

SENATE BILL NO. 270

INTRODUCED BY KEATING, GILBERT
BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY

IN THE SENATE

JANUARY 27, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON LABOR & EMPLOYMENT RELATIONS.
	FIRST READING.
FEBRUARY 10, 1993	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 11, 1993	PRINTING REPORT.
FEBRUARY 12, 1993	SECOND READING, DO PASS.
FEBRUARY 13, 1993	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 50; NOES, 0.
	TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 23, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON LABOR & EMPLOYMENT RELATIONS.
	FIRST READING.
MARCH 6, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 10, 1993	SECOND READING, CONCURRED IN.
MARCH 12, 1993	THIRD READING, CONCURRED IN. AYES, 87; NOES, 10.
MARCH 13, 1993	RETURNED TO SENATE.

IN THE SENATE

MARCH 15, 1993	RECEIVED FROM HOUSE.
	SENT TO ENROLLING.
	REPORTED CORRECTLY ENROLLED.

1 Smith BILL NO. 270
2 INTRODUCED BY Deating
3 BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY
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5 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE
6 EMPLOYMENT SECURITY ACCOUNT; AUTHORIZING THE DEPARTMENT OF
7 LABOR AND INDUSTRY TO TRANSFER UNAPPROPRIATED FUNDS IN THE
8 EMPLOYMENT SECURITY ACCOUNT TO THE UNEMPLOYMENT INSURANCE
9 FUND; AUTHORIZING THE DEPARTMENT OF LABOR AND INDUSTRY TO
10 TRANSFER MONEY BETWEEN FUND TYPES; AMENDING SECTION
11 39-51-404, MCA; AND PROVIDING AN EFFECTIVE DATE."
12

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

14 **Section 1.** Section 39-51-404, MCA, is amended to read:

15 "39-51-404. **Administrative expenses.** (1) Money credited
16 to the account of this state in the unemployment trust fund
17 by the secretary of the treasury of the United States
18 pursuant to section 903 of the Social Security Act, as
19 amended, may be requisitioned and used for the payment of
20 expenses incurred for the administration of this chapter
21 pursuant to a specific appropriation by the legislature
22 provided that if the expenses are incurred and the money is
23 requisitioned after the enactment of an appropriation law
24 which that:

25 (a) specifies the purposes for which such the money is

1 appropriated and the amounts appropriated therefor;

2 (b) limits the period within which such the money may
3 be expended to a period ending not more than 2 years after
4 the date of the enactment of the appropriation law; and

5 (c) limits the amount which that may be used during any
6 12-month period beginning on July 1 and ending on the next
7 June 30 to an amount which ~~does not exceed~~ not exceeding the
8 amount by which the aggregate of the amounts credited to the
9 account of this state pursuant to section 903 of the Social
10 Security Act, as amended, during the same 12-month period
11 and the 34 preceding 12-month periods exceeds the aggregate
12 of the amounts used pursuant to this section and charged
13 against the amounts credited to the account of this state
14 during any of such the 35 12-month periods.

15 (2) For the purposes of this section, amounts used
16 during any such 12-month period shall must be charged
17 against equivalent amounts which that were first credited
18 and which that are not already so charged, except that no an
19 amount used for administration during any such 12-month
20 period may not be charged against any amount credited during
21 such a 12-month period earlier than the 34th preceding such
22 period. Money requisitioned for the payment of expenses of
23 administration pursuant to this section shall must be
24 deposited in the unemployment insurance administration
25 account but, until expended, shall must remain a part of the

unemployment insurance fund.

(3) The department shall maintain a separate record of the deposit, obligation, expenditure, and return of funds so deposited. If any money so deposited is for any reason not to be expended for the purpose for which it was appropriated or if it remains unexpended at the end of the period specified by the law appropriating such the money, it shall must be withdrawn and returned to the secretary of the treasury of the United States for credit to this state's account in the unemployment trust fund.

~~(4) Beginning with the third quarter of 1983, an~~ An assessment equal to .1% of all taxable wages provided for in 39-51-1108 and .05% of total wages paid by employers not covered by an experience rating must be levied against and paid by all employers and ~~may be used by the department for administrative purposes.~~ All such assessments and investment income must be deposited in the ~~unemployment insurance administration account provided for in 39-51-486~~ the employment security account provided for in [section 2]. and ~~used as appropriated by the legislature. Any assessments deposited to the unemployment insurance administration account, including investment income, that are not appropriated by the legislature must be transferred to the unemployment trust fund account provided for in 39-51-402.~~

NEW SECTION. Section 2. Employment security account.

(1) There is an account created in the state special revenue fund called the employment security account.

(2) The department may transfer funds from the account to the unemployment insurance fund account provided for in 39-51-402 upon receiving approval from the budget director that the transfer will not decrease the money in the account below the level appropriated by the legislature to provide employment office programs.

(3) The department may transfer appropriation authority in the employment office program between the federal special revenue and the state special revenue fund types if the change in the federal revenue as compared to the department's legislative appropriation does not differ by more than 10%.

NEW SECTION. Section 3. Codification instruction. [Section 2] is intended to be codified as an integral part of Title 39, chapter 51, part 4, and the provisions of Title 39, chapter 51, part 4, apply to [section 2].

NEW SECTION. Section 4. Effective date. [This act] is effective July 1, 1993.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0270, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION: An act establishing the employment security account, authorizing the Department of Labor and Industry to transfer unappropriated funds in the employment security account to the unemployment insurance fund, and authorizing the Department of Labor and Industry to transfer money between fund types.

ASSUMPTIONS:

1. The transfer of funds between accounts and fund types will have no specific budget or fiscal impact due to passage of this bill.

FISCAL IMPACT: No fiscal impact.

David Lewis 2.2.93

DAVID LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Keating 2/2/93

THOMAS F. KEATING, PRIMARY SPONSOR DATE

Fiscal Note for SB0270, as introduced

SB 270

APPROVED BY COMMITTEE
ON LABOR & EMPLOYMENT
RELATIONS

SENATE BILL NO. 270

INTRODUCED BY KEATING, GILBERT

BY REQUEST OF THE DEPARTMENT OF LABOR AND INDUSTRY

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE EMPLOYMENT SECURITY ACCOUNT; AUTHORIZING THE DEPARTMENT OF LABOR AND INDUSTRY TO TRANSFER UNAPPROPRIATED FUNDS IN THE EMPLOYMENT SECURITY ACCOUNT TO THE UNEMPLOYMENT INSURANCE FUND; AUTHORIZING THE DEPARTMENT OF LABOR AND INDUSTRY TO TRANSFER MONEY BETWEEN FUND TYPES; AMENDING SECTION 39-51-404, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 39-51-404, MCA, is amended to read:

"39-51-404. **Administrative expenses.** (1) Money credited to the account of this state in the unemployment trust fund by the secretary of the treasury of the United States pursuant to section 903 of the Social Security Act, as amended, may be requisitioned and used for the payment of expenses incurred for the administration of this chapter pursuant to a specific appropriation by the legislature, ~~provided that~~ if the expenses are incurred and the money is requisitioned after the enactment of an appropriation law which that:

(a) specifies the purposes for which such the money is

appropriated and the amounts appropriated therefor;

(b) limits the period within which such the money may be expended to a period ending not more than 2 years after the date of the enactment of the appropriation law; and

(c) limits the amount which that may be used during any 12-month period beginning on July 1 and ending on the next June 30 to an amount ~~which does not exceed~~ not exceeding the amount by which the aggregate of the amounts credited to the account of this state pursuant to section 903 of the Social Security Act, as amended, during the same 12-month period and the 34 preceding 12-month periods exceeds the aggregate of the amounts used pursuant to this section and charged against the amounts credited to the account of this state during any of such the 35 12-month periods.

(2) For the purposes of this section, amounts used during any such 12-month period ~~shall~~ must be charged against equivalent amounts which that were first credited and which that are not already so charged, except that no an amount used for administration during any such 12-month period may not be charged against any amount credited during such a 12-month period earlier than the 34th preceding such period. Money requisitioned for the payment of expenses of administration pursuant to this section ~~shall~~ must be deposited in the unemployment insurance administration account but, until expended, ~~shall~~ must remain a part of the

unemployment insurance fund.

(3) The department shall maintain a separate record of the deposit, obligation, expenditure, and return of funds so deposited. If any money so deposited is for any reason not to be expended for the purpose for which it was appropriated or if it remains unexpended at the end of the period specified by the law appropriating such the money, it shall must be withdrawn and returned to the secretary of the treasury of the United States for credit to this state's account in the unemployment trust fund.

(4) ~~Beginning with the third quarter of 1983, an~~ An assessment equal to .1% of all taxable wages provided for in 39-51-1108 and .05% of total wages paid by employers not covered by an experience rating must be levied against and paid by all employers ~~and may be used by the department for administrative purposes.~~ All such assessments and investment income must be deposited in the ~~unemployment insurance administration account provided for in 39-51-406~~ the employment security account provided for in [section 2]. ~~and used as appropriated by the legislature. Any assessments deposited to the unemployment insurance administration account, including investment income, that are not appropriated by the legislature must be transferred to the unemployment trust fund account provided for in 39-51-402.~~

NEW SECTION. Section 2. Employment security account.

(1) There is an account created in the state special revenue fund called the employment security account.

(2) The department may transfer funds from the account to the unemployment insurance fund account provided for in 39-51-402 upon receiving approval from the budget director that the transfer will not decrease the money in the account below the level appropriated by the legislature to provide employment office programs.

(3) The department may transfer appropriation authority in the employment office program between the federal special revenue and the state special revenue fund types ~~if the change in the federal revenue as compared to the department's legislative appropriation does not differ by more than 10%.~~

NEW SECTION. Section 3. Codification instruction. [Section 2] is intended to be codified as an integral part of Title 39, chapter 51, part 4, and the provisions of Title 39, chapter 51, part 4, apply to [section 2].

NEW SECTION. Section 4. Effective date. [This act] is effective July 1, 1993.

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