SENATE . . . . No. 369

To accompany the petition of Charles W. Olson and Edward M. Rowe for the establishment of a special employment security administration account and making certain other changes in the employment security law. Labor and Industries.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Forty-Six.

AN ACT ESTABLISHING A SPECIAL EMPLOYMENT SECURITY ADMINISTRATION ACCOUNT AND MAKING CERTAIN OTHER CHANGES IN THE EMPLOYMENT SECURITY LAW.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Section 1. Section fourteen of chapter one hundred and fifty-one A of the General Laws, as appearing in section one of chapter six hundred and eighty-five of the acts of nineteen hundred and forty-one, is hereby amended by adding at the end thereof the following subsection: —

(f) In addition to contributions elsewhere provided under the provisions of this chapter, each employer shall make special contributions at the rate of three tenths of one per cent of his payroll as defined in section one (n) for the purposes of the special employment security administration account as defined in section fifty-nine A. The special contributions required here-
14 under shall be paid to the commonwealth in such manner and at such times as the director may prescribe, and shall be paid over by the director to the state treasurer and credited by him to the special employment security administration account established by section fifty-nine A; provided, however, that in any question as to allocation of contributions collected under this chapter priority shall be given always to the unemployment compensation fund. The director may prescribe not less than ten days prior to the close of any quarter the elimination of such special contributions for the next ensuing quarters or reduction thereof as will in his judgment adequately serve the purposes of the special administration account as contained in section fifty-nine A of this chapter.

Section 2. Said chapter one hundred and fifty-one A is hereby further amended by inserting after section fifty-nine the following new section: —

Section 59A. (1) There is hereby established separate and apart from all other public moneys, funds or accounts of the commonwealth a special employment security administration account, hereinafter called the special account, to consist of —

(a) All moneys collected under provisions of subsection fourteen (f) of this chapter;
(b) All interest and penalties collected under the provisions of this chapter;
(c) All voluntary contributions tendered as a contribution to this fund; and
(d) All moneys appropriated by the commonwealth for the purposes of this account.
(2) The moneys in this account shall be used by the director —
(a) For the payment of costs of administration which he deems fit and which are found not to have been properly and validly chargeable to federal grants or other funds received for or in the employment security administration account established by section fifty-eight of this chapter; and

(b) For such purposes as he deems appropriate for the advisory council in the performance of its duties under this chapter and under the provisions of section nine N of chapter twenty-three of the General Laws as contained in chapter twenty of the acts of nineteen hundred and thirty-nine.

(3) The account shall be kept and accounted for by the state treasurer in the same manner as other moneys of the commonwealth, except that its annual balance shall be carried forward and shall remain continuously available to the director for the purposes herein specified.

(4) The provisions of this section are not to be interpreted in a manner to permit the substitution of moneys collected thereunder for federal funds or for a reduction in federal funds which would in the absence of said moneys be available to finance expenditures for the employment security law. But nothing in this section shall prevent said moneys from being used as a revolving fund, to cover expenditures for the administration of the employment security law.