

2 EHB 2901 - S AMD 866
3 By Senator Hochstatter

4 NOT ADOPTED 03/13/02

5 Beginning on page 8, line 28, strike all of sections 5 through 18
6 and insert the following:

7 NEW SECTION. **Sec. 5.** For rate years 2003 and 2004, the
8 contribution rate of each employer subject to contributions under RCW
9 50.24.010 shall include, in addition to the contribution rate under RCW
10 50.29.025, an insolvency surcharge of fifteen one-hundredths of one
11 percent, except that for the employers whose assigned standard
12 industrial classification code is within major group "01," "02," or
13 "07," or is "5148," or the equivalent code in the North American
14 industry classification system code, the insolvency surcharge is one-
15 tenth of one percent. However, the insolvency surcharge is not in
16 effect:

17 (1) For rate year 2003, if, before January 1, 2003, federal Reed
18 act moneys are transferred to the account of this state pursuant to
19 section 903 of the social security act (42 U.S.C. Sec. 1103), as
20 amended, in an amount equal to or greater than fifteen one-hundredths
21 of one percent multiplied by the amount of total taxable payroll for
22 fiscal year 2002.

23 (2) For rate year 2004, if the fund balance ratio under RCW
24 50.29.025 is equal to or greater than 1.70 on September 30, 2003.

25 NEW SECTION. **Sec. 6.** If any provision of this act or its
26 application to any person or circumstance is held invalid, the
27 remainder of the act or the application of the provision to other
28 persons or circumstances is not affected.

29 NEW SECTION. **Sec. 7.** Section 3 of this act applies beginning with
30 claims that have an effective date on or after July 7, 2002.

31 NEW SECTION. **Sec. 8.** Section 2 of this act is necessary for the
32 immediate preservation of the public peace, health, or safety, or

1 support of the state government and its existing public institutions,
2 and takes effect immediately."

3 **EHB 2901** - S AMD

4 By Senator

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6 On page 1, line 2 of the title, after "50.22.150," insert "and"

7 On page 1, beginning on line 2 of the title, after "50.20.120"
8 strike all material through "50.24.014" on line 3

9 On page 1, beginning on line 4 of the title, after "50.20 RCW;"
10 strike all material through "dates;" on line 5, and insert "creating
11 new sections;"

EFFECT: (1) Adds specified insolvency surcharges to the contribution rates of certain employers for rate years 2003 and 2004.
(2) Limits application of the insolvency surcharge for rate year 2003 if federal Reed act moneys are transferred to the state account.
(3) Limits application of the insolvency surcharge for rate year 2004 if the fund balance ratio is at least 1.70 on September 30, 2003.

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