

1 IN THE HOUSE

BY MR. HELLENTHAL

2 HOUSE BILL NO. 166

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act amending Section 526 of Chapter 5 of
7 the session laws of the First Extraordinary
8 Session, 1955, by limiting contractor's and
9 principal's liability for contributions to
10 those arising out of the employment of the
11 contractor or subcontractor by the particular
12 employing unit and providing for retro-
13 spective effect and for an effective date."

14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

15 Section 1. Section 526, Chapter 5 of the session laws of the
16 First Extraordinary Session, 1955 is hereby amended to read as
17 follows:

18 Section 526. CONTRACTOR'S AND PRINCIPAL'S LIABILITY
19 FOR CONTRIBUTIONS. No employing unit which contracts with
20 or has under it any contractor or subcontractor who is an
21 employer under the provisions of this Act shall make any
22 payment to such contractor or subcontractor for any indebted-
23 ness due until after the contractor or subcontractor has paid,
24 or has furnished a good and sufficient bond acceptable to the
25 Commission for payment of contributions, including penalty
26 and interest, due or to become due in respect to personal
27 services which have been performed by individuals for such
28 contractor or subcontractor arising during the course of the
29 employment of the contractor or subcontractor by the employine

1 unit. Failure to comply with the provisions of this section
2 shall render said employing unit directly liable for such
3 contributions and interest and the Commission shall have all
4 of the remedies of collection against said employing unit
5 under the provisions of this Act as though the services in
6 question were performed directly for said employing unit.

7 Sec. 2. This Act is expressly intended to operate retro-
8 spectively to and including the effective date of Chapter 5,
9 ESLA 1955.

10 Sec. 3. This Act shall take effect immediately upon its
11 passage and approval, or upon its becoming law without such approval.

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