

1 **HB 2901** - H AMD TO H AMD (2901 AMH .... H4760.7)  
2 By Representative Clements **0515 WITHDRAWN 3-11-02**

3 On page 6, beginning on line 28 of the amendment, strike all of  
4 sections 3 through 5 and insert the following:

5 "NEW SECTION. **Sec. 3.** For rate years 2003 and 2004, the  
6 contribution rate of each employer subject to contributions under RCW  
7 50.24.010 shall include, in addition to the contribution rate under RCW  
8 50.29.025, an insolvency surcharge of fifteen one-hundredths of one  
9 percent, except that for the employers whose assigned standard  
10 industrial classification code is within major group "01," "02," or  
11 "07," or is "5148," or the equivalent code in the North American  
12 industry classification system code, the insolvency surcharge is one  
13 tenth of one percent. However, the insolvency surcharge is not in  
14 effect:

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

21 (2) For rate year 2004, if the fund balance ratio under RCW  
22 50.29.025 is equal to or greater than 1.70 on September 30, 2003."

23 Renumber the remaining sections consecutively and correct internal  
24 references accordingly.

25 On page 11, beginning on line 20 of the amendment, strike all of  
26 sections 7 through 18.

27 Correct the title.

**EFFECT:** Deletes all provisions relating to unemployment insurance taxes except the requirement for charging training benefits to employers' experience rating accounts and for an insolvency surcharge of 0.15 percent to be in effect for 2003 (unless the state receives specified Reed Act funds) and 2004 (unless the fund

balance ratio is at least 1.70, rather than 1.40). However, for the agriculture industry the insolvency surcharge will be 0.1 percent.