

# House Amendment 1602

PAG LIN

1 1 Amend House File 700 as follows:  
1 2 #1. Page 30, by inserting after line 27 the  
1 3 following:  
1 4 <Sec. \_\_\_\_\_. Section 96.7, subsection 12, paragraph  
1 5 a, Code 2003, is amended to read as follows:  
1 6 a. An employer other than a governmental entity or  
1 7 a nonprofit organization, subject to this chapter,  
1 8 shall pay an administrative contribution surcharge  
1 9 equal in amount to one-tenth of one percent of federal  
1 10 taxable wages, as defined in section 96.19, subsection  
1 11 37, paragraph "b", subject to the surcharge formula to  
1 12 be developed by the department under this paragraph.  
1 13 The department shall develop a surcharge formula that  
1 14 provides a target revenue level of no greater than six  
1 15 million five hundred twenty-five thousand dollars  
1 16 ~~annually for calendar years 2003, 2004, and 2005 and a~~  
1 17 ~~target revenue level of no greater than three million~~  
1 18 ~~two hundred sixty-two thousand five hundred dollars~~  
1 19 ~~for calendar year 2006 and each subsequent calendar~~  
1 20 ~~year.~~ The department shall reduce the administrative  
1 21 contribution surcharge established for any calendar  
1 22 year proportionate to any federal government funding  
1 23 that provides an increased allocation of moneys for  
1 24 workforce development offices, under the federal  
1 25 employment services financing reform legislation. Any  
1 26 administrative contribution surcharge revenue that is  
1 27 collected in calendar year ~~2002~~ 2003, 2004, or 2005 in  
1 28 excess of six million five hundred twenty-five  
1 29 thousand dollars ~~or in calendar year 2006 or a~~  
1 30 ~~subsequent calendar year in excess of three million~~  
1 31 ~~two hundred sixty-two thousand five hundred dollars~~  
1 32 shall be deducted from the amount to be collected in  
1 33 ~~the subsequent~~ calendar year 2003 before the  
1 34 department establishes the administrative contribution  
1 35 surcharge. The department shall recompute the amount  
1 36 as a percentage of taxable wages, as defined in  
1 37 section 96.19, subsection 37, and shall add the  
1 38 percentage surcharge to the employer's contribution  
1 39 rate determined under this section. The percentage  
1 40 surcharge shall be capped at a maximum of seven  
1 41 dollars per employee. The department shall adopt  
1 42 rules prescribing the manner in which the surcharge  
1 43 will be collected. Interest shall accrue on all  
1 44 unpaid surcharges under this subsection at the same  
1 45 rate as on regular contributions and shall be  
1 46 collectible in the same manner. Interest accrued and  
1 47 collected under this paragraph and interest earned and  
1 48 credited to the fund under paragraph "b" shall be used  
1 49 by the department only for the purposes set forth in  
1 50 paragraph "c".  
2 1 Sec. \_\_\_\_\_. Section 96.7, subsection 12, paragraph  
2 2 d, Code 2003, is amended to read as follows:  
2 3 d. This subsection is repealed July 1, ~~2003~~ 2006,  
2 4 and the repeal is applicable to contribution rates for  
2 5 calendar year ~~2004~~ 2007 and subsequent calendar  
2 6 years.>  
2 7 #2. Page 46, by inserting after line 15 the  
2 8 following:  
2 9 <\_\_\_\_\_. The amendment to section 96.7.>  
2 10  
2 11  
2 12  
2 13 T. TAYLOR of Linn  
2 14 HF 700.315 80  
2 15 mg/cf