

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 Article V of Chapter 5 of
7 ESLA, 1955, by limiting contractor's and
8 principal's liability for contributions to
9 those arising out of the employment of the
10 contractor or subcontractor by the particular
11 employing unit and providing for an effective
12 date."

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

14 Section 1. Article V, Chapter 5 ESLA, 1955 is hereby amended
15 to read as follows:

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

1 contributions and interest and the Commission shall have all
2 of the remedies of collection against said employing unit
3 under the provisions of this Act as though the services in
4 question were performed directly for said employing unit.

5 Sec. 2. This Act shall take effect immediately upon its
6 passage and approval, or upon its becoming law without such
7 approval.
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