House Bill 259

## In The House

January 15, 1981 January 20, 1981 January 20, 1981 Introduced and referred to Committee on Labor and Industry. Fiscal note requested.

- January 22, 1981 Fiscal note returned.
- January 30, 1981 Committee recommend bill do pass as amended.
- February 2, 1981 Bill printed and placed on members' desks.
- February 3, 1981 Second reading do not pass.

LC 0722/01

8

1 HOUSE BILL NO. 259 2 INTRODUCED BY HARP AKAESTAD funded the states 3 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROHIBIT 5 PROFESSIONAL EMPLOYEES OF EDUCATIONAL INSTITUTIONS AND

DONPROFESSIONAL EMPLOYEES OF EDUCATIONAL INSTITUTIONS OTHER
 THAN INSTITUTIONS OF HIGHER LEARNING FROM RECEIVING
 UNEMPLOYMENT INSURANCE BENEFITS BETWEEN CERTAIN SCHOOL
 YEARS, OR TERMS, AND ON CUSTOMARY HOLIDAYS; AMENDING SECTION
 39-51-2108, MCA.\*

11

12 WHEREAS, in April through September, 1980, the total
13 amount of unemployment insurance benefits paid to secondary
14 school employees was \$1,229,308; and

15 WHEREAS, of the above-named figure, 3078,622 was beid to nonprofessional secondary school employees, which include 17 such examples as cooks, teacher sides, library assistants, 18 bus drivers employed by the school, and jenitors; and

19 MEREAS, these figures indicate that loopholes exist in 20 the present law allowing nonprofessional school district 21 employees to receive unemployment insurance penefits during 22 the summer vacations, although they return and work at the 23 school in the fall; and

24 KHEREAS, during the 2 week Christmas holiday perioe in
 25 December, 1980, 36 unemployment insurance claims were filed,

amounting to an estimated cost by the Unemployment Insurance
 Dureau of \$10,500; and

aHERCAS, these figures indicate that loopholes exist in
 the present law allowing school district employees to
 collect unemployment insurance benefits during holidays,
 even though they are employed by the school district for all
 other practical purposes.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTAMA:

10 Section 1. Section 39-51-2108, 4CA, is amended to 11 read:

"39-51-2103. Payment of benefits based on service in 12 public, charitable, or educational organizations. Penefits 13 based on service in employment defined in subsections (5) 14 15 and (6) of 39-51-203 and subsections (2) and (3) of 16 39-51-204 are payable in the same amount, on the same terms, and subject to the same conditions as compensation payable 17 on the basis of other service subject to this compter, 1.6 19 except that benefits based on service in en--instructionaly researchy---or---principal---administrative <u>s\_orofessional</u> 20 21 capacity for an educational institution or based on service 22 in a conprofessional copacity for an educational institution that is not an institution of higher education may not be 23 paid to an individual for any week of unixeloyment: 24 25 (1) which begins during the period between 2

> -2- INTRODUCED BILL HB 259

#### LC 0722/01

Annester a generative more contractive destriction and the contractive contractive segments the course.

1 successive academic years: or [12] during a similar period between 2 reculer terus. 2 3 whether or not successiveri or 4 (3) during a period of paid sabbatical leave provide: 5 for in the individual's contract if the individual has a 5 of truct to perform services in day such depacity for long such educational institution for both such ecudemic years or 7 3 both such termswi or (4) within a term which begins during an established 5 or custowary vacation period or boliday recess if the 16 11 individual\_performed\_services\_prior\_to\_the\_vacation\_or holiday and there is a reasonable assurance that the 12 individual\_will\_perform\_services\_following\_the\_vacation\_or 13 holiday." 14

-End-

## STATE OF MONTANA

REQUEST NO. 139-81

# FISCAL NOTE

Form BD-15

In compliance with a written request received <u>January 19</u>, 19 <u>81</u>, there is hereby submitted a Fiscal Note for <u>House B111 259</u> pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

### Description of Proposed Legislation

An act to prohibit professional employees of educational institutions and nonprofessional employees of educational institutions other than institutions of higher learning from receiving unemployment insurance benefits between certain school years, or terms, and on customary holidays; Amending Section 39-51-2108, MCA.

### Assumptions

- 1. Assume 5% increase in benefit charges by non-professional secondary school employees from FY 1981 to FY 1982 to FY 1983.
- Assume 3 holiday layoffs: Christmas \$10,500 in projected benefit charges; Thanksgiving - \$5,250; Easter - \$5,250 for total benefit charges of \$21,000 annually.

Fiscal Impact	<u>FY 1982</u>	FY 1983
Total Revenue under Proposed Law Revenue under Current Law	\$5,400,000 5,400,000	
Decreased Revenue under Proposed Law	\$0	\$1,183,750

The net result of passage of House Bill 259 would be negligible. The relationship of revenues collected to benefits paid is designed to be self balancing. If fewer employees in a school district are eligible to draw unemployment benefits, a corresponding reduction is made in collections for the unemployment insurance fund.

BUDGET DIRECTOR Office of Budget and Program Planning Date: <u>1-2)-8</u>

#### 47th Legislature

HB 0259/02

#### HB 0259/02

Approved by Committee on Labor & Employment Relations

1	HOUSE BILL NO. 259	1
z	INTRODUCED BY HARP, AKLESTAD,	z
3	UNDERDAL, HANSON, SIVERTSEN, SCHULTZ	3
4		4
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO PROHIBIT	5
6	PROFESSIONAL EMPLOYEES OF EDUCATIONAL INSTITUTIONS AND	6
7	NONPROFESSIONAL EMPLOYEES OF EDUCATIONAL INSTITUTIONS OTHER	7
8	THAN INSTITUTIONS OF HIGHER LEARNING FROM RECEIVING	8
9	UNEMPLOYMENT INSURANCE BENEFITS BETWEEN CERTAIN SCHOOL	9
10	YEARS+ OR TERMS+-AND-ON-EUSTOMARY-HOLIDAYS; AMENDING SECTION	10
11	39-51-2108, MCA."	11
12		12
13	WHEREAS, in April through September, 1980, the total	13
14	amount of unemployment insurance benefits paid to secondary	14
15	school employees was \$1,220,308; and	15
16	WHEREAS, of the above-named figure, \$878,623 was paid	16
17	to nonprofessional secondary school employees, which include	17
18	such examples as cooks, teacher aides, library assistants,	18
19	bus drivers employed by the school, and janitors; and	19
20	WHEREAS, these figures indicate that loopholes exist in	20
21	the present law allowing nonprofessional school district	21
22	employees to receive unemployment insurance benefits during	22
23	the summer vacations, although they return and work at the	23
24	school in the fall;-and.	24
25	WHEREASy-during-the-2-week-Ghristmas-holiday-periodin	25

December - 1980, -56-unemployment-insurance-claims-were-filed,
 amounting-to-an-estimated-cost-by-the-Unemployment-Insurance
 Bureau-of-\$10,500}-and

WHEREA5v-these-figures-indicate-that-loopholes-exist-in
 the--present--law--allowing--school--district--employees--to
 collect-unemployment--insurance--benefits--during--holidaysv
 even-though-they-pre-employed-by-the-school-district-for-all
 other-prectical-purposesv

9 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 11 Section 1. Section 39-51-2108, MCA, is amended to 12 read:

13 "39-51-2108. Payment of benefits based on service in 14 public, charitable, or educational organizations. [1] 15 Benefits based on service in employment defined in 16 subsections (5) and (6) of 39-51-203 and subsections (2) and 17 (3) of 39-51-204 are payable in the same amount, on the same 18 terms, and subject to the same conditions as compensation 19 payable on the basis of other service subject to this 20 chapter, except that benefits based on service in am 21 instructionaly--researchy--or--principal--administrative <u>a</u> 22 <u>professional</u> capacity for an educational institution <u>or</u> 23 <u>based on service in a nonprofessional capacity for an</u> 24 <u>educational institution that is not an institution of higher</u> 25 <u>education</u> may not be paid to an individual for any week of

> -2- на 259 SECOND READING

ł	unemployment:
2	f(A) which begins during the period between 2
3	successive academic years <u>;</u> or
4	<u>f2;[8]</u> during a similar period between 2 regular
5	terms, whether or not successive, or
6	<u>t3)(C)</u> during a period of paid sabbatical leave
7	provided for in the individual's contract <u>e</u> if-the-individual
8	h <del>osa-contract-to-perform-services-in-any-such-capacity-for</del>
9	any-such-educationalinstitutionforbothsuchacademic
10	years-or-both-such-terms+ <u>t-or</u>
11	<u>f4}withinoterm_which_begins_during_an_established</u>
12	<u>or-customaryvacationperiodorholidayrecessifthe</u>
13	<u>individualperformedservices-priortothevacation-or</u>
14	holiday-cond_there_is_corresonable_cossurance_that_the
15 -	<u>individualwillperform-services-following-the-vacation-or</u>
16	holidayy
17	(2) THE EXCLUSIONS IN SUBSECTIONS (1)(A) AND (1)(B)
18	APPLY ONLY IF THE INDIVIDUAL HAS A CONTRACT TO PERFORM
19	SERVICES IN ANY CAPACITY FOR ANY SUCH EDUCATIONAL
20	INSTITUTION FOR BOTH SUCH ACADEMIC YEARS OR BOTH SUCH
21	TERMS."

-End-

- 3-