ACT No. 2015 - 453

- 1 HB71
- 2 164800-2
- 3 By Representative Williams (P)
- 4 RFD: Education Policy
- 5 First Read: 03-MAR-15



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2 ENROLLED, An Act,

To amend Section 25-4-70, Code of Alabama 1975, relating to unemployment compensation; to provide that employees of private companies that provide direct services to schools may not receive unemployment benefits during breaks in employment occasioned by holidays, fall and winter breaks, and summer vacation.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 25-4-70, Code of Alabama 1975, is amended to read as follows:

"§25-4-70.

"(a) After contributions have been due under this chapter for two years, benefits shall become payable from the fund to any employee who thereafter is or becomes unemployed and eligible for benefits, and shall be paid through unemployment offices or such other agencies at such times and in such manner as the director may prescribe.

- "(b) Benefits based on service in employment defined in subdivisions (a)(2) and (a)(3) of Section 25-4-10 shall be payable in the same amount, on the same terms and subject to the same conditions as compensation payable on the basis of other service subject to this chapter; except, that:
- "(1) With respect to any week of unemployment beginning after December 31, 1977, benefits shall not be paid

based on service in an instructional, research, or principal administrative capacity for any educational institution for any such week commencing during the period between two successive academic years, or during a similar period between two regular terms, whether or not successive, or during a period of paid sabbatical leave provided for in the individual's contract, to any individual if such individual performs such services in the first of such academic years (or terms) and if there is a contract or reasonable assurance that such individual will perform services in any such capacity for any educational institution in the second of such academic years or terms.

"(2) With respect to any week of unemployment beginning after April 3, 1983, benefits shall not be paid on the basis of service in any other capacity for an educational institution, to any individual for any such week which commences during a period between two successive academic years or terms if such individual performs such services in the first of such academic years or terms and there is a reasonable assurance that such individual will perform such services in the second of such academic years or terms, except that if compensation is denied to any individual under this subdivision (2) for weeks of unemployment beginning on or after April 3, 1983, and such individual was not offered an opportunity to perform such services for the educational

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institution for the second of such academic years or terms, such individual shall be entitled to a retroactive payment of benefits for each week for which the individual filed a timely claim for benefits and for which benefits were denied solely by reason of this subdivision (2); provided further that such individual has given notice that the opportunity to return was not offered or was withdrawn to the director in such manner and within such time as the director by regulation shall prescribe.

"(3) With respect to any week of unemployment beginning on or after April 1, 1984, benefits shall not be paid based on services in any capacity described in subdivisions (1) and (2) to any individual for any week which commences during an established and customary vacation period or holiday recess if such individual performs such services in the period immediately before such vacation period or holiday recess, and there is a reasonable assurance that such individual will perform such services in the period immediately following such vacation period or holiday recess. The term "employment" shall include services performed in the employ of an Indian tribe, as herein defined, provided such service is excluded from employment as defined in FUTA by reason of Section 3306(c)(7), and is not otherwise excluded from employment under this chapter for purposes of this section. The exclusion from employment in Section 25-4-10(b)

shall be applicable to services performed in the employ of an Indian tribe.

- "(4) With respect to any week of unemployment beginning on or after April 1, 1984, benefits shall not be paid on the basis of services described in subdivisions (1) and (2) of this subsection in any such capacities as specified in subdivisions (1), (2), and (3) to any individual who performed such services in an educational institution while in the employ of an educational service agency. For the purposes of this subdivision the term "educational service agency" shall mean a governmental agency or governmental entity which is established and operated exclusively for the purpose of providing such services to one or more educational institutions.
- "(5) With respect to weeks of unemployment beginning on or after April 1, 1984, benefits shall not be paid with respect to services to which Sections 25-4-8(a)(7), 25-4-8(a)(8), 25-4-10(a)(2) and 25-4-10(a)(3) apply, if such services are provided to or on behalf of an educational institution, under the same circumstances and subject to the same terms and conditions as described in subdivisions (1), (2), (3), and (4) of this subsection.
- "(6) With respect to weeks of unemployment beginning before April 1, 1984, benefits shall be paid on the basis of this section prior to that date.

"(7) For the purposes of this subsection, the term "reasonable assurance" means a written, verbal, or implied agreement that the employee will perform services during the ensuing academic year or term and the term "contract" is intended to include tenure status.

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"(c) Benefits paid based on services in the employ of an Indian tribe shall be payable on the same terms and subject to the same conditions as compensation payable on the basis of other service subject to this chapter.

"(d) Notwithstanding any provision of law, with respect to any week of unemployment beginning on or after May 1, 2015, benefits based on service in employment defined in subdivision (1) of subsection (a) of Section 25-4-10 may not be paid with respect to services rendered to an educational institution, when the services are performed by an individual employed by an employer primarily or exclusively engaged in the provision of its employees to perform work for educational institutions, for any week commencing during the period between two successive academic years or terms, or for any week which commences during an established and customary vacation period or holiday recess, if the individual performs services for the educational institution in the period immediately before the vacation period or holiday recess, and there is a reasonable assurance that such individual will perform the same or similar services for the educational

institution in the period immediately following the vacation
period or holiday recess. for the period that the individual
does not perform his or her duties because of a holiday or
weather. This subsection applies regardless of whether the
employer qualifies for exemption from federal employment tax
under 26 U.S.C. 501(a) and regardless of whether the employer
is a religious, charitable, or educational institution or
organization. For purposes of this subsection, the term
reasonable assurance shall have the same meaning as set out in
subdivision (7) of subsection (b) of this section."
Section 2. This act shall become effective on the
first day of the third month following its passage and
approval by the Governor, or its otherwise becoming law.

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15	Senate	04-JUN-15	Amended and Passed
16	House	04-JUN-15	Concurred in Sen- ate Amendment
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APPROVED 6-11-15

TIME

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Alabama Secretary Of State

Act Num...: 2015-453 Bill Num...: H-71

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Page 7

HOUSE ACTION \mathcal{L}	3.3 20 <u>1.5</u> DATE: 5-3.8	This Bill was referred to the Standing Committee of	REPORT OF STANDING COMMITTEE This bill having been referred by the	ts standing committee on session and is by order of the Committee of the C	mmittee in ses- w/amd(s) w/sub w/eng sub erefrom to the by a vote of t		40Pil. 20 15 /	DATE: 6-3 2013 RF CALITY	I hereby certify that the Resolution	RD 2 CAL was adouted and is attached to the Bill	HB THE	20 NAYS 1	RE-COMMITTED Secretary	7	D D	certify that the Resolution as PAG was ordered returned forthwith to the House.	was adopted and is attached to the Bill,	DATE: 20
	PATE: -SPONSORS -SPONSORS	28	REPORT OF 8	House to its standing	acted upon sion, and	House with	35 this 15 day		38		41	42 DATE:	RE-REFERRED	Committee	46	47 I hereby certi		50 HB 71