

HOUSE BILL NO. 824

2/14 Introduced
2/14 Referred to Education & Cultural Resources
2/14 Fiscal Note Requested
2/19 Fiscal Note Received
2/20 Hearing
2/21 Adverse Committee Report
2/22 Bill Killed

1 HOUSE BILL NO. 824
2 INTRODUCED BY Eisdaily
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO DENY UNEMPLOYMENT
5 INSURANCE BENEFITS TO NONPROFESSIONAL EMPLOYEES OF AN
6 EMPLOYER CONTRACTING TO PROVIDE CERTAIN SERVICES TO AN
7 EDUCATIONAL INSTITUTION; AMENDING SECTION 1, CHAPTER 1, LAWS
8 OF 1985 (HB 15); AND PROVIDING AN IMMEDIATE EFFECTIVE DATE
9 AND AN APPLICABILITY DATE."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 1, Chapter 1, Laws of 1985, is
13 amended to read:

14 "Section 1. Section 39-51-2108, MCA, is amended to
15 read:

16 "39-51-2108. Payment of benefits based on service in
17 public, charitable, or educational organizations. (1)
18 Benefits based on service in employment defined in
19 subsections (5) and (6) of 39-51-203 and subsections (2) and
20 (3) of 39-51-204 are payable in the same amount, on the same
21 terms, and subject to the same conditions as compensation
22 payable on the basis of other service subject to this
23 chapter, except that benefits based on service in an
24 instructional, research, or principal administrative
25 capacity for an educational institution may not be paid to

1 an individual for any week of unemployment which begins
2 during the period between two successive academic years or
3 during a similar period between two regular terms, whether
4 or not successive, or during a period of paid sabbatical
5 leave provided for in the individual's contract if the
6 individual has a contract or reasonable assurance of a
7 contract to perform services in any such capacity for any
8 such educational institution for both such academic years or
9 both such terms.

10 (2) Benefits based on services in any other capacity
11 for an educational institution shall be denied to any
12 individual for any week which commences during a period
13 between 2 successive academic years or terms if the
14 individual performs such services in the first of such
15 academic years or terms and there is a reasonable assurance
16 that the individual will perform such services in the second
17 of such academic years or terms. If any individual is denied
18 benefits and was not offered an opportunity to perform such
19 service for the educational institution for the second of
20 such academic years or terms, such individual shall be
21 entitled to a retroactive payment of the benefits for each
22 week for which the individual filed a timely claim for
23 benefits and for which benefits were denied solely by reason
24 of the denial provided for in this section.

25 (3) Benefits based on services described in



1 subsections (1) and (2) of this section shall be denied to
 2 any individual for any week which commences during an
 3 established and customary vacation period or holiday recess
 4 if such individual performs such services in the period
 5 immediately before such vacation period or holiday recess
 6 and there is reasonable assurance that such individual will
 7 perform such service in the period immediately following
 8 such vacation period or holiday recess.

9 (4) Benefits based on services described in
 10 subsections (1) and (2) of this section to an individual who
 11 performed such services for an educational institution while
 12 in the employ of an educational service agency shall be
 13 denied as specified in subsections (1), (2), and (3) of this
 14 section. The term "educational service agency" means a
 15 governmental agency or governmental entity which is
 16 established and operated exclusively for the purpose of
 17 providing such service to one or more educational
 18 institutions.

19 (5) Benefits based on services described in subsection
 20 (2) of this section to an individual who performed such
 21 services for an educational institution while in the employ
 22 of an employer that has contracted with the educational
 23 institution to provide such services shall be denied as
 24 specified in subsections (2) and (3) of this section."

25 NEW SECTION. Section 2. Effective date --

1 applicability. This act is effective on passage and approval
 2 and applies only to claims for benefits that are made after
 3 the effective date of this act.

-End-

STATE OF MONTANA

FISCAL NOTE

REQUEST NO. FNN435-85

Form BD-15

In compliance with a written request received 2/14/85, 19____, there is hereby submitted a Fiscal Note for H.B. 824 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 Legislation

HB 824 denies Unemployment Insurance Benefits to nonprofessional employees of an employer contracting to provide certain services to an educational institution.

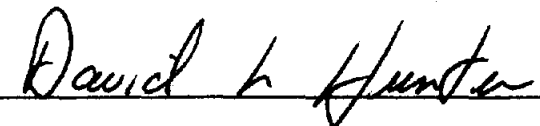
Assumptions

1. The Department does not have data available to estimate fiscal impact, and the Office of Public Instruction could not provide data which would help the department identify specific employer or employee fiscal information.
2. The proposed law would provide a minor savings to Unemployment Insurance Benefit expenditures by disqualifying certain claimants.
3. The savings in benefit expenditures would result in lower tax rates for those employers contracting with educational institutions.

Fiscal Impact

General Fund - None

Other Funds (Unemployment Insurance Trust Fund) - Minor



BUDGET DIRECTOR
Office of Budget and Program Planning

Date: Feb 19, 1985

HB 82