties-collected-pursuant-to--this g 10 section--shall-be-paid-into-the-unemployment-insurance-trust fund- There is an account in the state special revenue fund. 11 Penalties and interest collected under this section must be 12 13 deposited in that account. Money deposited in that account and appropriated to the department must be used by the 14 15 department to administer this chapter and for programs to 16 train and retrain unemployed and underemployed persons. Money in the account not appropriated for these purposes 17 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 caused by willful intent of the employer, the department may 21 22 abate the penalty and interest. 23 (5) All money accruing to the unemployment insurance trust fund from interest and penalties collected on past-due 24 contributions must be used solely for the payment of 25 INTRODUCED BILL -2-HB32

LC 0078/01

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

3 <u>NEW SECTION.</u> 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.

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

-End-

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HB 0032/02

APPROVED BY COMMITTEE ON APPROPRIATIONS

1	HOUSE BILL NO. 32
2	INTRODUCED BY WALLIN, BARDANOUVE, LYNCH
3	BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY
4	CLEAK HAD TRUGSTRY
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT DURING
6	FISCAL YEARS YEAR 1987 THROUGH-1989 PENALTIES AND INTEREST
7	ON OVERDUE EMPLOYER CONTRIBUTIONS ADDRODDATES
8	DEPARTMENT OF LABOR AND INDUSTRY MUST BE USED TO ADMINISTER
9	THE UNEMPLOYMENT INSURANCE LAW AND DOD
10	PROGRAMS; AMENDING SECTION 39-51-1301, MCA; AND PROVIDING AN
11	IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE."
12	THE A TERMINATION DATE."
13	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
14	Section 1. Section 28-51 1991
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 on provide the
19	they are due and payable, as provided by subsections (1) and (2) of 39-51-1103 and 20 51 1107
20	(2) of 39-51-1103 and 39-51-1125, that are paid within 20 days after the due date should be
21	days after the due date shall be subject to a penalty
22	assessment of \$10 or 10% of the contribution due, whichever
23	is greater. If the contributions are not paid within 20 days after the due date the
24	days after the due date, the employer shall be subject to a
25	penalty assessment of \$15 or 15% of the contributions due,
	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 FEDERAL special 12 revenue fund. Penalties and interest collected under this section must be deposited in that account. Money deposited 13 in that account and appropriated to the department must be 14 15 used by the department to administer this chapter and for 16 programs to train and retrain unemployed and underemployed persons. Money in the account not appropriated for these 17 purposes must be transferred by the department to the 18 19 unemployment insurance trust fund at the end of each fiscal 20 year. (4) When failure to pay contributions on time was not 21

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

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

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contributions must be used solely for the payment of
 unemployment insurance benefits and may not be used for any
 other purpose."

<u>NEW SECTION.</u> Section 2. Extension of authority. Any
existing authority of the department of labor and industry
to make rules on the subject of the provisions of this act
is extended to the provisions of this act.

8 <u>NEW SECTION.</u> Section 3. Effective date -- termination
 9 date. This act is effective on passage and approval and
 10 terminates July 1, ±989 1987.

-End-

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1	HOUSE BILL NO. 32	1
2	INTRODUCED BY WALLIN, BARDANOUVE, LYNCH	2
3	BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY	2
4		-
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT DURING	4
6	FISCAL YEARS YEAR 1987 THROUGH-1989 PENALTIES AND INTEREST	5
7	ON OVERDUE EMPLOYER CONTRIBUTIONS ARPROPRIATES	6
8	DEPARTMENT OF LABOR AND INDUSTRY MUST BE USED TO ADMINISTER	7
9	THE UNEMPLOYMENT INSURANCE LAW AND	8
10	PROGRAMS: AMENDING SECTION 20 51 55	9
11	PROGRAMS; AMENDING SECTION 39-51-1301, MCA; AND PROVIDING AN	10
12	IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE."	11
13		12
14	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	13
15	Section 1. Section 39-51-1301, MCA, is amended to read:	14
16	"39-51-1301. Penalty and interest on past-due	15
17		16
18	contributions. (1) Contributions unpaid on the date on which	17
19	they are due and payable, as provided by subsections (1) and (2) of (2) the subsections (1)	18
20	(2) of 39-51-1103 and 39-51-1125, that are paid within 20	19
	days after the due date shall be subject to a penalty	20
21	assessment of \$10 or 10% of the contribution due, whichever	21
2	is greater. If the contributions are not paid within 20	22
23	days after the due date, the employer shall be subject to a	23
4	penalty assessment of \$15 or 15% of the contributions due	24
25	whichever is greater. All past-due contributions shall bear	25

Montana Legislative Council

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

(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

-2-

THIRD READING

HB 0032/02

contributions must be used solely for the payment of
 unemployment insurance benefits and may not be used for any
 other purpose."

NEW SECTION. Section 2. Extension of authority. Any
existing authority of the department of labor and industry
to make rules on the subject of the provisions of this act
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 9 date. This act is effective on passage and approval and
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-End-

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2		3	daily b
3	BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY	4	(2
4		5	the res
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT DURING	6	wage
6	FISCAL YEARS YEAR YEARS 1987 THROUGH1989 THROUGH 1989	7	departm
7	PENALTIES AND INTEREST ON OVERDUE EMPLOYER CONTRIBUTIONS	8	makes
8	APPROPRIATED TO THE DEPARTMENT OF LABOR AND INDUSTRY MUST BE	9	39-51-1
9	USED TO ADMINISTER THE UNEMPLOYMENT INSURANCE LAW AND FOR	10	(3
10	JOB TRAINING PROGRAMS; AMENDING SECTION 39-51-1301, MCA; AND	11	section
11	PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A TERMINATION	12	fund: T
12	DATE."	13	revenue
13		14	
14	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:		section
15	Section 1. Section 39-51-1301, MCA, is amended to	15	<u>in tha</u>
16	read:	16	used by
17	"39-51-1301. Penalty and interest on past-due	17	program
18	contributions. (1) Contributions unpaid on the date on which	18	persons
19	they are due and payable, as provided by subsections (1) and	19	purpose
20	(2) of 39-51-1103 and 39-51-1125, that are paid within 20	20	unemplo
21	days after the due date shall be subject to a penalty	21	year.
22	assessment of \$10 or 10% of the contribution due, whichever	22	{ 4
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is greater. If the contributions are not paid within 20

days after 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.

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

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25 (5) All money accruing to the unemployment insurance

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REFERENCE BILL HB 32

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trust fund from interest and penalties collected on past-due contributions must be used solely for the payment of unemployment insurance benefits and may not be used for any other purpose."

5 <u>NEW SECTION.</u> Section 2. Extension of authority. Any 6 existing authority of the department of labor and industry 7 to make rules on the subject of the provisions of this act 8 is extended to the provisions of this act.

<u>NEW SECTION.</u> Section 3. Effective date -- termination
 date. This act is effective on passage and approval and
 terminates July 1, 1989 1987 1989.

-End-

STANDING COMMITTEE REPORT

	June 27 19.86
MR. PRESIDENT	
LABOR AND EMPLOYMENT	RELATIONS
having had under consideration	HOUSE BILL No. 32
third reading copy (blue) color	
Wallin (Lynch)	
UNEMPLOYMENT INSURANCE AND JOB TRA COSTS	AINING PROGRAM ADMINISTRATIVE
Respectfuily report as follows: That	HOUSE BILL 32
be amended as follows:	
<pre>1. Title, line 6. Strike: "YEAR" Insert: "YEARS" Following: "THROUGH-1989" Insert: "THROUGH 1989"</pre>	

2. Page 3, line 10.
 Strike: "1987"
 Insert: "1989"

AND AS AMENDED BE CONCURRED IN

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SENATOR J. D. LINCH Chairman.