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HOUSE FILE 595

By COMMITTEE ON LABOR AND  
INDUSTRIAL RELATIONS

(Formerly Study Bill 240)

Passed House, Date 5-10-77 (p. 2053) Passed Senate, Date \_\_\_\_\_

Vote: Ayes 62 Nays 27 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

*Motion to Reconsider (p. 2059) Reconsidered*

*Repassed House 5-17-77 (p. 2334)*

*61-32*

# A BILL FOR

1 An Act relating to unemployment compensation law changes pro-  
2 viding for amendments to the Iowa law to maintain the  
3 approval of the state law by the secretary of labor to  
4 assure an employer tax credit of two point seven percent  
5 for required unemployment compensation contributions, and  
6 to assure federal funding of the administration of the  
7 Iowa unemployment compensation program.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Chapter ninety-six (96), Code 1977, is amended  
2 by adding the following new section:

3 NEW SECTION. INCLUSION OF WAGES PAID PRIOR TO JANUARY  
4 1, 1978, FOR NEWLY COVERED EMPLOYERS.

5 1. With respect to weeks of unemployment beginning on  
6 or after January 1, 1978, wages for insured work shall include  
7 wages paid prior to January 1, 1978, for services which prior  
8 to January 1, 1978 were not defined as employment or covered  
9 pursuant to an election by a person to become an employer  
10 under this chapter at any time during the one-year period  
11 ending December 31, 1975. Such services include agricultural  
12 labor defined as employment after January 1, 1978, domestic  
13 service defined as employment after January 1, 1978 or are  
14 services performed by an employee of this state or a political  
15 subdivision or an instrumentality of a state or political  
16 subdivision or by an employee of a nonprofit educational in-  
17 stitution which is not an institution of higher education  
18 except to the extent that assistance under Title two (II)  
19 of the Emergency Jobs and Unemployment Assistance Act of 1974  
20 was paid on the basis of such service.

21 2. Any nonprofit organization which elects to make pay-  
22 ments in lieu of contributions into the unemployment compensa-  
23 tion fund as provided in this paragraph shall not be liable  
24 to make such payments with respect to the benefits paid to  
25 any individual whose base-period wages include wages for  
26 previously uncovered services as defined in subsection two  
27 (2) of this section to the extent that the unemployment  
28 compensation fund is reimbursed for such benefits pursuant  
29 to section one hundred twenty-one (121) of public law ninety-  
30 four dash five hundred sixty-six (94-566), 1976.

31 Sec. 2. Section ninety-six point four (96.4), subsection  
32 five (5), Code 1977, is amended by striking the subsection  
33 and inserting in lieu thereof the following:

34 5. Benefits based on service in employment in a nonprofit  
35 organization or government entity, defined in section ninety-

1 six point nineteen (96.19), subsection seven (7) of the Code,  
2 shall be payable in the same amount, on the same terms and  
3 subject to the same conditions as compensation payable on  
4 the same basis of other service subject to this chapter,  
5 except that:

6 a. Benefits based on service in an instructional, research,  
7 or principal administrative capacity in an institution of  
8 higher education shall not be paid to an individual for any  
9 week of unemployment which begins during the period between  
10 two successive academic years or during a similar period  
11 between two regular terms, whether or not successive, or  
12 during a period of paid sabbatical leave, provided for in  
13 the individual's contract if the individual has a contract  
14 or contracts to perform services in any such capacity for  
15 any institution or institutions of higher education for both  
16 such academic years or both such terms.

17 b. Benefits based on service in employment, defined in  
18 section ninety-six point nineteen (96.19), subsection seven  
19 (7) of the Code, and based on service after December 31, 1977  
20 in an instructional, research, or principal administrative  
21 capacity for an educational institution operated by a  
22 government entity or a nonprofit organization, shall not be  
23 paid to an individual for any week of unemployment which  
24 begins during the period between two successive academic years  
25 or terms, (or, when an agreement provides instead for a similar  
26 period between two regular but not successive terms, during  
27 such period) to any individual if such individual performs  
28 such services in the first of such academic years or terms  
29 and if there is a contract or reasonable assurance that such  
30 individual will perform services in any such capacity for  
31 any educational institution the second of such academic years  
32 or terms, and

33 c. With respect to services in any other capacity for  
34 an educational institution (other than an institution of  
35 higher education) after December 31, 1977, benefits shall

1 not be paid to an individual for any week of unemployment  
2 which begins during the period between two successive academic  
3 years, or terms if such individual performs such services  
4 in the first of such academic years or terms and there is  
5 a reasonable assurance that such individual will perform such  
6 services in the second of such academic years or terms.

7 d. With respect to any services performed after December  
8 31, 1977, in any capacity for an educational institution  
9 (other than an institution of higher education), compensation  
10 payable on the basis of such services shall not be paid to  
11 any individual for any week which commences during an  
12 established and customary vacation period or holiday recess  
13 if such individual performs such service in the period  
14 immediately before such vacation period or holiday recess,  
15 and there is a reasonable assurance that such individual  
16 will perform such service in the period immediately following  
17 such vacation period or holiday recess.

18 Sec. 3. Section ninety-six point five (96.5), Code 1977,  
19 is amended by adding the following new subsections:

20 NEW SUBSECTION. ATHLETES--DISQUALIFIED. Services per-  
21 formed by an individual, substantially all of which consist  
22 of participating in sports or athletic events or training  
23 or preparing to so participate, for any week which commences  
24 during the period between two successive sport seasons or  
25 similar periods, if such individual performs such services  
26 in the first of such seasons or similar periods and there  
27 is a reasonable assurance that such individual will perform  
28 such services in the later of such season or similar periods.

29 NEW SUBSECTION. ALIENS--DISQUALIFIED. For services per-  
30 formed by an alien unless such alien is an individual who  
31 was lawfully admitted for permanent residence at the time  
32 such services were performed, was lawfully present for purpose  
33 or performing such services or was permanently residing in  
34 the United States under color of law, including an alien who  
35 is lawfully present in the United States as a result of the

1 application of the provisions of section two hundred three  
2 (a) seven (203(a) (7)) or section two hundred twelve (d) five  
3 (212 (d) (5)) of the Immigration and Nationality Act. Any  
4 data or information required of individuals applying for  
5 benefits to determine whether benefits are not payable to  
6 them because of their alien status shall be uniformly required  
7 from all applicants for benefits. In the case of an individual  
8 whose application for benefits would otherwise be approved,  
9 no determination that benefits to such individual are not  
10 payable because of his or her alien status shall be made  
11 except upon a preponderance of the evidence.

12 Sec. 4. Section ninety-six point seven (96.7), subsection  
13 eight (8), Code 1977, is amended by striking the subsection  
14 and inserting in lieu thereof the following:

15 8. Financing benefits paid to employees of the state or  
16 political subdivisions of the state and their instru-  
17 mentalities.

18 a. A government entity which is an employer under the  
19 provisions of this chapter shall make benefit payments in  
20 a manner provided for a government reimbursable employer  
21 unless the employer elects to pay unemployment compensation  
22 benefits as a contributing employer. Government entities  
23 may establish a group account as provided in this section.  
24 Any election under this subsection to be a government  
25 contributing employer shall be effective for a minimum of  
26 two calendar years and may be changed if an election is made  
27 to be a government reimbursable employer prior to December  
28 first for a minimum of the two following calendar years.

29 b. For the purposes of this subsection "government  
30 contributing employer" means a government entity electing  
31 to contribute for a minimum period of two calendar years at  
32 a contribution rate determined by the department in the  
33 following manner:

34 (1) For the calendar year beginning January 1, 1978, the  
35 contribution rate shall be one percent.

1 (2) For the calendar year beginning January 1, 1979, the  
2 contribution rate shall be one percent, provided that the  
3 department may reduce the contribution rate by fifteen  
4 hundredths of one percent or increase the contribution rate  
5 by five-tenths of one percent. A rate adjustment shall be  
6 made only in an amount necessary to raise sufficient funds  
7 from contributing employers to finance an amount equal to  
8 the benefits for the previous calendar year and the amount  
9 by which the benefits of the preceding calendar year exceeded  
10 the employers' contributions.

11 A government entity electing to contribute at a fixed  
12 contribution rate in lieu to making payments as a government  
13 reimbursable employer shall not elect to finance benefits  
14 as a reimbursable government employer until the government  
15 entity has contributed to the fund the amount by which benefit  
16 payments for the government entity exceeds contributions by  
17 the government entity. A government entity financing benefits  
18 as a government contributing employer, which has a positive  
19 percentage of excess, shall not be required to make benefits  
20 payments as a government reimbursable employer subsequent  
21 to an election to become a government contributing employer  
22 until the total benefit payments attributed to the employer  
23 equal the contributions made by the employer.

24 c. For the purposes of this subsection "government reim-  
25 bursable employer" means an employer paying to the department  
26 for the unemployment fund an amount equal to the sum of the  
27 regular benefits attributable to service in the employ of  
28 the employer and prior to January 1, 1979, plus one-half of  
29 the extended benefits paid for service in the employ of the  
30 employer, and beginning January 1, 1979, plus all of the  
31 extended benefits paid for service in the employ of the  
32 employer. Payments shall be made in accordance with the  
33 provisions of subsection nine (9), paragraph b of this section  
34 of the Code.

35 Sec. 5. Section ninety-six point seven (96.7), subsec-

1 tion nine (9), paragraph b, subparagraph one (1), Code 1977,  
2 is amended to read as follows:

3 (1) At the end of each calendar quarter, or at the end  
4 of any other period as determined by the department, the  
5 department shall bill each nonprofit organization which has  
6 elected to make payments in lieu of contributions for an  
7 amount equal to the full amount of regular benefits plus one-  
8 half of the amount of extended benefits paid during such  
9 quarter or other prescribed period that is attributable to  
10 service in the employ of such organization. Unless federal  
11 funds are otherwise provided, at the end of each calendar  
12 quarter or other period determined by the department, the  
13 department shall also bill each governmental entity the amount  
14 of regular plus extended benefits owed as a governmental  
15 reimbursable employer for benefits paid during the quarter  
16 or period for such organization electing governmental  
17 reimbursable status.

18 Sec. 6. Section ninety-six point seven (96.7), subsec-  
19 tion twelve (12), Code 1977, is amended to read as follows:

20 12. ALLOCATION OF BENEFIT COST. Each employer that is  
21 liable for payment in lieu of contributions shall pay to the  
22 department for the fund the amount of regular benefits and  
23 unless a government entity plus the amount of one-half of  
24 extended benefits paid during each quarter that are  
25 attributable to service in the employ of such employer. A  
26 government entity shall make benefit payments in the amounts  
27 provided for a government reimbursable employer. If benefits  
28 paid to an individual are based on wages paid by more than  
29 one employer and one or more of such employers are liable  
30 for payments in lieu of contributions, the amount payable  
31 to the fund by each employer that is liable for such payment  
32 shall be payable each quarter by the base period employers  
33 in inverse chronological order in which the employment of  
34 such individual occurred. Provided, that the amount of any  
35 such employer's liability in any calendar quarter shall not

1 exceed the amount of such individual's wage credits and unless  
2 a government entity plus one-half the amount of extended  
3 benefits based on employment with such employer during such  
4 quarter of the base period. A government entity's liability  
5 in any calendar quarter shall not exceed the amount of the  
6 individual's wage credits plus that amount of extended benefits  
7 a government entity is required to pay as a government reim-  
8 bursable employer.

9 Sec. 7. Section ninety-six point seven (96.7), subsec-  
10 tion thirteen (13), Code 1977, is amended to read as follows:

11 13. GROUP ACCOUNTS. Two or more employers that have  
12 become liable for payments in lieu of contributions, in  
13 accordance with the provisions of subsection eight (8) and  
14 subsection 9, paragraph "a", of this section of the Code may  
15 file a joint application to the department for the  
16 establishment of a group account for the purpose of sharing  
17 the cost of benefits paid that are attributable to service  
18 in the employ of such employers. Each such application shall  
19 identify and authorize a group representative to act as the  
20 group's agent for the purposes of this subsection. Upon its  
21 approval of the application, the department shall establish  
22 a group account for such employers effective as of the  
23 beginning of the calendar quarter in which it receives the  
24 application and shall notify the group's representative of  
25 the effective date of the account. Such account shall remain  
26 in effect for not less than one year and thereafter until  
27 terminated at the discretion of the department or upon  
28 application by the group. Upon establishment of the account,  
29 each member of the group shall be liable for payments in lieu  
30 of contributions with respect to each calendar quarter in  
31 the amount that bears the same ratio to the total benefits  
32 paid in such quarter that are attributable to service performed  
33 in the employ of all members of the group as the total wages  
34 paid for service in employment by such member in such quarter  
35 bear to the total wages paid during such quarter for service

1 performed in the employ of all members of the group. The  
2 department shall prescribe such regulations as it deems  
3 necessary with respect to applications for establishment,  
4 maintenance and termination of group accounts that are  
5 authorized by this subsection, for addition of new members  
6 to, and withdrawal of active members from, such accounts,  
7 and for the determination of the amounts that are payable  
8 under this subsection by members of the group and the time  
9 and manner of such payments.

10 Sec. 8. Section ninety-six point seven (96.7), subsection  
11 fourteen (14), Code 1977, is amended to read as follows:

12 14. NONPROFIT ORGANIZATION ELECTION.

13 a. Notwithstanding any provisions in subsection 9 of this  
14 section, any nonprofit organization that prior to January  
15 1, 1969, paid contributions required by this section and,  
16 pursuant to subsection 9 of this section, elects, ~~within~~  
17 ~~thirty-days-after-the-effective-date-of-this-Act~~ before April  
18 1, 1972, to make payments in lieu of contributions, shall  
19 not be required to make any such payment on account of any  
20 regular or extended benefits paid, on the basis of wages paid  
21 by such organization to individuals for weeks of unemployment  
22 which begin on or after the effective date of such election  
23 until the total amount of such benefits equals the amount  
24 of the positive balance in the experience rating account of  
25 such organization.

26 b. A nonprofit organization or group not required to be  
27 covered employment prior to January 1, 1978, that paid  
28 contributions as an employer prior to October 20, 1976, and  
29 which elects within thirty days after the effective date of  
30 this Act to make payments in lieu of contributions shall not  
31 be required to make any such payment for regular or extended  
32 benefits paid after its election until the total amount of  
33 benefits equal the amount of the positive balance in the ex-  
34 perience rating account of such organization.

35 Sec. 9. Section ninety-six point eight (96.8), subsec-

1 tion two (2), Code 1977, is amended to read as follows:

2 2. VOLUNTARY TERMINATION. Except as otherwise provided  
3 in subsection 3 of this section, an employing unit shall cease  
4 to be an employer subject to this chapter, as of the first  
5 day of January of any calendar year, if it files with the  
6 department, prior to the fifteenth day of February of such  
7 year, a written application for termination of coverage, and  
8 the department finds that such employing unit did not meet  
9 any of the qualifying liability requirements as provided under  
10 section 96.19, subsection 6, paragraphs "a," "b," "c," "d,"  
11 "e," "f," or "g," and the new paragraphs added to section  
12 ninety-six point nineteen (96.19), subsection six (6) by this  
13 Act and section 96.19, subsection 6, paragraphs "h" or "i"  
14 in the preceding calendar year.

15 Sec. 10. Section ninety-six point fourteen (96.14),  
16 subsection three (3), Code 1977, is amended by adding the  
17 following new paragraph:

18 NEW PARAGRAPH. If a political subdivision or a politi-  
19 cal subdivision instrumentality becomes delinquent in the  
20 payment of contributions, any payments owed as a government  
21 employer, penalty, interest and costs for more than two  
22 calendar quarters, the amount of such delinquency shall be  
23 deducted from any further moneys due the employer by the  
24 state. Such deduction shall be made by the state comptroller  
25 upon certification of the amount due. A copy of the  
26 certification will be mailed to the employer.

27 Sec. 11. Section ninety-six point nineteen (96.19),  
28 subsection six (6), Code 1977, is amended by adding the  
29 following new lettered paragraphs:

30 NEW LETTERED PARAGRAPH. 1. An employing unit employing  
31 agricultural labor after December 31, 1977, if the employing  
32 unit:

33 (1) Paid during any calendar quarter in the calendar year  
34 or the preceding calendar year wages of \$20,000 or more for  
35 agricultural labor, or

1 (2) Employed on each of some twenty days during the calen-  
2 dar year or during the preceding calendar year, each day be-  
3 ing in a different calendar week, at least ten individuals  
4 in employment in agricultural labor for some portion of the  
5 day.

6 NEW LETTERED PARAGRAPH. m. An employing unit employing  
7 after December 31, 1977, domestic service in a private home,  
8 local college club, or local chapter of a college fraternity  
9 or sorority, and with respect to any calendar year, any  
10 employing unit who during any calendar quarter in the calendar  
11 year or the preceding calendar year paid wages in cash of  
12 \$1,000 or more for such service.

13 Sec. 12. Section ninety-six point nineteen (96.19),  
14 subsection six (6), paragraph a, Code 1977, is amended to  
15 read as follows:

16 a. For purposes of this chapter ~~the term "employer" means~~  
17 with respect to any calendar year after December 31, 1971,  
18 any employing unit which in any calendar quarter in either  
19 the current or preceding calendar year paid for service in  
20 employment wages ~~as defined in subsection 43~~ of one thousand  
21 five hundred dollars or more excluding wages paid for domestic  
22 service, or for some portion of a day in each of twenty  
23 different calendar weeks, whether or not such weeks were  
24 consecutive, in either the current or the preceding calendar  
25 year, had in employment at least one individual ~~(irrespective~~  
26 ~~of whether the same individual was in employment in each such~~  
27 ~~day)~~. An employing unit treated as a domestic service employer  
28 shall not be treated as an employer with respect to wages  
29 paid for service other than domestic service unless such  
30 employing unit is treated as an employer under this paragraph  
31 or as an agricultural labor employer.

32 Sec. 13. Section ninety-six point nineteen (96.19),  
33 subsection six (6), paragraph h, Code 1977, is amended by  
34 striking the paragraph and inserting in lieu thereof the  
35 following:

1 h. After December 31, 1971, this state or a state in-  
2 strumentality and after December 31, 1977, a government entity  
3 unless specifically excluded from the definition of employment.

4 Sec. 14. Section ninety-six point nineteen (96.19),  
5 subsection seven (7), lettered paragraph a, the first un-  
6 lettered paragraph, Code 1977, is amended to read as fol-  
7 lows:

8 Except as otherwise provided in this ~~section~~ subsection  
9 "employment" means service, including service in interstate  
10 commerce, performed for wages or under any contract of hire,  
11 written or oral, expressed or implied. Employment also means  
12 any service performed prior to January 1, ~~1972~~ 1978, which  
13 was employment as defined in this subsection prior to such  
14 date and, subject to the other provisions of this subsection,  
15 service performed after December 31, ~~1974~~ 1977, by:

16 Sec. 15. Section ninety-six point nineteen (96.19), sub-  
17 section seven (7), paragraph a, subparagraph four (4), Code  
18 1977, is amended to read as follows:

19 (4) Service performed after December 31, 1971, by an  
20 individual in the employ of this state or any of its wholly  
21 owned instrumentalities and after December 31, 1977, service  
22 performed by an individual in the employ of a government  
23 entity unless specifically excluded from the definition of  
24 employment for a government entity.

25 Sec. 16. Section ninety-six point nineteen (96.19),  
26 subsection seven (7), paragraph a, subparagraph five (5),  
27 Code 1977, is amended to read as follows:

28 (5) Service performed after December 31, 1971, by an  
29 individual in the employ of a religious, charitable,  
30 educational or other organization, but only if the service  
31 is excluded from "employment" as defined in the federal  
32 Unemployment Tax Act (26 U.S.C. ~~3304-3308~~ 3301-3309) solely  
33 by reason of section 3306 (c) (8) of that Act.

34 Sec. 17. Section ninety-six point nineteen (96.19),  
35 subsection seven (7), paragraph a, subparagraph six (6),

1 subdivision (c), Code 1977, is amended to read as follows:

2 (c) In the employ of a nonpublic school which is not an  
3 institution of higher education prior to January 1, 1978.

4 Sec. 18. Section ninety-six point nineteen (96.19),  
5 subsection seven (7), paragraph a, subparagraph six (6),  
6 subdivision (f), Code 1977, is amended to read as follows:

7 (f) ~~For~~ Prior to January 1, 1978 for a hospital in a state  
8 prison or other state correctional institution by an inmate  
9 of the prison or correctional institution and after December  
10 31, 1977, by an inmate of a custodial or penal institution.

11 Sec. 19. Section ninety-six point nineteen (96.19),  
12 subsection seven (7), paragraph a, subparagraph six (6), Code  
13 1977, is amended by adding the following new lettered  
14 subdivision:

15 NEW LETTERED SUBDIVISION. (g) In the employ of a  
16 governmental entity, if such service is performed by an  
17 individual in the exercise of his or her duties as an elected  
18 official; as a member of a legislative body, or a member of  
19 the judiciary, of a state or political subdivision; as a  
20 member of the state national guard or air national guard;  
21 as an employee serving on a temporary basis in case of fire,  
22 storm, snow, earthquake, flood, or similar emergency; or in  
23 a position which, pursuant to the state law, is designated  
24 as a major nontenured policymaking or advisory position, or  
25 a policymaking or advisory position which ordinarily does  
26 not require duties of more than eight hours per week.

27 Sec. 20. Section ninety-six point nineteen (96.19),  
28 subsection seven (7), paragraph a, subparagraph seven (7),  
29 Code 1977, is amended by striking the subparagraph.

30 Sec. 21. Section ninety-six point nineteen (96.19), sub-  
31 section seven (7), paragraph a, Code 1977, is amended by  
32 adding the following new subparagraph.

33 (7) (a) A person in agricultural labor when such labor  
34 is performed for an employing unit which during any calendar  
35 quarter in the calendar year or the preceding calendar year

1 paid remuneration in cash of twenty thousand dollars or more  
2 to individuals employed in agricultural labor excluding labor  
3 performed before January 1, 1980, by an alien referred to  
4 in this subparagraph; or on each of some twenty days during  
5 the calendar year or the preceding calendar year, each day  
6 being in a different calendar week, employed in agricultural  
7 labor for some portion of the day ten or more individuals,  
8 excluding labor performed before January 1, 1980, by an alien  
9 referred to in this subparagraph; and such labor is not agri-  
10 cultural labor performed before January 1, 1980, by an  
11 individual who is an alien admitted to the United States to  
12 perform agricultural labor pursuant to sections two hundred  
13 fourteen (c) (214 (c)) and one hundred one (a) fifteen (II)  
14 (101 (a) (15) (II)) of the Immigration and Nationality Act.

15 (b) For purposes of this subparagraph, any individual  
16 who is a member of a crew furnished by a crew leader to perform  
17 agricultural labor for any other employing unit shall be  
18 treated as an employee of such crew leader if such crew leader  
19 holds a valid certificate of registration under the Farm Labor  
20 Contractor Registration Act of 1963; or substantially all  
21 the members of such crew operate or maintain tractors,  
22 mechanized harvesting or cropdusting equipment, or any other  
23 mechanized equipment, which is provided by such crew leader;  
24 and if such individual is not otherwise in employment as de-  
25 fined in this subsection.

26 For purposes of this subparagraph, in the case of any in-  
27 dividual who is furnished by a crew leader to perform agri-  
28 cultural labor for any other employing unit and who is not  
29 treated as an employee of such crew leader as described above,  
30 such other employing unit and not the crew leader shall be  
31 treated as the employer of such individual; and such other  
32 employing unit shall be treated as having paid cash  
33 remuneration to such individual in an amount equal to the  
34 amount of cash remuneration paid to such individual by the  
35 crew leader either on his or her behalf or on behalf of such

1 other employing unit for the agricultural labor performed  
2 for such other employing unit.

3 For purposes of this subsection, the term "crew leader"  
4 means an employing unit which furnishes individuals to perform  
5 agricultural labor for any other employing unit; pays, either  
6 on the crew leader's behalf or on behalf of such other  
7 employing unit, the individuals so furnished by the crew  
8 leader for the agricultural labor performed by them; and has  
9 not entered into a written agreement with such other employing  
10 unit under which such individual is designated as an employee  
11 of such other employing unit.

12 Sec. 22. Section ninety-six point nineteen (96.19),  
13 subsection seven (7), paragraph a, Code 1977, is amended by  
14 adding the following new numbered subparagraph:

15 NEW NUMBERED SUBPARAGRAPH. (8) A person performing after  
16 December 31, 1977 domestic service in a private home, local  
17 college club, or local chapter of a college fraternity or  
18 sorority if performed for an employing unit who paid cash  
19 remuneration of \$1,000 or more to individuals employed in  
20 such domestic service in any calendar quarter in the calendar  
21 year or the preceding calendar year.

22 Sec. 23. Section ninety-six point nineteen (96.19),  
23 subsection seven (7), paragraph b, subparagraph three (3),  
24 Code 1977, is amended to read as follows:

25 (3) The service is performed outside the United States,  
26 ~~(except in Canada or the Virgin Islands)~~, after December 31,  
27 1971, by a citizen of the United States in the employ of an  
28 American employer, ~~(other than service which is deemed~~  
29 "employment" under the provisions of subparagraphs (1) and  
30 (2) or the parallel provisions of another state law), or  
31 service performed after December thirty-first of the year  
32 in which the United States secretary of labor approved the  
33 first time the unemployment compensation law submitted by  
34 the Virgin Islands, if:

35 Sec. 24. Section ninety-six point nineteen (96.19),

1 subsection seven (7), paragraph g, subparagraph one (1), Code  
2 1977 is amended by striking the subparagraph.

3 Sec. 25. Section ninety-six point nineteen (96.19),  
4 subsection seven (7), paragraph g, subparagraph four (4),  
5 the first unnumbered paragraph, Code 1977, is amended to read  
6 as follows:

7 AGRICULTURAL LABOR. For purposes of this chapter, the  
8 term "agricultural labor" means any service performed prior  
9 to January 1, 1972, which was agricultural labor as defined  
10 in this subparagraph prior to such date, and provided that  
11 after December 31, 1977, this subparagraph shall not exclude  
12 from employment agricultural labor specifically included as  
13 agricultural labor under the definition of employment in this  
14 subsection, but shall otherwise include remunerated service  
15 performed after December 31, 1971:

16 Sec. 26. Section ninety-six point nineteen (96.19),  
17 subsection seven (7), paragraph g, subparagraph four (4),  
18 lettered subdivision (e), Code 1977, is amended to read as  
19 follows:

20 (e) On a farm operated for profit if such service is not  
21 in the course of the employer's trade or business ~~or is~~  
22 ~~domestic service in a private home of the employer.~~

23 Sec. 27. Section ninety-six point nineteen (96.19),  
24 subsection seven (7), paragraph g, subparagraph five (5),  
25 Code 1977, is amended to read as follows:

26 (5) Domestic service in a private home prior to January  
27 1, 1978, and after December 31, 1977, domestic service in  
28 a private home not covered as domestic service under the  
29 definition of employment.

30 Sec. 28. Section ninety-six point nineteen (96.19),  
31 subsection thirteen (13), Code 1977, is amended by adding  
32 the following new lettered paragraph:

33 NEW LETTERED PARAGRAPH. d. Remuneration for agricultural  
34 labor paid in any medium other than cash.

35 Sec. 29. Section ninety-six point nineteen (96.19),

1 subsection twenty-five (25), Code 1977, is amended to read  
2 as follows:

3 25. "United States" for the purposes of this section  
4 includes the states, the District of Columbia, and the  
5 Commonwealth of Puerto Rico and the Virgin Islands.

6 Sec. 30. Section ninety-six point nineteen (96.19),  
7 subsection twenty-seven (27), Code 1977, is amended by striking  
8 the subsection and inserting in lieu thereof the following:

9 27. There is a national "on" indicator for a week if,  
10 for the period consisting of such week and the immediately  
11 preceding twelve weeks, the rate of seasonally adjusted insured  
12 unemployment for all states equaled or exceeded four point  
13 five percent. The rate of insured unemployment, for the  
14 purposes of this subsection, shall be determined by the  
15 secretary of labor by reference to the average monthly covered  
16 employment for the first four of the most recent six calendar  
17 quarters ending before the close of such period.

18 Sec. 31. Section ninety-six point nineteen (96.19),  
19 subsection twenty-eight (28), Code 1977, is amended by striking  
20 the section and inserting in lieu thereof the following:

21 28. There is a national "off" indicator for a week if,  
22 for the period consisting of such week and the immediately  
23 preceding twelve weeks, the rate of seasonally adjusted insured  
24 unemployment for all states was less than four point five  
25 percent. The rate of insured unemployment, for the purposes  
26 of this subsection, shall be determined by the secretary of  
27 labor by reference to the average monthly covered employment  
28 for the first four of the most recent six calendar quarters  
29 ending before the close of such period.

30 Sec. 32. Section ninety-six point nineteen (96.19),  
31 subsection twenty-nine (29), Code 1977, is amended by striking  
32 the subsection and inserting in lieu thereof the following:

33 29. There is a state "on" indicator for a week if the  
34 rate of insured unemployment under the state law for the  
35 period consisting of such week and the immediately preceding

1 twelve weeks:

- 2 a. Equaled or exceeded five percent; or
- 3 b. Equaled or exceeded four percent and equaled or exceeded
- 4 one hundred twenty percent of the average of those rates for
- 5 the corresponding thirteen week period ending in each of the
- 6 two preceding two calendar years.

7 Sec. 33. Section ninety-six point nineteen (96.19),  
8 subsection thirty (30), Code 1977, is amended by striking  
9 the subsection and inserting in lieu thereof the following:

10 30. There is a state "off" indicator for a week if, for  
11 the period consisting of such week and the immediately pre-  
12 ceding twelve weeks, the rate of insured unemployment under  
13 the state law was:

- 14 a. Less than four percent; or
- 15 b. Less than five percent and less than one hundred twenty
- 16 percent of the average of those rates for thirteen weeks
- 17 ending in each of the two preceding calendar years, except
- 18 that, notwithstanding any such provision of this subsection,
- 19 any week for which there would otherwise be a state "on"
- 20 indicator shall continue to be such a week and shall not be
- 21 determined to be a week for which there is a state "off"
- 22 indicator.

23 Sec. 34. Section ninety-six point nineteen (96.19),  
24 subsection thirty-five (35), paragraph b, Code 1977, is amended  
25 to read as follows:

- 26 b. He or she has no right to unemployment benefits or
- 27 allowances under the Railroad Unemployment Insurance Act,
- 28 the Trade Expansion Act of 1962, the Automotive Products Trade
- 29 Act of 1965, and such other federal laws as are specified
- 30 in regulations issued by the United States secretary of labor,
- 31 and he or she has not received and is not seeking unemployment
- 32 benefits under the unemployment compensation law ~~of the Virgin~~
- 33 ~~Islands-or~~ of Canada, but if he or she is seeking such benefits
- 34 and the appropriate agency finally determines that he or she
- 35 is not entitled to benefits under such law he or she is

1 considered an exhaustee.

2 Sec. 35. Section ninety-six point nineteen (96.19), Code  
3 1977, is amended by adding the following new subsections:

4 NEW SUBSECTION. "Domestic service" includes service for  
5 an employing unit in the operation and maintenance of a private  
6 household, local college club or local chapter of a college  
7 fraternity or sorority as distinguished from service as an  
8 employee in the pursuit of an employer's trade, occupation,  
9 profession, enterprise, or vocation.

10 NEW SUBSECTION. "Educational institution" means one in  
11 which participants, trainees, or students are offered an  
12 organized course of study or training designed to transfer  
13 to them knowledge, skills, information, doctrines, attitudes  
14 or abilities from, by or under the guidance of an instructor  
15 or teacher. It is approved, licensed or issued a permit to  
16 operate as a school by the state department of education or  
17 other government agency that is authorized within the state  
18 to approve, license or issue a permit for the operation of  
19 a school. The course of study or training which it offers  
20 may be academic, technical, trade, or preparation for gainful  
21 employment in a recognized occupation.

22 NEW SUBSECTION. "Government entity", means a state, a  
23 state instrumentality, a political subdivision or a political  
24 subdivision instrumentality, or a combination of one or more  
25 of the preceding.

26 Sec. 36. Political subdivisions may levy a tax outside  
27 their general fund to pay the cost of unemployment benefits.

28 Sec. 37. This Act except section two (2) of this Act is  
29 effective January 1, 1978.

30 EXPLANATION

31 Section 1 includes wages earned in service not covered  
32 in employment prior to January 1, 1978.

33 Section 2 relates to the requirements of eligibility and  
34 excludes employees of educational institutions between terms  
35 except employees of higher education facilities other than

1 instructors, researchers or administrators. This section  
2 excludes academic and nonacademic personnel at educational  
3 institutions other than institutions of higher education.

4 Section 3 disqualifies certain athletes and aliens from  
5 eligibility for unemployment compensation benefits.

6 Sections 4, 5, 6, 7, 10, 13 and 15 provide for coverage  
7 of state and political subdivision employees and the methods  
8 available to the organizations to finance benefits. Section  
9 19 provides an exclusion from government coverage for certain  
10 individuals.

11 Section 8 provides for financing of benefits for wages  
12 earned prior to January 1, 1978, for previously uncovered  
13 employees of nonprofit organizations.

14 Section 9 corrects a cross reference.

15 Section 11 amends the definition of employer to include  
16 certain agricultural labor employers and domestic service  
17 employers.

18 Section 12 amends the general definition of employers.

19 Section 14 updates date references.

20 Section 16 includes a reference to the Internal Revenue  
21 Code as amended.

22 Section 17 terminates an exclusion of employment for non-  
23 public schools, not institutions of higher education, after  
24 January 1, 1978.

25 Section 14 excludes inmates in penal institutions after  
26 January 1, 1978.

27 Section 20 strikes the present political subdivision cov-  
28 erage.

29 Section 21 inserts certain agricultural labor coverage  
30 for the definition of employment.

31 Sections 22, 26 and 28 include certain domestic workers  
32 in the definition of employment.

33 Sections 23, 29 and 34 correct Virgin Island references.

34 Section 24 strikes an exception from UI coverage for elected  
35 officials which exception is reinserted in section 19.

1 Section 25 provides a limited exception to the exclusion  
2 of agricultural labor from the definition of employment.

3 Section 28 excludes certain remuneration for agricultural  
4 labor.

5 Sections 29, 30, 31, 32, 33, and 35 provide for de-  
6 finitional changes to "United States", "national and state  
7 on and off indicators", "domestic service", "educational  
8 institutions" and "government entity".

9 Section 36 allows political subdivisions to levy a property  
10 tax to meet unemployment compensation costs.

11 Section 37 is the effective date provision.

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HOUSE FILE 595

H-4098

- 1 Amend amendment H-4092, to page 3 of House  
2 File 595, as follows:  
3 1. Page 1, line 28, by inserting after the  
4 word "applicant" the words "unless the waiver  
5 of this provision has been obtained,".

H-4098 FILED, ADOPTED (2049) BY JUNKER of Woodbury  
MAY 10, 1977

HOUSE FILE 595

H-4092

- 1 Amend House File 595 as follows:  
2 1. Page 3, by inserting after line 17 the follow-  
3 ing:  
4 "Sec. \_\_\_\_ . Section ninety-six point five (96.5),  
5 subsection three (3), unnumbered paragraph one (1),  
6 Code 1977, is amended to read as follows:  
7 If the department finds that he or she has failed,  
8 without good cause, either to apply for available,  
9 suitable work when so directed by the employment  
10 office or the ~~commissioner~~ department. The department  
11 in cooperation with the employment office shall, if  
12 possible, furnish each claimant with the names of  
13 three employers. The claimant, to be eligible to  
14 receive benefits, shall apply and obtain the signatures  
15 of the employers designated by the department on forms  
16 provided by the department or the names of at least  
17 three employers if either the department cannot furnish  
18 three employers' names or if the employers named by  
19 the department cannot be contacted. The director  
20 of the department may waive the requirement to obtain  
21 the names of at least three employers in a county  
22 or other designated geographical area where unusual  
23 circumstances justify the waiver. A claimant shall  
24 obtain the signatures of three employers with whom  
25 applications are made, and the failure of the claimant  
26 to obtain the signatures on claim forms provided by  
27 the department of at least three employers shall  
28 disqualify the applicant from further benefits until  
29 the signatures of three employers are obtained. If  
30 the department finds that a claimant fails to accept  
31 suitable work when offered him or her, or to return  
32 to his or her customary self-employment, if any."  
33 2. Renumber sections and correct internal  
34 references as necessary in conformance with this  
35 amendment.

H-4092 FILED, RULED NOT GERMANE, BY HALVORSON of Clayton  
MOVED TO SUSPEND RULES TO CONSIDER, HINES of Story  
LOST; MOVED TO SUSPEND RULES,  
ADOPTED; H-4092 ADOPTED (pp 2040, 2041, 2047, 2050)  
MAY 10, 1977 as amended by 4098 Reconsidered last 5/17 (p. 2328)

H-4087

1 Amend House File 595 as follows:

2 1. Page 5, line 5, by striking the words "five-  
3 tenths of" and inserting in lieu thereof the words  
4 "not more than".

5 2. Page 5, by striking lines 11 through 23, and  
6 inserting in lieu thereof the following:

7 "A government entity electing to contribute at  
8 a fixed contribution rate in lieu to making payments  
9 as a government reimbursable employer may elect to  
10 finance benefits as a government reimbursable employer  
11 however the government entity shall be obligated to  
12 pay within a time period determined by the department  
13 to the fund the amount by which benefit payments for  
14 the government entity exceed contributions by the  
15 government entity on the effective date of the  
16 election."

A 17 3. Page 6, by striking line 17 and inserting in  
18 lieu thereof the following: "reimbursable status  
19 including any benefits paid for a government entity  
20 for claims filed while the government entity was a  
21 contributing employer prior to an election to become  
22 a government reimbursable employer which were paid  
23 during the quarter or period."

24 4. Page 18, line 16, by striking the words "educa-  
25 tion" and inserting in lieu thereof the words "public  
26 instruction".

27 5. Page 18, by striking lines 26 and 27 and insert-  
28 ing in lieu thereof the following:

B 29 "Sec. 36. Notwithstanding any other statutory  
30 provisions, including rate and budget limitations,  
31 political subdivisions may levy a tax outside their  
32 general fund to pay the cost of unemployment compen-  
33 sation benefits."

34 6. Page 18, by inserting before line 28 the  
35 following:

A 36 "Sec. 37 . Government entities, originally  
37 classified as government reimbursable employers under  
38 the provisions of this Act may elect to become  
39 government contributing employers for a minimum of  
40 two calendar years, however such election shall be  
41 communicated to the department of job service, upon  
42 forms provided by the department of job service, prior  
43 to November 1, 1977."

44 7. Page 18, line 28, by inserting after the second  
45 word "Act" the words "and section thirty-seven (37) of  
46 of item six (6) of this amendment,"

47 8. Renumber sections as necessary.

H-4087 FILED; H-4087A RULED NOT BY CONNORS of Polk  
GERMANE; SUSPENDED RULES TO CON- EGENES of Story  
SIDER, ADOPTED; H-4087B RULED JOCHUM of Dubuque  
GERMANE, LOST (pp. 2043, 2044) BRANSTAD of Winnebago  
MAY 10, 1977

1 Amend House File 595 as follows:

2 1. Page 1, by inserting after line 30 the follow-  
3 ing:

4 "Sec. \_\_\_\_ . Section ninety-six point three (96.3),  
5 Code 1977, is amended by adding the following new  
6 subsection:

7 NEW SUBSECTION. Notwithstanding any other provi-  
8 sion of this chapter the maximum weekly benefit amount  
9 payable to any individual for any one week shall not  
10 exceed the following:

11 a. One hundred sixteen dollars if the individual  
12 is not married or is married and has a working spouse  
13 and no children.

14 b. One hundred eighteen dollars if the individual  
15 has a working spouse and one child.

16 c. One hundred twenty dollars if the individual  
17 has a working spouse and two children.

18 d. One hundred twenty-two dollars if the individual  
19 has a working spouse and three or more children.

20 e. One hundred eighteen dollars if the individual  
21 has a nonworking spouse and no children.

22 f. One hundred twenty dollars if the individual  
23 has a nonworking spouse and one child.

24 g. One hundred twenty-two dollars if the individual  
25 has a nonworking spouse and two children.

26 h. One hundred twenty-four dollars if the  
27 individual has a nonworking spouse and three or more  
28 children.

29 For the purposes of this subsection the term "child"  
30 means a natural child, stepchild or adopted child  
31 under eighteen years of age, and over eighteen if  
32 physically or mentally incapacitated, of the individual  
33 who is providing, and for at least ninety consecutive  
34 days or for the duration of the parental relationship  
35 if it has existed for less than ninety days immediately  
36 preceding the beginning date of such individual's  
37 benefit year has provided more than one-half of the  
38 cost of supporting such child; provided, that no  
39 person who has been determined to be a child of one  
40 individual at the beginning date of such individual's  
41 benefit year shall be deemed to be a child of any  
42 other individual whose benefit year starts within  
43 one year thereafter.

44 For the purposes of this subsection, the term  
45 "nonworking spouse" means the lawful husband or wife  
46 of an individual claiming benefits under this chapter,  
47 for whom more than one-half the cost of support has  
48 been supplied by such individual for at least ninety  
49 consecutive days or for the duration of the marital  
50 relationship if it has existed for less than ninety

1 days, immediately preceding the beginning of such  
2 individual's current benefit year, and who has no  
3 earnings in excess of fifty dollars per week, but  
4 only if such husband or wife is currently ineligible  
5 to receive benefits under this chapter.

6 For the purposes of this subsection the term  
7 "working spouse" means the lawful husband or wife  
8 of an individual claiming benefits under this chapter  
9 who earns in excess of fifty dollars per week.

10 An individual who is legally obligated to provide  
11 for the support of a child or of a nonworking spouse  
12 for said period of ninety consecutive days, but was  
13 prevented from doing so by illness or injury when  
14 such reason is certified to the employer and the  
15 department by a licensed and practicing physician,  
16 shall be deemed to have provided more than one-half  
17 of the cost of supporting such child or nonworking  
18 spouse for such period.

19 The family class to which an individual is assigned  
20 shall be determined as of the day with respect to  
21 which the individual first files a valid claim for  
22 benefits in any benefit year, and shall be fixed for  
23 the duration of such benefit year. The individual's  
24 statements with respect to family status, made in  
25 connection with the filing of such claim for benefits,  
26 shall be accepted as establishing a prima-facie showing  
27 thereof, subject, however, to the penalties for fraud  
28 or false representation provided in this chapter."

29 . 2. Page 18, line 28, by inserting after the second  
30 word "Act" the words "and the new section added by  
31 amendment one (1) of this amendment,".

H-4086 FILED, RULED NOT BY STROMER of Hancock  
GERMANE (p. 2034)  
MAY 10, 1977

H-4082

1 Amend House File 595 as follows:

2 1. Page 3, by inserting after line 17 the follow-  
3 ing:

4 "Sec. \_\_\_\_\_. Section ninety-six point five (96.5),  
5 subsection three (3), paragraph a, Code 1977, is  
6 amended to read as follows:

7 a. In determining whether or not any work is suit-  
8 able for an individual, the department shall consider  
9 the degree of risk involved to his or her health,  
10 safety, and morals, his or her physical fitness and  
11 prior training, his or her experience and prior  
12 earnings, his or her length of unemployment and  
13 prospects for securing local work in his or her  
14 customary occupation, and the distance of the available  
15 work from his or her residence, and any other factor  
16 which it finds bears a reasonable relation to the  
17 purposes of this subsection. Work shall be determined  
18 to be suitable if the spendable weekly earnings from  
19 such work are equal to or greater than the individual's  
20 weekly benefit amount and the work does not involve  
21 unreasonable risk to the health, safety or morals  
22 of the individual."

23 2. Page 18, by inserting after line 25 the follow-  
24 ing:

25 "NEW SUBSECTION. Spendable weekly earnings is  
26 that amount remaining after payroll taxes are deducted  
27 from gross weekly earnings as defined in section  
28 eighty-five point sixty-one (85.61) of the Code."

29 3. Renumber the sections as necessary in confor-  
30 mance with this amendment.

H-4082 FILED, RULED NOT BY MILLER of Buchanan  
GERMANE; MOVED TO SUSPEND HANSEN of O'Brien  
RULES TO CONSIDER, ADOPTED; WYCKOFF of Benton  
H-4082 ADOPTED (pp. 2037-2039) HARBOR of Mills  
MAY 10, 1977 BROCKETT of Marshall  
*7 considered, amended and lost 5/17* EVANS of Grundy

HOUSE FILE 595

H-4093

1 Amend amendment H-4082, to page 3 of House  
2 File 595, as follows:

3 1. Page 1, line 17, by striking the word  
4 "determined" and inserting in lieu thereof the  
5 word "presumed".

H-4093 FILED, ADOPTED (p. 2038) BY CONLON of Muscatine  
MAY 10, 1977

HOUSE FILE 595

H-4081

1 Amend House File 595 as follows:

2 1. Page 18, by striking lines 26 and 27.

H-4081 FILED, ADOPTED (2048) BY STROMER of Hancock  
MAY 10, 1977

*Motion to reconsider 5/11 (2098)*  
*Reconsidered & lost 5/17 (p. 2333)*

H-4090

1 Amend House File 595 as follows:

2 1. Page 18, by inserting after line 27 the follow-  
3 ing:

4 "Sec. \_\_\_\_\_. The department of job service is  
5 directed to study and compile data to evaluate the  
6 unemployment experience of political subdivisions  
7 and instrumentalities of political subdivisions.  
8 The department of job service shall submit to the  
9 Sixty-eighth General Assembly, 1979 Session, prior  
10 to February 1, 1979, a summary report of the unem-  
11 ployment experience of political subdivisions and  
12 political subdivision instrumentalities. The depart-  
13 ment of job service shall prepare contribution tables  
14 for government entities similar to the contribution  
15 tables for other employers which will rank government  
16 entity employers and assign the government entity  
17 employers into rate classes designed to raise  
18 sufficient revenue from government contributing  
19 employers to meet the costs of unemployment  
20 compensation benefit payments for government  
21 contributing employers."

22 2. Renumber the sections and correct internal  
23 references in conformance with this amendment.

H-4090 FILED, ADOPTED (2050) BY BRANSTAD of Winnebago  
MAY 10, 1977 CONNORS of Polk

## HOUSE FILE 595

H-4085

- 1 Amend House File 595 as follows:  
 2 1. Page 15, by inserting after line 34 the follow-  
 3 ing:  
 4 "Sec. \_\_\_\_ . Section ninety-six point nineteen  
 5 (96.19), subsection fourteen (14), Code 1977, is  
 6 amended to read as follows:  
 7 14. "Week" means such period or periods of seven  
 8 consecutive calendar days ending at midnight, or as  
 9 the department may by regulations prescribe. The  
 10 provisions of this chapter referring to "week" or  
 11 "work week" for the purposes of qualifying or  
 12 requelifying for benefits, shall mean employment  
 13 within a period of seven consecutive calendar days  
 14 of at least twenty-four hours."  
 15 2. Renumber the sections and correct internal  
 16 references as necessary in conformance with this  
 17 amendment.

H-4085 FILED, RULED NOT BY SMALLEY of Polk  
 GERMANE, MOVED TO SUSPEND  
 RULES TO CONSIDER, LOST (pp. 2045, 2046)  
 MAY 10, 1977

## HOUSE FILE 595

H-4089

- 1 Amend House File 595 as follows:  
 2 1. Page 18, by inserting after line 27 the follow-  
 3 ing:  
 4 "Sec. \_\_\_\_ . The department of job service is  
 5 directed to study and compile data to evaluate the  
 6 unemployment experience of political subdivisions  
 7 and instrumentalities of political subdivisions.  
 8 The department of job service shall submit to the  
 9 Sixty-eighth General Assembly, 1979 Session, prior  
 10 to February 1, 1979, a summary report of the unem-  
 11 ployment experience of political subdivisions and  
 12 political subdivision instrumentalities. The depart-  
 13 ment of job service shall prepare contribution tables  
 14 for government entities similar to the contribution  
 15 tables for other employers which will rank government  
 16 entity employers and assign the government entity  
 17 employers into rate classes designed to raise  
 18 sufficient revenue from government contributing  
 19 employers to meet the costs of unemployment  
 20 compensation benefit payments for government  
 21 contributing employers."  
 22 2. Renumber the sections and correct internal  
 23 references in conformance with this amendment.

H-4089 FILED, RULED NOT BY BRANSTAD of Winnebago  
 GERMANE, MOVED TO SUSPEND THOMPSON of Polk  
 RULES TO CONSIDER, LOST (p. 2051) HANSEN of O'Brien  
 MAY 10, 1977

H-4078

1 Amend House File 595 as follows:

2 1. Page 3, by inserting after line 17 the fol-  
3 lowing section:

4 "Sec. \_\_\_\_\_. Section ninety-six point four (96.4),  
5 Code 1977, is amended by adding the following new  
6 subsection:

7 NEW SUBSECTION. Prior to any week in any benefit  
8 year for which the individual claims benefits, the  
9 individual is unemployed for a waiting period of one  
10 week. The one-week waiting period shall be waived  
11 and become compensable after unemployment during  
12 which benefits are payable for five consecutive weeks.  
13 A week shall not be counted as a week of unemployment  
14 for the purposes of this subsection:

15 a. If benefits have been paid with respect  
16 thereto;

17 b. Unless the individual was eligible for bene-  
18 fits with respect thereto in all respects except for  
19 the requirements of subsection two (2) of this sec-  
20 tion;

21 c. Unless it occurs after benefits first could  
22 become payable to any individual under this chapter."

H-4078 FILED, RULED NOT BY WELDEN of Hardin  
GERMANE; MOVED TO SUSPEND THOMPSON of Polk  
RULES TO CONSIDER, LOST  
MAY 10, 1977 (p. 2035)

HOUSE FILE 595

H-4079

1 Amend House File 595 as follows:

2 1. Page 1, by inserting after line 30 the follow-  
3 ing:

4 "Sec. \_\_\_\_\_. Section ninety-six point three (96.3),  
5 subsection four (4), unnumbered paragraph one (1),  
6 Code 1977, is amended to read as follows:

7 With respect to benefit years beginning on or after  
8 July 1, 1975, an eligible individual's weekly benefit  
9 amount for a week of total unemployment shall be an  
10 amount equal to one-twentieth of his or her total  
11 wages in insured work paid during that quarter or  
12 his or her base period in which such total wages were  
13 highest, subject to the following limitation: The  
14 director shall determine annually a maximum weekly  
15 benefit amount by computing ~~sixty-six-and-two-thirds~~  
16 sixty percent of the statewide average weekly wage  
17 paid to employees in insured work which shall be  
18 effective the first day of the first full week in  
19 July. Such maximum weekly benefit amount, if not  
20 a multiple of one dollar shall be rounded to the  
21 higher multiple of one dollar."

22 2. Renumber the sections and correct internal  
23 references in conformance with this amendment.

H-4079 FILED, RULED NOT BY THOMPSON of Polk  
GERMANE; MOVED TO SUSPEND HARVEY of Scott  
RULES TO CONSIDER, LOST WYCKOFF of Benton  
MAY 10, 1977 (p. 2031)

1 Amend House File 595 as follows:

2 1. Page 1, by inserting after line 30 the follow-  
3 ing:

4 "Sec. \_\_\_\_\_. Section ninety-six point three (96.3),  
5 subsection five (5), Code 1977, is amended to read  
6 as follows:

7 5. DURATION OF BENEFITS. The maximum total amount  
8 of benefits payable to any eligible individual during  
9 any benefit year shall not exceed the total of the  
10 wage credits accrued to his or her account during  
11 his or her base period, or twenty-six times his or  
12 her weekly benefit amount, whichever is the lesser.  
13 The director shall maintain a separate account for  
14 each individual who earns wages in insured work.  
15 The director shall compute wage credits for each  
16 individual by crediting his or her account with one-  
17 half of the wages for insured work paid him or her  
18 during his or her base period. Benefits paid to an  
19 eligible individual shall be charged against the base  
20 period wage credits in his or her account which have  
21 not been previously charged hereunder, in the inverse  
22 chronological order as the wages on which such wage  
23 credits are based were paid. ~~However-if-the-state~~  
24 ~~and-national-"off-indicators"-are-in-effect-the-maximum~~  
25 ~~benefits-payable-shall-be-extended-to-thirty-nine~~  
26 ~~times-his-or-her-weekly-benefit-amount-but-not-to~~  
27 ~~exceed-the-total-of-the-wage-credits-accrued-to-his~~  
28 ~~or-her-account."~~

29 2. Strike page 16, line 30 through page 17, line  
30 22, and insert in lieu thereof the following:

31 "Sec. \_\_\_\_\_. Section ninety-six point nineteen  
32 (96.19), subsection twenty-nine (29), Code 1977, is  
33 amended by striking the subsection and inserting in  
34 lieu thereof the following:

35 29. There is a state "on" indicator for a week  
36 if the rate of insured unemployment under the state  
37 law for the period consisting of such week and the  
38 immediately preceding twelve weeks equaled or exceeded  
39 four percent and equaled or exceeded one hundred  
40 twenty percent of the average of the rates for the  
41 corresponding thirteen-week period ending in each  
42 of the two preceding two calendar years.

43 Sec. \_\_\_\_\_. Section ninety-six point nineteen  
44 (96.19), subsection thirty (30), Code 1977, is amended  
45 by striking the subsection and inserting in lieu  
46 thereof the following:

47 30. There is a state "off" indicator for a week  
48 if, for the period consisting of such week and the  
49 immediately preceding twelve weeks, the rate of insured  
50 unemployment under the state law was less than four

1 percent or less than one hundred twenty percent of  
2 the average of those rates for thirteen weeks ending  
3 in each of the two preceding calendar years, except  
4 that, notwithstanding any such provisions of this  
5 subsection, any week for which there would otherwise  
6 be a state "on" indicator shall continue to be such  
7 a week and shall not be determined to be a week for  
8 which there is a state "off" indicator."  
9 3. Page 18, line 28, by striking the words  
10 "section two (2)" and inserting in lieu thereof the  
11 words "sections two (2) and twenty (20)".

H-4077 FILED - *Not germane* BY BRANSTAD of Winnebago  
MAY 9, 1977 *5/10/77 (2029)* THOMPSON of Polk

HOUSE FILE 595

H-4076

1 Amend House File 595 as follows:  
2 1. Page 5, by striking lines 11 through 23.

H-4076 FILED - *Out of order* BY BRANSTAD of Winnebago  
MAY 9, 1977 *with Adoption*  
*of 4087A 5/10 (p. 2043)*

HOUSE FILE 595

H-4110

1 Amend House File 595 as follows:  
2 1. Title page, line 5, by inserting after the  
3 word "contributions," the words "to the definition  
4 of suitability of work for purposes of determining  
5 eligibility for unemployment benefits, to the  
6 study and compilation of certain data by the depart-  
7 ment of job service, to the disqualification of certain  
8 applicants,"

H-4110 FILED, ADOPTED BY BRANSTAD of Winnebago  
BY UNANIMOUS CONSENT (*p. 2052*)  
MAY 10, 1977

HOUSE FILE 595

H-4239

1 Amend amendment H-4092 to House File 595 as  
2 follows:  
3 1. Page 1, by adding after line 32, the follow-  
4 ing:  
5 "The failure of a claimant to obtain three  
6 employer's signatures shall not raise an irrebuttable  
7 presumption of failure to seek employment."

H-4239 FILED, MOVED TO BY SMALLEY of Polk  
SUSPEND RULES TO  
CONSIDER, LOST (*p. 2326*)  
MAY 17, 1977

H-4282

1 Amend House File 595, as amended, passed and  
2 reprinted by the House as follows:

3 1. Page 1, line 26, by striking the words  
4 "subsection two".

5 2. Page 1, line 27, by striking the figure and  
6 word "(2) of".

7 3. Page 3, by striking lines 7 through 9 and  
8 inserting in lieu thereof the following:

9 "d. With respect to any services performed after  
10 July 1, 1977, in any capacity for an educational  
11 institution other than an institution of higher  
12 education, compensation".

13 4. Page 3, by inserting after line 17 the  
14 following:

15 "e. With respect to services performed after July  
16 1, 1977, in an instructional, research, or principal  
17 administrative capacity in an institution of higher  
18 education, compensation payable on the basis of such  
19 services shall be denied to any individual for any  
20 week which commences during an established and  
21 customary vacation period or holiday recess if such  
22 individual performs such services in the period  
23 immediately before such vacation period or holiday  
24 recess, and there is a reasonable assurance that such  
25 individual will perform such services in the period  
26 immediately following such vacation period or holiday  
27 recess."

28 5. Page 3, by inserting after line 17 the  
29 following:

30 "Sec. \_\_\_\_ . Section ninety-six point five (96.5),  
31 subsection one (1), paragraph g, unnumbered paragraph  
32 one (1), Code 1977, is amended to read as follows:

33 g. In the case where he or she left his or her  
34 work voluntarily without good cause attributable to  
35 his or her employer under circumstances which did  
36 or would disqualify him or her for benefits, except  
37 as provided in subsection 1, paragraph "a", under  
38 this subsection he or she, subsequent to such leaving,  
39 worked in and was paid wages for twenty hours of  
40 insured work in each week for not less than six  
41 consecutive weeks, provided he or she is otherwise  
42 eligible."

43 6. Page 11, by inserting after line 14, the  
44 following:

45 "Sec. 15. Section ninety-six point nineteen  
46 (96.19), subsection seven (7), paragraph a,  
47 subparagraph one (1), Code 1977, is amended to read  
48 as follows:

49 (1) Any officer of a corporation, provided that  
50 the term "employment" shall not include such officer

1 if the officer is a majority stockholder and the  
 2 officer shall not be considered an employee of the  
 3 corporation unless such services are subject to a  
 4 tax to be paid under any federal law imposing a tax  
 5 against which credit may be taken for contributions  
 6 required to be paid into a state unemployment fund  
 7 or such services are required to be covered under  
 8 this chapter of the Code, as a condition to receipt  
 9 of a full tax credit against the tax imposed by the  
 10 Federal Unemployment Tax Act (26 U.S.C. 3301-3309),  
 11 or"  
 12 7. ~~Renumber the sections as necessary.~~

H-4282 FILED  
RECEIVED FROM SENATE  
MAY 19, 1977

*House amended (4314) and concurred 5/19 (p. 2493)*

HOUSE FILE 595

H-4233

1 Amend House File 595 as follows:  
 2 1. Page 18, by inserting after line 27:  
 3 "Sec. \_\_\_\_ It is the declared intent of the  
 4 general assembly of the state of Iowa that the de-  
 5 partment of job service shall employ employees as  
 6 full-time claims specialists in the fraud and over-  
 7 payment unit of the job insurance division of the  
 8 department of job service to the extent that fed-  
 9 eral funds are available to the department of job  
 10 service for the employment of such full-time per-  
 11 sonnel."  
 12 2. Renumber the sections as necessary.

H-4233 FILED - *Adopted 5/17* BY PERKINS of Greene  
MAY 17, 1977 (*p. 2333*) CONNORS of Polk

HOUSE FILE 595

H-4236

1 Amend amendment H-4082, to page 3 of House  
 2 File 595, as follows:  
 3 1. Page 1, by striking line 17 and inserting in  
 4 lieu thereof the following: "purposes of this sub-  
 5 section. However, after the twelfth week during  
 6 which the individual has received unemployment com-  
 7 penensation work shall be determined"

H-4236 FILED - *Adopted 5/17* BY MILLER of Buchanan  
MAY 17, 1977 (*p. 2330*)

Sen. Labor 5/18 Do Pass 5/18 (p.1749)  
" Ways & Means 5/18 Pass per 3675 5/18 (p.1751)

HOUSE FILE 595

5/77

Ways and Means  
Nolting, Chairperson  
Palmer  
Readinger

HOUSE FILE 595

By COMMITTEE ON LABOR AND  
INDUSTRIAL RELATIONS

(As Amended and Passed by the House)

Passed House, Date 5-19-77 (p.2494) *as further amended* Passed Senate, Date 5-19-77 (p.1713) *as further amended*

Vote: Ayes 58 Nays 33 Vote: Ayes 44 Nays 5

Approved June 29 1977

*Repassed Senate per 3705 5-20-77 (p.1776)*  
41-8

## A BILL FOR

1 An Act relating to unemployment compensation law changes pro-  
2 viding for amendments to the Iowa law to maintain the  
3 approval of the state law by the secretary of labor to  
4 assure an employer tax credit of two point seven percent  
5 for required unemployment compensation contributions, to  
6 the compilation of certain data, and to assure federal  
7 funding of the administration of the Iowa unemployment  
8 compensation program.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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As Amended \_\_\_\_\_

1 Section 1. Chapter ninety-six (96), Code 1977, is amended  
2 by adding the following new section:

3 NEW SECTION. INCLUSION OF WAGES PAID PRIOR TO JANUARY  
4 1, 1978, FOR NEWLY COVERED EMPLOYERS.

5 1. With respect to weeks of unemployment beginning on  
6 or after January 1, 1978, wages for insured work shall include  
7 wages paid prior to January 1, 1978, for services which prior  
8 to January 1, 1978 were not defined as employment or covered  
9 pursuant to an election by a person to become an employer  
10 under this chapter at any time during the one-year period  
11 ending December 31, 1975. Such services include agricultural  
12 labor defined as employment after January 1, 1978, domestic  
13 service defined as employment after January 1, 1978 or are  
14 services performed by an employee of this state or a political  
15 subdivision or an instrumentality of a state or political  
16 subdivision or by an employee of a nonprofit educational in-  
17 stitution which is not an institution of higher education  
18 except to the extent that assistance under Title two (II)  
19 of the Emergency Jobs and Unemployment Assistance Act of 1974  
20 was paid on the basis of such service.

21 2. Any nonprofit organization which elects to make pay-  
22 ments in lieu of contributions into the unemployment compensa-  
23 tion fund as provided in this paragraph shall not be liable  
24 to make such payments with respect to the benefits paid to  
25 any individual whose base-period wages include wages for  
26 previously uncovered services as defined in subsection two  
27 (2) of this section to the extent that the unemployment  
28 compensation fund is reimbursed for such benefits pursuant  
29 to section one hundred twenty-one (121) of public law ninety-  
30 four dash five hundred sixty-six (94-566), 1976.

31 Sec. 2. Section ninety-six point four (96.4), subsection  
32 five (5), Code 1977, is amended by striking the subsection  
33 and inserting in lieu thereof the following:

34 5. Benefits based on service in employment in a nonprofit  
35 organization or government entity, defined in section ninety-

1 six point nineteen (96.19), subsection seven (7) of the Code,  
2 shall be payable in the same amount, on the same terms and  
3 subject to the same conditions as compensation payable on  
4 the same basis of other service subject to this chapter,  
5 except that:

6 a. Benefits based on service in an instructional, research,  
7 or principal administrative capacity in an institution of  
8 higher education shall not be paid to an individual for any  
9 week of unemployment which begins during the period between  
10 two successive academic years or during a similar period  
11 between two regular terms, whether or not successive, or  
12 during a period of paid sabbatical leave, provided for in  
13 the individual's contract if the individual has a contract  
14 or contracts to perform services in any such capacity for  
15 any institution or institutions of higher education for both  
16 such academic years or both such terms.

17 b. Benefits based on service in employment, defined in  
18 section ninety-six point nineteen (96.19), subsection seven  
19 (7) of the Code, and based on service after December 31, 1977  
20 in an instructional, research, or principal administrative  
21 capacity for an educational institution operated by a  
22 government entity or a nonprofit organization, shall not be  
23 paid to an individual for any week of unemployment which  
24 begins during the period between two successive academic years  
25 or terms, (or, when an agreement provides instead for a similar  
26 period between two regular but not successive terms, during  
27 such period) to any individual if such individual performs  
28 such services in the first of such academic years or terms  
29 and if there is a contract or reasonable assurance that such  
30 individual will perform services in any such capacity for  
31 any educational institution the second of such academic years  
32 or terms, and

33 c. With respect to services in any other capacity for  
34 an educational institution (other than an institution of  
35 higher education) after December 31, 1977, benefits shall

1 not be paid to an individual for any week of unemployment  
2 which begins during the period between two successive academic  
3 years, or terms if such individual performs such services  
4 in the first of such academic years or terms and there is  
5 a reasonable assurance that such individual will perform such  
6 services in the second of such academic years or terms.

7 d. With respect to any services performed after December  
8 31, 1977, in any capacity for an educational institution  
9 (other than an institution of higher education), compensation  
10 payable on the basis of such services shall not be paid to  
11 any individual for any week which commences during an  
12 established and customary vacation period or holiday recess  
13 if such individual performs such service in the period  
14 immediately before such vacation period or holiday recess,  
15 and there is a reasonable assurance that such individual  
16 will perform such service in the period immediately following  
17 such vacation period or holiday recess.

18 Sec. 3. Section ninety-six point five (96.5), Code 1977,  
19 is amended by adding the following new subsections:

20 NEW SUBSECTION. ATHLETES--DISQUALIFIED. Services per-  
21 formed by an individual, substantially all of which consist  
22 of participating in sports or athletic events or training  
23 or preparing to so participate, for any week which commences  
24 during the period between two successive sport seasons or  
25 similar periods, if such individual performs such services  
26 in the first of such seasons or similar periods and there  
27 is a reasonable assurance that such individual will perform  
28 such services in the later of such season or similar periods.

29 NEW SUBSECTION. ALIENS--DISQUALIFIED. For services per-  
30 formed by an alien unless such alien is an individual who  
31 was lawfully admitted for permanent residence at the time  
32 such services were performed, was lawfully present for purpose  
33 or performing such services or was permanently residing in  
34 the United States under color of law, including an alien who  
35 is lawfully present in the United States as a result of the

1 application of the provisions of section two hundred three  
2 (a) seven (203(a) (7)) or section two hundred twelve (d) five  
3 (212 (d) (5)) of the Immigration and Nationality Act. Any  
4 data or information required of individuals applying for  
5 benefits to determine whether benefits are not payable to  
6 them because of their alien status shall be uniformly required  
7 from all applicants for benefits. In the case of an individual  
8 whose application for benefits would otherwise be approved,  
9 no determination that benefits to such individual are not  
10 payable because of his or her alien status shall be made  
11 except upon a preponderance of the evidence.

12 Sec. 4. Section ninety-six point seven (96.7), subsection  
13 eight (8), Code 1977, is amended by striking the subsection  
14 and inserting in lieu thereof the following:

15 8. Financing benefits paid to employees of the state or  
16 political subdivisions of the state and their instru-  
17 mentalities.

18 a. A government entity which is an employer under the  
19 provisions of this chapter shall make benefit payments in  
20 a manner provided for a government reimbursable employer  
21 unless the employer elects to pay unemployment compensation  
22 benefits as a contributing employer. Government entities  
23 may establish a group account as provided in this section.  
24 Any election under this subsection to be a government  
25 contributing employer shall be effective for a minimum of  
26 two calendar years and may be changed if an election is made  
27 to be a government reimbursable employer prior to December  
28 first for a minimum of the two following calendar years.

29 b. For the purposes of this subsection "government  
30 contributing employer" means a government entity electing  
31 to contribute for a minimum period of two calendar years at  
32 a contribution rate determined by the department in the  
33 following manner:

34 (1) For the calendar year beginning January 1, 1978, the  
35 contribution rate shall be one percent.

1 (2) For the calendar year beginning January 1, 1979, the  
2 contribution rate shall be one percent, provided that the  
3 department may reduce the contribution rate by fifteen  
4 hundredths of one percent or increase the contribution rate  
5 by not more than one percent. A rate adjustment shall be  
6 made only in an amount necessary to raise sufficient funds  
7 from contributing employers to finance an amount equal to  
8 the benefits for the previous calendar year and the amount  
9 by which the benefits of the preceding calendar year exceeded  
10 the employers' contributions.

11 A government entity electing to contribute at a fixed  
12 contribution rate in lieu to making payments as a government  
13 reimbursable employer may elect to finance benefits as a  
14 government reimbursable employer however the government entity  
15 shall be obligated to pay within a time period determined  
16 by the department to the fund the amount by which benefit  
17 payments for the government entity exceed contributions by  
18 the government entity on the effective date of the election.

19 c. For the purposes of this subsection "government reim-  
20 bursable employer" means an employer paying to the department  
21 for the unemployment fund an amount equal to the sum of the  
22 regular benefits attributable to service in the employ of  
23 the employer and prior to January 1, 1979, plus one-half of  
24 the extended benefits paid for service in the employ of the  
25 employer, and beginning January 1, 1979, plus all of the  
26 extended benefits paid for service in the employ of the  
27 employer. Payments shall be made in accordance with the  
28 provisions of subsection nine (9), paragraph b of this section  
29 of the Code.

30 Sec. 5. Section ninety-six point seven (96.7), subsec-  
31 tion nine (9), paragraph b, subparagraph one (1), Code 1977,  
32 is amended to read as follows:

33 (1) At the end of each calendar quarter, or at the end  
34 of any other period as determined by the department, the  
35 department shall bill each nonprofit organization which has

1 elected to make payments in lieu of contributions for an  
2 amount equal to the full amount of regular benefits plus one-  
3 half of the amount of extended benefits paid during such  
4 quarter or other prescribed period that is attributable to  
5 service in the employ of such organization. Unless federal  
6 funds are otherwise provided, at the end of each calendar  
7 quarter or other period determined by the department, the  
8 department shall also bill each governmental entity the amount  
9 of regular plus extended benefits owed as a governmental  
10 reimbursable employer for benefits paid during the quarter  
11 or period for such organization electing governmental  
12 reimbursable status including any benefits paid for a  
13 government entity for claims filed while the government entity  
14 was a contributing employer prior to an election to become  
15 a government reimbursable employer which were paid during  
16 the quarter or period.

17 Sec. 6. Section ninety-six point seven (96.7), subsec-  
18 tion twelve (12), Code 1977, is amended to read as follows:

19 12. ALLOCATION OF BENEFIT COST. Each employer that is  
20 liable for payment in lieu of contributions shall pay to the  
21 department for the fund the amount of regular benefits and  
22 unless a government entity plus the amount of one-half of  
23 extended benefits paid during each quarter that are  
24 attributable to service in the employ of such employer. A  
25 government entity shall make benefit payments in the amounts  
26 provided for a government reimbursable employer. If benefits  
27 paid to an individual are based on wages paid by more than  
28 one employer and one or more of such employers are liable  
29 for payments in lieu of contributions, the amount payable  
30 to the fund by each employer that is liable for such payment  
31 shall be payable each quarter by the base period employers  
32 in inverse chronological order in which the employment of  
33 such individual occurred. Provided, that the amount of any  
34 such employer's liability in any calendar quarter shall not  
35 exceed the amount of such individual's wage credits and unless

1 a government entity plus one-half the amount of extended  
2 benefits based on employment with such employer during such  
3 quarter of the base period. A government entity's liability  
4 in any calendar quarter shall not exceed the amount of the  
5 individual's wage credits plus that amount of extended benefits  
6 a government entity is required to pay as a government reim-  
7 bursable employer.

8 Sec. 7. Section ninety-six point seven (96.7), subsec-  
9 tion thirteen (13), Code 1977, is amended to read as follows:

10 13. GROUP ACCOUNTS. Two or more employers that have  
11 become liable for payments in lieu of contributions, in  
12 accordance with the provisions of subsection eight (8) and  
13 subsection 9, paragraph "a", of this section of the Code may  
14 file a joint application to the department for the  
15 establishment of a group account for the purpose of sharing  
16 the cost of benefits paid that are attributable to service  
17 in the employ of such employers. Each such application shall  
18 identify and authorize a group representative to act as the  
19 group's agent for the purposes of this subsection. Upon its  
20 approval of the application, the department shall establish  
21 a group account for such employers effective as of the  
22 beginning of the calendar quarter in which it receives the  
23 application and shall notify the group's representative of  
24 the effective date of the account. Such account shall remain  
25 in effect for not less than one year and thereafter until  
26 terminated at the discretion of the department or upon  
27 application by the group. Upon establishment of the account,  
28 each member of the group shall be liable for payments in lieu  
29 of contributions with respect to each calendar quarter in  
30 the amount that bears the same ratio to the total benefits  
31 paid in such quarter that are attributable to service performed  
32 in the employ of all members of the group as the total wages  
33 paid for service in employment by such member in such quarter  
34 bear to the total wages paid during such quarter for service  
35 performed in the employ of all members of the group. The

1 department shall prescribe such regulations as it deems  
2 necessary with respect to applications for establishment,  
3 maintenance and termination of group accounts that are  
4 authorized by this subsection, for addition of new members  
5 to, and withdrawal of active members from, such accounts,  
6 and for the determination of the amounts that are payable  
7 under this subsection by members of the group and the time  
8 and manner of such payments.

9 Sec. 8. Section ninety-six point seven (96.7), subsection  
10 fourteen (14), Code 1977, is amended to read as follows:

11 14. NONPROFIT ORGANIZATION ELECTION.

12 a. Notwithstanding any provisions in subsection 9 of this  
13 section, any nonprofit organization that prior to January  
14 1, 1969, paid contributions required by this section and,  
15 pursuant to subsection 9 of this section, elects, ~~within~~  
16 ~~thirty days after the effective date of this Act~~ before April  
17 1, 1972, to make payments in lieu of contributions, shall  
18 not be required to make any such payment on account of any  
19 regular or extended benefits paid, on the basis of wages paid  
20 by such organization to individuals for weeks of unemployment  
21 which begin on or after the effective date of such election  
22 until the total amount of such benefits equals the amount  
23 of the positive balance in the experience rating account of  
24 such organization.

25 b. A nonprofit organization or group not required to be  
26 covered employment prior to January 1, 1978, that paid  
27 contributions as an employer prior to October 20, 1976, and  
28 which elects within thirty days after the effective date of  
29 this Act to make payments in lieu of contributions shall not  
30 be required to make any such payment for regular or extended  
31 benefits paid after its election until the total amount of  
32 benefits equal the amount of the positive balance in the ex-  
33 perience rating account of such organization.

34 Sec. 9. Section ninety-six point eight (96.8), subsec-  
35 tion two (2), Code 1977, is amended to read as follows:

1 2. VOLUNTARY TERMINATION. Except as otherwise provided  
2 in subsection 3 of this section, an employing unit shall cease  
3 to be an employer subject to this chapter, as of the first  
4 day of January of any calendar year, if it files with the  
5 department, prior to the fifteenth day of February of such  
6 year, a written application for termination of coverage, and  
7 the department finds that such employing unit did not meet  
8 any of the qualifying liability requirements as provided under  
9 section 96.19, subsection 6, paragraphs "a," "b," "c," "d,"  
10 "e," "f," or "g," and the new paragraphs added to section  
11 ninety-six point nineteen (96.19), subsection six (6) by this  
12 Act and section 96.19, subsection 6, paragraphs "h" or "i"  
13 in the preceding calendar year.

14 Sec. 10. Section ninety-six point fourteen (96.14),  
15 subsection three (3), Code 1977, is amended by adding the  
16 following new paragraph:

17 NEW PARAGRAPH. If a political subdivision or a politi-  
18 cal subdivision instrumentality becomes delinquent in the  
19 payment of contributions, any payments owed as a government  
20 employer, penalty, interest and costs for more than two  
21 calendar quarters, the amount of such delinquency shall be  
22 deducted from any further moneys due the employer by the  
23 state. Such deduction shall be made by the state comptroller  
24 upon certification of the amount due. A copy of the  
25 certification will be mailed to the employer.

26 Sec. 11. Section ninety-six point nineteen (96.19),  
27 subsection six (6), Code 1977, is amended by adding the  
28 following new lettered paragraphs:

29 NEW LETTERED PARAGRAPH. 1. An employing unit employing  
30 agricultural labor after December 31, 1977, if the employing  
31 unit:

32 (1) Paid during any calendar quarter in the calendar year  
33 or the preceding calendar year wages of \$20,000 or more for  
34 agricultural labor, or

35 (2) Employed on each of some twenty days during the calen-

1 dar year or during the preceding calendar year, each day be-  
2 ing in a different calendar week, at least ten individuals  
3 in employment in agricultural labor for some portion of the  
4 day.

5 NEW LETTERED PARAGRAPH. m. An employing unit employing  
6 after December 31, 1977, domestic service in a private home,  
7 local college club, or local chapter of a college fraternity  
8 or sorority, and with respect to any calendar year, any  
9 employing unit who during any calendar quarter in the calendar  
10 year or the preceding calendar year paid wages in cash of  
11 \$1,000 or more for such service.

12 Sec. 12. Section ninety-six point nineteen (96.19),  
13 subsection six (6), paragraph a, Code 1977, is amended to  
14 read as follows:

15 a. For purposes of this chapter ~~the term "employer" means~~  
16 with respect to any calendar year after December 31, 1971,  
17 any employing unit which in any calendar quarter in either  
18 the current or preceding calendar year paid for service in  
19 employment wages ~~as defined in subsection 13~~ of one thousand  
20 five hundred dollars or more excluding wages paid for domestic  
21 service, or for some portion of a day in each of twenty  
22 different calendar weeks, whether or not such weeks were  
23 consecutive, in either the current or the preceding calendar  
24 year, had in employment at least one individual (irrespective  
25 of whether the same individual was in employment in each such  
26 day). An employing unit treated as a domestic service employer  
27 shall not be treated as an employer with respect to wages  
28 paid for service other than domestic service unless such  
29 employing unit is treated as an employer under this paragraph  
30 or as an agricultural labor employer.

31 Sec. 13. Section ninety-six point nineteen (96.19),  
32 subsection six (6), paragraph h, Code 1977, is amended by  
33 striking the paragraph and inserting in lieu thereof the  
34 following:

35 h. After December 31, 1971, this state or a state in-

1 strumentality and after December 31, 1977, a government entity  
2 unless specifically excluded from the definition of employment.

3 Sec. 14. Section ninety-six point nineteen (96.19),  
4 subsection seven (7), lettered paragraph a, the first un-  
5 lettered paragraph, Code 1977, is amended to read as fol-  
6 lows:

7 Except as otherwise provided in this ~~section~~ subsection  
8 "employment" means service, including service in interstate  
9 commerce, performed for wages or under any contract of hire,  
10 written or oral, expressed or implied. Employment also means  
11 any service performed prior to January 1, ~~1972~~ 1978, which  
12 was employment as defined in this subsection prior to such  
13 date and, subject to the other provisions of this subsection,  
14 service performed after December 31, ~~1971~~ 1977, by:

15 Sec. 15. Section ninety-six point nineteen (96.19), sub-  
16 section seven (7), paragraph a, subparagraph four (4), Code  
17 1977, is amended to read as follows:

18 (4) Service performed after December 31, 1971, by an  
19 individual in the employ of this state or any of its wholly  
20 owned instrumentalities and after December 31, 1977, service  
21 performed by an individual in the employ of a government  
22 entity unless specifically excluded from the definition of  
23 employment for a government entity.

24 Sec. 16. Section ninety-six point nineteen (96.19),  
25 subsection seven (7), paragraph a, subparagraph five (5),  
26 Code 1977, is amended to read as follows:

27 (5) Service performed after December 31, 1971, by an  
28 individual in the employ of a religious, charitable,  
29 educational or other organization, but only if the service  
30 is excluded from "employment" as defined in the federal  
31 Unemployment Tax Act (26 U.S.C. ~~3301-3308~~ 3301-3309) solely  
32 by reason of section 3306 (c) (8) of that Act.

33 Sec. 17. Section ninety-six point nineteen (96.19),  
34 subsection seven (7), paragraph a, subparagraph six (6),  
35 subdivision (c), Code 1977, is amended to read as follows:

1 (c) In the employ of a nonpublic school which is not an  
2 institution of higher education prior to January 1, 1978.

3 Sec. 18. Section ninety-six point nineteen (96.19),  
4 subsection seven (7), paragraph a, subparagraph six (6),  
5 subdivision (f), Code 1977, is amended to read as follows:

6 (f) ~~For~~ Prior to January 1, 1978 for a hospital in a state  
7 prison or other state correctional institution by an inmate  
8 of the prison or correctional institution and after December  
9 31, 1977, by an inmate of a custodial or penal institution.

10 Sec. 19. Section ninety-six point nineteen (96.19),  
11 subsection seven (7), paragraph a, subparagraph six (6), Code  
12 1977, is amended by adding the following new lettered  
13 subdivision:

14 NEW LETTERED SUBDIVISION. (g) In the employ of a  
15 governmental entity, if such service is performed by an  
16 individual in the exercise of his or her duties as an elected  
17 official; as a member of a legislative body, or a member of  
18 the judiciary, of a state or political subdivision; as a  
19 member of the state national guard or air national guard;  
20 as an employee serving on a temporary basis in case of fire,  
21 storm, snow, earthquake, flood, or similar emergency; or in  
22 a position which, pursuant to the state law, is designated  
23 as a major nontenured policymaking or advisory position, or  
24 a policymaking or advisory position which ordinarily does  
25 not require duties of more than eight hours per week.

26 Sec. 20. Section ninety-six point nineteen (96.19),  
27 subsection seven (7), paragraph a, subparagraph seven (7),  
28 Code 1977, is amended by striking the subparagraph.

29 Sec. 21. Section ninety-six point nineteen (96.19), sub-  
30 section seven (7), paragraph a, Code 1977, is amended by  
31 adding the following new subparagraph.

32 (7) (a) A person in agricultural labor when such labor  
33 is performed for an employing unit which during any calendar  
34 quarter in the calendar year or the preceding calendar year  
35 paid remuneration in cash of twenty thousand dollars or more

1 to individuals employed in agricultural labor excluding labor  
2 performed before January 1, 1980, by an alien referred to  
3 in this subparagraph; or on each of some twenty days during  
4 the calendar year or the preceding calendar year, each day  
5 being in a different calendar week, employed in agricultural  
6 labor for some portion of the day ten or more individuals,  
7 excluding labor performed before January 1, 1980, by an alien  
8 referred to in this subparagraph; and such labor is not agri-  
9 cultural labor performed before January 1, 1980, by an  
10 individual who is an alien admitted to the United States to  
11 perform agricultural labor pursuant to sections two hundred  
12 fourteen (c) (214 (c)) and one hundred one (a) fifteen (II)  
13 (101 (a) (15) (II)) of the Immigration and Nationality Act.

14 (b) For purposes of this subparagraph, any individual  
15 who is a member of a crew furnished by a crew leader to perform  
16 agricultural labor for any other employing unit shall be  
17 treated as an employee of such crew leader if such crew leader  
18 holds a valid certificate of registration under the Farm Labor  
19 Contractor Registration Act of 1963; or substantially all  
20 the members of such crew operate or maintain tractors,  
21 mechanized harvesting or cropdusting equipment, or any other  
22 mechanized equipment, which is provided by such crew leader;  
23 and if such individual is not otherwise in employment as de-  
24 fined in this subsection.

25 For purposes of this subparagraph, in the case of any in-  
26 dividual who is furnished by a crew leader to perform agri-  
27 cultural labor for any other employing unit and who is not  
28 treated as an employee of such crew leader as described above,  
29 such other employing unit and not the crew leader shall be  
30 treated as the employer of such individual; and such other  
31 employing unit shall be treated as having paid cash  
32 remuneration to such individual in an amount equal to the  
33 amount of cash remuneration paid to such individual by the  
34 crew leader either on his or her behalf or on behalf of such  
35 other employing unit for the agricultural labor performed

1 for such other employing unit.

2 For purposes of this subsection, the term "crew leader"  
3 means an employing unit which furnishes individuals to perform  
4 agricultural labor for any other employing unit; pays, either  
5 on the crew leader's behalf or on behalf of such other  
6 employing unit, the individuals so furnished by the crew  
7 leader for the agricultural labor performed by them; and has  
8 not entered into a written agreement with such other employing  
9 unit under which such individual is designated as an employee  
10 of such other employing unit.

11 Sec. 22. Section ninety-six point nineteen (96.19),  
12 subsection seven (7), paragraph a, Code 1977, is amended by  
13 adding the following new numbered subparagraph:

14 NEW NUMBERED SUBPARAGRAPH. (8) A person performing after  
15 December 31, 1977 domestic service in a private home, local  
16 college club, or local chapter of a college fraternity or  
17 sorority if performed for an employing unit who paid cash  
18 remuneration of \$1,000 or more to individuals employed in  
19 such domestic service in any calendar quarter in the calendar  
20 year or the preceding calendar year.

21 Sec. 23. Section ninety-six point nineteen (96.19),  
22 subsection seven (7), paragraph b, subparagraph three (3),  
23 Code 1977, is amended to read as follows:

24 (3) The service is performed outside the United States,  
25 ~~(except in Canada or the Virgin Islands)~~, after December 31,  
26 1971, by a citizen of the United States in the employ of an  
27 American employer, ~~other than service which is deemed~~  
28 "employment" under the provisions of subparagraphs (1) and  
29 (2) or the parallel provisions of another state law, or  
30 service performed after December thirty-first of the year  
31 in which the United States secretary of labor approved the  
32 first time the unemployment compensation law submitted by  
33 the Virgin Islands, if:

34 Sec. 24. Section ninety-six point nineteen (96.19),  
35 subsection seven (7), paragraph g, subparagraph one (1), Code

1 1977 is amended by striking the subparagraph.

2 Sec. 25. Section ninety-six point nineteen (96.19),  
3 subsection seven (7), paragraph g, subparagraph four (4),  
4 the first unnumbered paragraph, Code 1977, is amended to read  
5 as follows:

6 AGRICULTURAL LABOR. For purposes of this chapter, the  
7 term "agricultural labor" means any service performed prior  
8 to January 1, 1972, which was agricultural labor as defined  
9 in this subparagraph prior to such date, and provided that  
10 after December 31, 1977, this subparagraph shall not exclude  
11 from employment agricultural labor specifically included as  
12 agricultural labor under the definition of employment in this  
13 subsection, but shall otherwise include remunerated service  
14 performed after December 31, 1971:

15 Sec. 26. Section ninety-six point nineteen (96.19),  
16 subsection seven (7), paragraph g, subparagraph four (4),  
17 lettered subdivision (e), Code 1977, is amended to read as  
18 follows:

19 (e) On a farm operated for profit if such service is not  
20 in the course of the employer's trade or business ~~or is~~  
21 ~~domestic service in a private home of the employer.~~

22 Sec. 27. Section ninety-six point nineteen (96.19),  
23 subsection seven (7), paragraph g, subparagraph five (5),  
24 Code 1977, is amended to read as follows:

25 (5) Domestic service in a private home prior to January  
26 1, 1978, and after December 31, 1977, domestic service in  
27 a private home not covered as domestic service under the  
28 definition of employment.

29 Sec. 28. Section ninety-six point nineteen (96.19),  
30 subsection thirteen (13), Code 1977, is amended by adding  
31 the following new lettered paragraph:

32 NEW LETTERED PARAGRAPH. d. Remuneration for agricultural  
33 labor paid in any medium other than cash.

34 Sec. 29. Section ninety-six point nineteen (96.19),  
35 subsection twenty-five (25), Code 1977, is amended to read

1 as follows:

2 25. "United States" for the purposes of this section  
3 includes the states, the District of Columbia, and the  
4 Commonwealth of Puerto Rico and the Virgin Islands.

5 Sec. 30. Section ninety-six point nineteen (96.19),  
6 subsection twenty-seven (27), Code 1977, is amended by striking  
7 the subsection and inserting in lieu thereof the following:

8 27. There is a national "on" indicator for a week if,  
9 for the period consisting of such week and the immediately  
10 preceding twelve weeks, the rate of seasonally adjusted insured  
11 unemployment for all states equaled or exceeded four point  
12 five percent. The rate of insured unemployment, for the  
13 purposes of this subsection, shall be determined by the  
14 secretary of labor by reference to the average monthly covered  
15 employment for the first four of the most recent six calendar  
16 quarters ending before the close of such period.

17 Sec. 31. Section ninety-six point nineteen (96.19),  
18 subsection twenty-eight (28), Code 1977, is amended by striking  
19 the section and inserting in lieu thereof the following:

20 28. There is a national "off" indicator for a week if,  
21 for the period consisting of such week and the immediately  
22 preceding twelve weeks, the rate of seasonally adjusted insured  
23 unemployment for all states was less than four point five  
24 percent. The rate of insured unemployment, for the purposes  
25 of this subsection, shall be determined by the secretary of  
26 labor by reference to the average monthly covered employment  
27 for the first four of the most recent six calendar quarters  
28 ending before the close of such period.

29 Sec. 32. Section ninety-six point nineteen (96.19),  
30 subsection twenty-nine (29), Code 1977, is amended by striking  
31 the subsection and inserting in lieu thereof the following:

32 29. There is a state "on" indicator for a week if the  
33 rate of insured unemployment under the state law for the  
34 period consisting of such week and the immediately preceding  
35 twelve weeks:

- 1 a. Equaled or exceeded five percent; or
- 2 b. Equaled or exceeded four percent and equaled or exceeded
- 3 one hundred twenty percent of the average of those rates for
- 4 the corresponding thirteen week period ending in each of the
- 5 two preceding two calendar years.

6 Sec. 33. Section ninety-six point nineteen (96.19),  
7 subsection thirty (30), Code 1977, is amended by striking  
8 the subsection and inserting in lieu thereof the following:

9 30. There is a state "off" indicator for a week if, for  
10 the period consisting of such week and the immediately pre-  
11 ceding twelve weeks, the rate of insured unemployment under  
12 the state law was:

- 13 a. Less than four percent; or
- 14 b. Less than five percent and less than one hundred twenty
- 15 percent of the average of those rates for thirteen weeks
- 16 ending in each of the two preceding calendar years, except
- 17 that, notwithstanding any such provision of this subsection,
- 18 any week for which there would otherwise be a state "on"
- 19 indicator shall continue to be such a week and shall not be
- 20 determined to be a week for which there is a state "off"
- 21 indicator.

22 Sec. 34. Section ninety-six point nineteen (96.19),  
23 subsection thirty-five (35), paragraph b, Code 1977, is amended  
24 to read as follows:

25 b. He or she has no right to unemployment benefits or  
26 allowances under the Railroad Unemployment Insurance Act,  
27 the Trade Expansion Act of 1962, the Automotive Products Trade  
28 Act of 1965, and such other federal laws as are specified  
29 in regulations issued by the United States secretary of labor,  
30 and he or she has not received and is not seeking unemployment  
31 benefits under the unemployment compensation law ~~of the Virgin~~  
32 ~~Islands-or~~ of Canada, but if he or she is seeking such benefits  
33 and the appropriate agency finally determines that he or she  
34 is not entitled to benefits under such law he or she is  
35 considered an exhaustee.

1 Sec. 35. Section ninety-six point nineteen (96.19), Code  
2 1977, is amended by adding the following new subsections:

3 NEW SUBSECTION. "Domestic service" includes service for  
4 an employing unit in the operation and maintenance of a private  
5 household, local college club or local chapter of a college  
6 fraternity or sorority as distinguished from service as an  
7 employee in the pursuit of an employer's trade, occupation,  
8 profession, enterprise, or vocation.

9 NEW SUBSECTION. "Educational institution" means one in  
10 which participants, trainees, or students are offered an  
11 organized course of study or training designed to transfer  
12 to them knowledge, skills, information, doctrines, attitudes  
13 or abilities from, by or under the guidance of an instructor  
14 or teacher. It is approved, licensed or issued a permit to  
15 operate as a school by the state department of public  
16 instruction or other government agency that is authorized  
17 within the state to approve, license or issue a permit for  
18 the operation of a school. The course of study or training  
19 which it offers may be academic, technical, trade, or  
20 preparation for gainful employment in a recognized occupation.

21 NEW SUBSECTION. "Government entity", means a state, a  
22 state instrumentality, a political subdivision or a political  
23 subdivision instrumentality, or a combination of one or more  
24 of the preceding.

25 Sec. 36. Political subdivisions may levy a tax outside  
26 their general fund to pay the cost of unemployment benefits.

27 Sec. 37. It is the declared intent of the general assembly  
28 of the state of Iowa that the department of job service shall  
29 employ employees as full-time claims specialists in the fraud  
30 and overpayment unit of the job insurance division of the  
31 department of job service to the extent that federal funds  
32 are available to the department of job service for the  
33 employment of such full-time personnel.

34 Sec. 38. The department of job service is directed to  
35 study and compile data to evaluate the unemployment experience

1 of political subdivisions and instrumentalities of political  
2 subdivisions. The department of job service shall submit  
3 to the Sixty-eighth General Assembly, 1979 Session, prior  
4 to February 1, 1979, a summary report of the unemployment  
5 experience of political subdivisions and political subdivision  
6 instrumentalities. The department of job service shall prepare  
7 contribution tables for government entities similar to the  
8 contribution tables for other employers which will rank  
9 government entity employers and assign the government entity  
10 employers into rate classes designed to raise sufficient  
11 revenue from government contributing employers to meet the  
12 costs of unemployment compensation benefit payments for  
13 government contributing employers.

14 Sec. 39. Government entities, originally classified as  
15 government reimbursable employers under the provisions of  
16 this Act may elect to become government contributing employers  
17 for a minimum of two calendar years, however such election  
18 shall be communicated to the department of job service, upon  
19 forms provided by the department of job service, prior to  
20 November 1, 1977.

21 Sec. 40. The provisions of this Act, except sections two  
22 (2) and thirty-nine (39) are effective January 1, 1978.

23 EXPLANATION

24 Section 1 includes wages earned in service not covered  
25 in employment prior to January 1, 1978.

26 Section 2 relates to the requirements of eligibility and  
27 excludes employees of educational institutions between terms  
28 except employees of higher education facilities other than  
29 instructors, researchers or administrators. This section  
30 excludes academic and nonacademic personnel at educational  
31 institutions other than institutions of higher education.

32 Section 3 disqualifies certain athletes and aliens from  
33 eligibility for unemployment compensation benefits.

34 Sections 4, 5, 6, 7, 10, 13 and 15 provide for coverage  
35 of state and political subdivision employees and the methods

1 available to the organizations to finance benefits. Section  
2 19 provides an exclusion from government coverage for certain  
3 individuals.

4 Section 8 provides for financing of benefits for wages  
5 earned prior to January 1, 1978, for previously uncovered  
6 employees of nonprofit organizations.

7 Section 9 corrects a cross reference.

8 Section 11 amends the definition of employer to include  
9 certain agricultural labor employers and domestic service  
10 employers.

11 Section 12 amends the general definition of employers.

12 Section 14 updates date references.

13 Section 16 includes a reference to the Internal Revenue  
14 Code as amended.

15 Section 17 terminates an exclusion of employment for non-  
16 public schools, not institutions of higher education, after  
17 January 1, 1978.

18 Section 14 excludes inmates in penal institutions after  
19 January 1, 1978.

20 Section 20 strikes the present political subdivision cov-  
21 erage.

22 Section 21 inserts certain agricultural labor coverage  
23 for the definition of employment.

24 Sections 22, 26 and 28 include certain domestic workers  
25 in the definition of employment.

26 Sections 23, 29 and 34 correct Virgin Island references.

27 Section 24 strikes an exception from UI coverage for elected  
28 officials which exception is reinserted in section 19.

29 Section 25 provides a limited exception to the exclusion  
30 of agricultural labor from the definition of employment.

31 Section 28 excludes certain remuneration for agricultural  
32 labor.

33 Sections 29, 30, 31, 32, 33, and 35 provide for de-  
34 finitional changes to "United States", "national and state  
35 on and off indicators", "domestic service", "educational

1 institutions" and "government entity".  
 2 Section 36 allows political subdivisions to levy a property  
 3 tax to meet unemployment compensation costs.  
 4 Section 37 is the effective date provision.  
 5  
 6

HOUSE FILE 595

S-3675

1 Amend House File 595, as amended, passed and  
 2 reprinted by the House, as follows:  
 3 1. Page 1; line 26, by striking the words  
 4 "subsection two".  
 5 2. Page 1, line 27, by striking the figure and  
 6 word "(2) of".  
 7 3. Page 3, by striking lines 7 through 9 and  
 8 inserting in lieu thereof the following:  
 9 "d. With respect to any services performed after  
 10 July 1, 1977, in any capacity for an educational  
 11 institution other than an institution of higher  
 12 education, compensation".  
 13 4. Page 3, by inserting after line 17 the  
 14 following:  
 15 "e. With respect to services performed after July 1,  
 16 1977, in an instructional, research, or principal  
 17 administrative capacity in an institution of higher  
 18 education, compensation payable on the basis of such  
 19 services shall be denied to any individual for any  
 20 week which commences during an established and  
 21 customary vacation period or holiday recess if such  
 22 individual performs such services in the period  
 23 immediately before such vacation period or holiday  
 24 recess, and there is a reasonable assurance that such  
 25 individual will perform such services in the period  
 26 immediately following such vacation period or holiday  
 27 recess."

S-3675 FILED *Adopted 5/19*  
MAY 18, 1977 *(p. 1712)*

BY COMMITTEE ON WAYS AND MEANS  
NORMAN RODGERS

30  
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HOUSE FILE 595

S-3683

1 Amend House File 595, as amended, passed and  
2 reprinted by the House as follows:

3 1. Page 3, by inserting after line 17 the  
4 following:

5 "Sec. \_\_\_\_\_. Section ninety-six point five (96.5),  
6 subsection one (1), paragraph g, unnumbered paragraph  
7 one (1), Code 1977, is amended to read as follows:

8 "g. In the case where he or she left his or her  
9 work voluntarily without good cause attributable to  
10 his or her employer under circumstances which did or  
11 would disqualify him or her for benefits, except as  
12 provided in subsection 1, paragraph "a", under this  
13 subsection he or she, subsequent to such leaving,  
14 worked in and was paid wages for twenty hours of  
15 insured work in each week for not less than six  
16 consecutive weeks, provided he or she is otherwise  
17 eligible."

S-3683 FILED & ADOPTED (p. 17/13) BY RAY TAYLOR  
MAY 19, 1977

HOUSE FILE 595

S-3685

1 Amend House File 595 as amended, passed and  
2 reprinted by the House as follows:

3 1. Page 11, by inserting after line 14 the  
4 following:

5 "Sec. 15. Section ninety-six point nineteen  
6 (96.19), subsection seven (7), paragraph a,  
7 subparagraph one (1), Code 1977, is amended to read  
8 as follows:

9 (1) Any officer of a corporation, Provided that  
10 the term "employment" shall not include such officer  
11 if the officer is a majority stockholder and the  
12 officer shall not be considered an employee of the  
13 corporation unless such services are subject to a  
14 tax to be paid under any federal law imposing a tax  
15 against which credit may be taken for contributions  
16 required to be paid into a state unemployment fund  
17 or such services are required to be covered under  
18 this chapter of the Code, as a condition to receipt  
19 of a full tax credit against the tax imposed by the  
20 Federal Unemployment Tax Act (26 U.S.C. 3301-3309),  
21 or".

22 2. Renumber the sections as necessary.

S-3685 FILED & ADOPTED (p. 17/13) BY DAVID M. READINGER  
MAY 19, 1977 LUCAS J. DE KOSTER

HOUSE FILE 595

H-4314

- 1 Amend Senate amendment H-4282, to House File
- 2 595, as passed by the House and reprinted, as
- 3 follows:
- 4 1. Page 1, lines 15 and 16, by striking the
- 5 following: "July 1, 1977" and inserting in lieu A
- 6 thereof the following: "December 31, 1977".
- 7 2. Page 1, by striking lines 28 through 42. B

H-4314 FILED - *Adopted* BY CONNORS of Polk  
MAY 19, 1977 *5/19 (p. 2493)* BYERLY of Polk  
JOCHUM of Dubuque

HOUSE FILE 595

H-4246

- 1 Amend House File 595 as follows:
- 2 1. Title page, line 5, by inserting after
- 3 the word "contributions" the words "to the
- 4 compilation of certain data".

H-4246 FILED, ADOPTED BY BY CONNORS of Polk  
UNANIMOUS CONSENT (*p. 2333*)  
MAY 17, 1977

House Amendment to Senate Amendment to  
House File 595

S-3705

- 1 Amend Senate amendment H-4282, to House File
- 2 595, as passed by the House and reprinted, as
- 3 follows:
- 4 1. Page 1, lines 15 and 16, by striking the
- 5 following: "July 1, 1977" and inserting in lieu
- 6 thereof the following: "December 31, 1977".
- 7 2. Page 1, by striking lines 28 through 42.

S-3705 FILED RECEIVED FROM THE HOUSE  
MAY 20, 1977  
SENATE CONCURRED (*p. 1776*)

HOUSE FILE 595

AN ACT

RELATING TO UNEMPLOYMENT COMPENSATION LAW CHANGES PROVIDING FOR AMENDMENTS TO THE IOWA LAW TO MAINTAIN THE APPROVAL OF THE STATE LAW BY THE SECRETARY OF LABOR TO ASSURE AN EMPLOYER TAX CREDIT OF TWO POINT SEVEN PERCENT FOR REQUIRED UNEMPLOYMENT COMPENSATION CONTRIBUTIONS, TO THE COMPILATION OF CERTAIN DATA, AND TO ASSURE FEDERAL FUNDING OF THE ADMINISTRATION OF THE IOWA UNEMPLOYMENT COMPENSATION PROGRAM.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Chapter ninety-six (96), Code 1977, is amended by adding the following new section:

NEW SECTION. INCLUSION OF WAGES PAID PRIOR TO JANUARY 1, 1978, FOR NEWLY COVERED EMPLOYERS.

1. With respect to weeks of unemployment beginning on or after January 1, 1978, wages for insured work shall include wages paid prior to January 1, 1978, for services which prior to January 1, 1978 were not defined as employment or covered pursuant to an election by a person to become an employer under this chapter at any time during the one-year period ending December 31, 1975. Such services include agricultural labor defined as employment after January 1, 1978, domestic service defined as employment after January 1, 1978 or are services performed by an employee of this state or a political subdivision or an instrumentality of a state or political subdivision or by an employee of a nonprofit educational institution which is not an institution of higher education except to the extent that assistance under Title two (II) of the Emergency Jobs and Unemployment Assistance Act of 1974 was paid on the basis of such service.

2. Any nonprofit organization which elects to make payments in lieu of contributions into the unemployment compensa-

tion fund as provided in this paragraph shall not be liable to make such payments with respect to the benefits paid to any individual whose base-period wages include wages for previously uncovered services as defined in this section to the extent that the unemployment compensation fund is reimbursed for such benefits pursuant to section one hundred twenty-one (121) of public law ninety-four dash five hundred sixty-six (94-566), 1976.

Sec. 2. Section ninety-six point four (96.4), subsection five (5), Code 1977, is amended by striking the subsection and inserting in lieu thereof the following:

5. Benefits based on service in employment in a nonprofit organization or government entity, defined in section ninety-six point nineteen (96.19), subsection seven (7) of the Code, shall be payable in the same amount, on the same terms and subject to the same conditions as compensation payable on the same basis of other service subject to this chapter, except that:

a. Benefits based on service in an instructional, research, or principal administrative capacity in an institution of higher education shall not be paid to an individual for any week of unemployment which begins 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 if the individual has a contract or contracts to perform services in any such capacity for any institution or institutions of higher education for both such academic years or both such terms.

b. Benefits based on service in employment, defined in section ninety-six point nineteen (96.19), subsection seven (7) of the Code, and based on service after December 31, 1977 in an instructional, research, or principal administrative capacity for an educational institution operated by a government entity or a nonprofit organization, shall not be paid to an individual for any week of unemployment which

begins during the period between two successive academic years or terms, (or, when an agreement provides instead for a similar period between two regular but not successive terms, during such period) 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 the second of such academic years or terms, and

c. With respect to services in any other capacity for an educational institution (other than an institution of higher education) after December 31, 1977, benefits shall not be paid to an individual for any week of unemployment which begins during the 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.

d. With respect to any services performed after July 1, 1977, in any capacity for an educational institution other than an institution of higher education, compensation payable on the basis of such services shall not be paid to any individual for any week which commences during an established and customary vacation period or holiday recess if such individual performs such service in the period immediately before such vacation period or holiday recess, and there is a reasonable assurance that such individual will perform such service in the period immediately following such vacation period or holiday recess.

e. With respect to services performed after December 31, 1977, in an instructional, research, or principal administrative capacity in an institution of higher education, compensation payable on the basis of such services shall be denied 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.

Sec. 3. Section ninety-six point five (96.5), Code 1977, is amended by adding the following new subsections:

NEW SUBSECTION. ATHLETES--DISQUALIFIED. Services performed by an individual, substantially all of which consist of participating in sports or athletic events or training or preparing to so participate, for any week which commences during the period between two successive sport seasons or similar periods, if such individual performs such services in the first of such seasons or similar periods and there is a reasonable assurance that such individual will perform such services in the later of such season or similar periods.

NEW SUBSECTION. ALIENS--DISQUALIFIED. For services performed by an alien unless such alien is an individual who was lawfully admitted for permanent residence at the time such services were performed, was lawfully present for purpose of performing such services or was permanently residing in the United States under color of law, including an alien who is lawfully present in the United States as a result of the application of the provisions of section two hundred three (a) seven (203 (a) (7)) or section two hundred twelve (d) five (212 (d) (5)) of the Immigration and Nationality Act. Any data or information required of individuals applying for benefits to determine whether benefits are not payable to them because of their alien status shall be uniformly required from all applicants for benefits. In the case of an individual whose application for benefits would otherwise be approved, no determination that benefits to such individual are not payable because of his or her alien status shall be made except upon a preponderance of the evidence.

Sec. 4. Section ninety-six point seven (96.7), subsection eight (8), Code 1977, is amended by striking the subsection and inserting in lieu thereof the following:

8. Financing benefits paid to employees of the state or political subdivisions of the state and their instrumentalities.

a. A government entity which is an employer under the provisions of this chapter shall make benefit payments in a manner provided for a government reimbursable employer unless the employer elects to pay unemployment compensation benefits as a contributing employer. Government entities may establish a group account as provided in this section. Any election under this subsection to be a government contributing employer shall be effective for a minimum of two calendar years and may be changed if an election is made to be a government reimbursable employer prior to December first for a minimum of the two following calendar years.

b. For the purposes of this subsection "government contributing employer" means a government entity electing to contribute for a minimum period of two calendar years at a contribution rate determined by the department in the following manner:

(1) For the calendar year beginning January 1, 1978, the contribution rate shall be one percent.

(2) For the calendar year beginning January 1, 1979, the contribution rate shall be one percent, provided that the department may reduce the contribution rate by fifteen hundredths of one percent or increase the contribution rate by not more than one percent. A rate adjustment shall be made only in an amount necessary to raise sufficient funds from contributing employers to finance an amount equal to the benefits for the previous calendar year and the amount by which the benefits of the preceding calendar year exceeded the employers' contributions.

A government entity electing to contribute at a fixed contribution rate in lieu to making payments as a government reimbursable employer may elect to finance benefits as a government reimbursable employer however the government entity shall be obligated to pay within a time period determined

by the department to the fund the amount by which benefit payments for the government entity exceed contributions by the government entity on the effective date of the election.

c. For the purposes of this subsection "government reimbursable employer" means an employer paying to the department for the unemployment fund an amount equal to the sum of the regular benefits attributable to service in the employ of the employer and prior to January 1, 1979, plus one-half of the extended benefits paid for service in the employ of the employer, and beginning January 1, 1979, plus all of the extended benefits paid for service in the employ of the employer. Payments shall be made in accordance with the provisions of subsection nine (9), paragraph b of this section of the Code.

Sec. 5. Section ninety-six point seven (96.7), subsection nine (9), paragraph b, subparagraph one (1), Code 1977, is amended to read as follows:

(1) At the end of each calendar quarter, or at the end of any other period as determined by the department, the department shall bill each nonprofit organization which has elected to make payments in lieu of contributions for an amount equal to the full amount of regular benefits plus one-half of the amount of extended benefits paid during such quarter or other prescribed period that is attributable to service in the employ of such organization. Unless federal funds are otherwise provided, at the end of each calendar quarter or other period determined by the department, the department shall also bill each governmental entity the amount of regular plus extended benefits owed as a governmental reimbursable employer for benefits paid during the quarter or period for such organization electing governmental reimbursable status including any benefits paid for a government entity for claims filed while the government entity was a contributing employer prior to an election to become a government reimbursable employer which were paid during the quarter or period.

Sec. 6. Section ninety-six point seven (96.7), subsection twelve (12), Code 1977, is amended to read as follows:

12. ALLOCATION OF BENEFIT COST. Each employer that is liable for payment in lieu of contributions shall pay to the department for the fund the amount of regular benefits and unless a government entity plus the amount of one-half of extended benefits paid during each quarter that are attributable to service in the employ of such employer. A government entity shall make benefit payments in the amounts provided for a government reimbursable employer. If benefits paid to an individual are based on wages paid by more than one employer and one or more of such employers are liable for payments in lieu of contributions, the amount payable to the fund by each employer that is liable for such payment shall be payable each quarter by the base period employers in inverse chronological order in which the employment of such individual occurred. Provided, that the amount of any such employer's liability in any calendar quarter shall not exceed the amount of such individual's wage credits and unless a government entity plus one-half the amount of extended benefits based on employment with such employer during such quarter of the base period. A government entity's liability in any calendar quarter shall not exceed the amount of the individual's wage credits plus that amount of extended benefits a government entity is required to pay as a government reimbursable employer.

Sec. 7. Section ninety-six point seven (96.7), subsection thirteen (13), Code 1977, is amended to read as follows:

13. GROUP ACCOUNTS. Two or more employers that have become liable for payments in lieu of contributions, in accordance with the provisions of subsection eight (8) and subsection 9, paragraph "a", of this section of the Code may file a joint application to the department for the establishment of a group account for the purpose of sharing the cost of benefits paid that are attributable to service in the employ of such employers. Each such application shall

identify and authorize a group representative to act as the group's agent for the purposes of this subsection. Upon its approval of the application, the department shall establish a group account for such employers effective as of the beginning of the calendar quarter in which it receives the application and shall notify the group's representative of the effective date of the account. Such account shall remain in effect for not less than one year and thereafter until terminated at the discretion of the department or upon application by the group. Upon establishment of the account, each member of the group shall be liable for payments in lieu of contributions with respect to each calendar quarter in the amount that bears the same ratio to the total benefits paid in such quarter that are attributable to service performed in the employ of all members of the group as the total wages paid for service in employment by such member in such quarter bear to the total wages paid during such quarter for service performed in the employ of all members of the group. The department shall prescribe such regulations as it deems necessary with respect to applications for establishment, maintenance and termination of group accounts that are authorized by this subsection, for addition of new members to, and withdrawal of active members from, such accounts, and for the determination of the amounts that are payable under this subsection by members of the group and the time and manner of such payments.

Sec. 8. Section ninety-six point seven (96.7), subsection fourteen (14), Code 1977, is amended to read as follows:

14. NONPROFIT ORGANIZATION ELECTION.

a. Notwithstanding any provisions in subsection 9 of this section, any nonprofit organization that prior to January 1, 1969, paid contributions required by this section and, pursuant to subsection 9 of this section, elects, within thirty days after the effective date of this Act before April 1, 1972, to make payments in lieu of contributions, shall not be required to make any such payment on account of any

regular or extended benefits paid, on the basis of wages paid by such organization to individuals for weeks of unemployment which begin on or after the effective date of such election until the total amount of such benefits equals the amount of the positive balance in the experience rating account of such organization.

b. A nonprofit organization or group not required to be covered employment prior to January 1, 1978, that paid contributions as an employer prior to October 20, 1976, and which elects within thirty days after the effective date of this Act to make payments in lieu of contributions shall not be required to make any such payment for regular or extended benefits paid after its election until the total amount of benefits equal the amount of the positive balance in the experience rating account of such organization.

Sec. 9. Section ninety-six point eight (96.8), subsection two (2), Code 1977, is amended to read as follows:

2. VOLUNTARY TERMINATION. Except as otherwise provided in subsection 3 of this section, an employing unit shall cease to be an employer subject to this chapter, as of the first day of January of any calendar year, if it files with the department, prior to the fifteenth day of February of such year, a written application for termination of coverage, and the department finds that such employing unit did not meet any of the qualifying liability requirements as provided under section 96.19, subsection 6, paragraphs "a," "b," "c," "d," "e," "f," or "g," and the new paragraphs added to section ninety-six point nineteen (96.19), subsection six (6) by this Act and section 96.19, subsection 6, paragraphs "h" or "i" in the preceding calendar year.

Sec. 10. Section ninety-six point fourteen (96.14), subsection three (3), Code 1977, is amended by adding the following new paragraph:

NEW PARAGRAPH. If a political subdivision or a political subdivision instrumentality becomes delinquent in the payment of contributions, any payments owed as a government

employer, penalty, interest and costs for more than two calendar quarters, the amount of such delinquency shall be deducted from any further moneys due the employer by the state. Such deduction shall be made by the state comptroller upon certification of the amount due. A copy of the certification will be mailed to the employer.

Sec. 11. Section ninety-six point nineteen (96.19), subsection six (6), Code 1977, is amended by adding the following new lettered paragraphs:

NEW LETTERED PARAGRAPH. 1. An employing unit employing agricultural labor after December 31, 1977, if the employing unit:

(1) Paid during any calendar quarter in the calendar year or the preceding calendar year wages of twenty thousand dollars or more for agricultural labor, or

(2) Employed on each of some twenty days during the calendar year or during the preceding calendar year, each day being in a different calendar week, at least ten individuals in employment in agricultural labor for some portion of the day.

NEW LETTERED PARAGRAPH. m. An employing unit employing after December 31, 1977, domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, and with respect to any calendar year, any employing unit who during any calendar quarter in the calendar year or the preceding calendar year paid wages in cash of one thousand dollars or more for such service.

Sec. 12. Section ninety-six point nineteen (96.19), subsection six (6), paragraph a, Code 1977, is amended to read as follows:

a. For purposes of this chapter ~~the term "employer" means~~ with respect to any calendar year after December 31, 1971, any employing unit which in any calendar quarter in either the current or preceding calendar year paid for service in employment wages ~~as defined in subsection 43~~ of one thousand five hundred dollars or more excluding wages paid for domestic

service, or for some portion of a day in each of twenty different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year, had in employment at least one individual (irrespective of whether the same individual was in employment in each such day). An employing unit treated as a domestic service employer shall not be treated as an employer with respect to wages paid for service other than domestic service unless such employing unit is treated as an employer under this paragraph or as an agricultural labor employer.

Sec. 13. Section ninety-six point nineteen (96.19), subsection six (6), paragraph h, Code 1977, is amended by striking the paragraph and inserting in lieu thereof the following:

h. After December 31, 1971, this state or a state instrumentality and after December 31, 1977, a government entity unless specifically excluded from the definition of employment.

Sec. 14. Section ninety-six point nineteen (96.19), subsection seven (7), lettered paragraph a, the first unlettered paragraph, Code 1977, is amended to read as follows:

Except as otherwise provided in this ~~section~~ subsection "employment" means service, including service in interstate commerce, performed for wages or under any contract of hire, written or oral, expressed or implied. Employment also means any service performed prior to January 1, ~~1972~~ 1978, which was employment as defined in this subsection prior to such date and, subject to the other provisions of this subsection, service performed after December 31, ~~1974~~ 1977, by:

Sec. 15. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph a, subparagraph one (1), Code 1977, is amended to read as follows:

(1) Any officer of a corporation. Provided that the term "employment" shall not include such officer if the officer is a majority stockholder and the officer shall not be considered an employee of the corporation unless such services

are subject to a tax to be paid under any federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund or such services are required to be covered under this chapter of the Code, as a condition to receipt of a full tax credit against the tax imposed by the federal Unemployment Tax Act (26 U.S.C. 3301-3309), or

Sec. 16. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph a, subparagraph four (4), Code 1977, is amended to read as follows:

(4) Service performed after December 31, 1971, by an individual in the employ of this state or any of its wholly owned instrumentalities and after December 31, 1977, service performed by an individual in the employ of a government entity unless specifically excluded from the definition of employment for a government entity.

Sec. 17. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph a, subparagraph five (5), Code 1977, is amended to read as follows:

(5) Service performed after December 31, 1971, by an individual in the employ of a religious, charitable, educational or other organization, but only if the service is excluded from "employment" as defined in the federal Unemployment Tax Act (26 U.S.C. ~~3304-3308~~ 3301-3309) solely by reason of section 3306 (c) (8) of that Act.

Sec. 18. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph a, subparagraph six (6), subdivision (c), Code 1977, is amended to read as follows:

(c) In the employ of a nonpublic school which is not an institution of higher education prior to January 1, 1978.

Sec. 19. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph a, subparagraph six (6), subdivision (f), Code 1977, is amended to read as follows:

(f) For Prior to January 1, 1978 for a hospital in a state prison or other state correctional institution by an inmate of the prison or correctional institution and after December

31, 1977, by an inmate of a custodial or penal institution.

Sec. 20. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph a, subparagraph six (6), Code 1977, is amended by adding the following new lettered subdivision:

NEW LETTERED SUBDIVISION. (g) In the employ of a governmental entity, if such service is performed by an individual in the exercise of his or her duties as an elected official; as a member of a legislative body, or a member of the judiciary, of a state or political subdivision; as a member of the state national guard or air national guard; as an employee serving on a temporary basis in case of fire, storm, snow, earthquake, flood, or similar emergency; or in a position which, pursuant to the state law, is designated as a major nontenured policymaking or advisory position, or a policymaking or advisory position which ordinarily does not require duties of more than eight hours per week.

Sec. 21. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph a, subparagraph seven (7), Code 1977, is amended by striking the subparagraph.

Sec. 22. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph a, Code 1977, is amended by adding the following new subparagraph:

(7) (a) A person in agricultural labor when such labor is performed for an employing unit which during any calendar quarter in the calendar year or the preceding calendar year paid remuneration in cash of twenty thousand dollars or more to individuals employed in agricultural labor excluding labor performed before January 1, 1980, by an alien referred to in this subparagraph; or on each of some twenty days during the calendar year or the preceding calendar year, each day being in a different calendar week, employed in agricultural labor for some portion of the day ten or more individuals, excluding labor performed before January 1, 1980, by an alien referred to in this subparagraph; and such labor is not agricultural labor performed before January 1, 1980, by an

individual who is an alien admitted to the United States to perform agricultural labor pursuant to sections two hundred fourteen (c) (214 (c)) and one hundred one (a) fifteen (II) (101 (a) (15) (II)) of the Immigration and Nationality Act.

(b) For purposes of this subparagraph, any individual who is a member of a crew furnished by a crew leader to perform agricultural labor for any other employing unit shall be treated as an employee of such crew leader if such crew leader holds a valid certificate of registration under the Farm Labor Contractor Registration Act of 1963; or substantially all the members of such crew operate or maintain tractors, mechanized harvesting or cropdusting equipment, or any other mechanized equipment, which is provided by such crew leader; and if such individual is not otherwise in employment as defined in this subsection.

For purposes of this subparagraph, in the case of any individual who is furnished by a crew leader to perform agricultural labor for any other employing unit and who is not treated as an employee of such crew leader as described above, such other employing unit and not the crew leader shall be treated as the employer of such individual; and such other employing unit shall be treated as having paid cash remuneration to such individual in an amount equal to the amount of cash remuneration paid to such individual by the crew leader either on his or her behalf or on behalf of such other employing unit for the agricultural labor performed for such other employing unit.

For purposes of this subsection, the term "crew leader" means an employing unit which furnishes individuals to perform agricultural labor for any other employing unit; pays, either on the crew leader's behalf or on behalf of such other employing unit, the individuals so furnished by the crew leader for the agricultural labor performed by them; and has not entered into a written agreement with such other employing unit under which such individual is designated as an employee of such other employing unit.

Sec. 23. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph a, Code 1977, is amended by adding the following new numbered subparagraph:

NEW NUMBERED SUBPARAGRAPH. (8) A person performing after December 31, 1977 domestic service in a private home, local college club, or local chapter of a college fraternity or sorority if performed for an employing unit who paid cash remuneration of one thousand dollars or more to individuals employed in such domestic service in any calendar quarter in the calendar year or the preceding calendar year.

Sec. 24. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph b, subparagraph three (3), Code 1977, is amended to read as follows:

(3) The service is performed outside the United States, ~~(except in Canada or the Virgin Islands)~~, after December 31, 1971, by a citizen of the United States in the employ of an American employer, ~~(other than service which is deemed "employment" under the provisions of subparagraphs (1) and (2) or the parallel provisions of another state law)~~, or service performed after December thirty-first of the year in which the United States secretary of labor approved the first time the unemployment compensation law submitted by the Virgin Islands, if:

Sec. 25. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph g, subparagraph one (1), Code 1977, is amended by striking the subparagraph.

Sec. 26. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph g, subparagraph four (4), the first unnumbered paragraph, Code 1977, is amended to read as follows:

AGRICULTURAL LABOR. For purposes of this chapter, the term "agricultural labor" means any service performed prior to January 1, 1972, which was agricultural labor as defined in this subparagraph prior to such date, and provided that after December 31, 1977, this subparagraph shall not exclude from employment agricultural labor specifically included as

agricultural labor under the definition of employment in this subsection, but shall otherwise include remunerated service performed after December 31, 1971:

Sec. 27. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph g, subparagraph four (4), lettered subdivision (e), Code 1977, is amended to read as follows:

(e) On a farm operated for profit if such service is not in the course of the employer's trade or business ~~or is domestic service in a private home of the employer.~~

Sec. 28. Section ninety-six point nineteen (96.19), subsection seven (7), paragraph g, subparagraph five (5), Code 1977, is amended to read as follows:

(5) Domestic service in a private home prior to January 1, 1978, and after December 31, 1977, domestic service in a private home not covered as domestic service under the definition of employment.

Sec. 29. Section ninety-six point nineteen (96.19), subsection thirteen (13), Code 1977, is amended by adding the following new lettered paragraph:

NEW LETTERED PARAGRAPH. d. Remuneration for agricultural labor paid in any medium other than cash.

Sec. 30. Section ninety-six point nineteen (96.19), subsection twenty-five (25), Code 1977, is amended to read as follows:

25. "United States" for the purposes of this section includes the states, the District of Columbia, ~~and~~ the Commonwealth of Puerto Rico and the Virgin Islands.

Sec. 31. Section ninety-six point nineteen (96.19), subsection twenty-seven (27), Code 1977, is amended by striking the subsection and inserting in lieu thereof the following:

27. There is a national "on" indicator for a week if, for the period consisting of such week and the immediately preceding twelve weeks, the rate of seasonally adjusted insured unemployment for all states equaled or exceeded four point five percent. The rate of insured unemployment, for the

purposes of this subsection, shall be determined by the secretary of labor by reference to the average monthly covered employment for the first four of the most recent six calendar quarters ending before the close of such period.

Sec. 32. Section ninety-six point nineteen (96.19), subsection twenty-eight (28), Code 1977, is amended by striking the section and inserting in lieu thereof the following:

28. There is a national "off" indicator for a week if, for the period consisting of such week and the immediately preceding twelve weeks, the rate of seasonally adjusted insured unemployment for all states was less than four point five percent. The rate of insured unemployment, for the purposes of this subsection, shall be determined by the secretary of labor by reference to the average monthly covered employment for the first four of the most recent six calendar quarters ending before the close of such period.

Sec. 33. Section ninety-six point nineteen (96.19), subsection twenty-nine (29), Code 1977, is amended by striking the subsection and inserting in lieu thereof the following:

29. There is a state "on" indicator for a week if the rate of insured unemployment under the state law for the period consisting of such week and the immediately preceding twelve weeks:

- a. Equaled or exceeded five percent; or
- b. Equaled or exceeded four percent and equaled or exceeded one hundred twenty percent of the average of those rates for the corresponding thirteen-week period ending in each of the two preceding two calendar years.

Sec. 34. Section ninety-six point nineteen (96.19), subsection thirty (30), Code 1977, is amended by striking the subsection and inserting in lieu thereof the following:

30. There is a state "off" indicator for a week if, for the period consisting of such week and the immediately preceding twelve weeks, the rate of insured unemployment under the state law was:

- a. Less than four percent; or

b. Less than five percent and less than one hundred twenty percent of the average of those rates for thirteen weeks ending in each of the two preceding calendar years, except that, notwithstanding any such provision of this subsection, any week for which there would otherwise be a state "on" indicator shall continue to be such a week and shall not be determined to be a week for which there is a state "off" indicator.

Sec. 35. Section ninety-six point nineteen (96.19), subsection thirty-five (35), paragraph b, Code 1977, is amended to read as follows:

b. He or she has no right to unemployment benefits or allowances under the Railroad Unemployment Insurance Act, the Trade Expansion Act of 1962, the Automotive Products Trade Act of 1965, and such other federal laws as are specified in regulations issued by the United States secretary of labor, and he or she has not received and is not seeking unemployment benefits under the unemployment compensation law ~~of the Virgin Islands or~~ of Canada, but if he or she is seeking such benefits and the appropriate agency finally determines that he or she is not entitled to benefits under such law he or she is considered an exhaustee.

Sec. 36. Section ninety-six point nineteen (96.19), Code 1977, is amended by adding the following new subsections:

NEW SUBSECTION. "Domestic service" includes service for an employing unit in the operation and maintenance of a private household, local college club or local chapter of a college fraternity or sorority as distinguished from service as an employee in the pursuit of an employer's trade, occupation, profession, enterprise, or vocation.

NEW SUBSECTION. "Educational institution" means one in which participants, trainees, or students are offered an organized course of study or training designed to transfer to them knowledge, skills, information, doctrines, attitudes or abilities from, by or under the guidance of an instructor or teacher. It is approved, licensed or issued a permit to

operate as a school by the state department of public instruction or other government agency that is authorized within the state to approve, license or issue a permit for the operation of a school. The course of study or training which it offers may be academic, technical, trade, or preparation for gainful employment in a recognized occupation.

NEW SUBSECTION. "Government entity", means a state, a state instrumentality, a political subdivision or a political subdivision instrumentality, or a combination of one or more of the preceding.

Sec. 37. Political subdivisions may levy a tax outside their general fund to pay the cost of unemployment benefits.

Sec. 38. It is the declared intent of the general assembly of the state of Iowa that the department of job service shall employ employees as full-time claims specialists in the fraud and overpayment unit of the job insurance division of the department of job service to the extent that federal funds are available to the department of job service for the employment of such full-time personnel.

Sec. 39. The department of job service is directed to study and compile data to evaluate the unemployment experience of political subdivisions and instrumentalities of political subdivisions. The department of job service shall submit to the Sixty-eighth General Assembly, 1979 Session, prior to February 1, 1979, a summary report of the unemployment experience of political subdivisions and political subdivision instrumentalities. The department of job service shall prepare contribution tables for government entities similar to the contribution tables for other employers which will rank government entity employers and assign the government entity employers into rate classes designed to raise sufficient revenue from government contributing employers to meet the costs of unemployment compensation benefit payments for government contributing employers.

Sec. 40. Government entities, originally classified as government reimbursable employers under the provisions of

this Act may elect to become government contributing employers for a minimum of two calendar years, however such election shall be communicated to the department of job service, upon forms provided by the department of job service, prior to November 1, 1977.

Sec. 41. The provisions of this Act, except sections two (2) and thirty-nine (39) are effective January 1, 1978.

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DALE M. COCHRAN  
Speaker of the House

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ARTHUR A. NEU  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 595, Sixty-seventh General Assembly.

\_\_\_\_\_  
DAVID L. WRAY  
Chief Clerk of the House

Approved \_\_\_\_\_, 1977

\_\_\_\_\_  
ROBERT D. RAY  
Governor