

FEB 13 1997  
Place On Calendar

HOUSE FILE 236  
BY COMMITTEE ON LABOR AND  
INDUSTRIAL RELATIONS

(SUCCESSOR TO HSB 3)

Passed House, Date 3-17-97 (p.627) Passed Senate, Date 3-24-97 (p.748)  
Vote: Ayes 58 Nays 41 Vote: Ayes 32 Nays 17

Approved May 7, 1997

(p.1227) Passed 4-15-97  
Vote 54-42

A BILL FOR

1 An Act relating to eligibility for unemployment compensation  
2 benefits for temporary employees of a temporary employment  
3 firm.

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

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HF 236

1 Section 1. Section 96.5, subsection 1, Code 1997, is  
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. j. The individual is a temporary employee  
4 of a temporary employment firm who notifies the temporary  
5 employment firm of completion of an employment assignment and  
6 who seeks reassignment. Failure of the individual to notify  
7 the temporary employment firm of completion of an employment  
8 assignment within three working days of the completion of each  
9 employment assignment under a contract of hire shall be deemed  
10 a voluntary quit unless the individual was not advised in  
11 writing of the duty to notify the temporary employment firm  
12 upon completion of an employment assignment.

13 To show that the employee was advised in writing of the  
14 notification requirement of this paragraph, the temporary  
15 employment firm shall advise the temporary employee by  
16 requiring the temporary employee, at the time of employment  
17 with the temporary employment firm, to read and sign a  
18 document that provides a clear and concise explanation of the  
19 notification requirement and the consequences of a failure to  
20 notify. The document shall be separate from any contract of  
21 employment and a copy of the signed document shall be provided  
22 to the temporary employee.

23 For purposes of this paragraph:

24 (1) "Temporary employee" means an individual who is  
25 employed by a temporary employment firm to provide services to  
26 clients to supplement their work force during absences,  
27 seasonal workloads, temporary skill or labor market shortages,  
28 and for special assignments and projects.

29 (2) "Temporary employment firm" means a person engaged in  
30 the business of employing temporary employees.

31 EXPLANATION

32 This bill provides that an employee of a temporary  
33 employment firm who does not notify the firm upon completion  
34 of an employment assignment under a contract of hire is deemed  
35 to have voluntarily quit employment for purposes of denying

1 that person unemployment benefits. The employee is denied  
2 benefits only if the employee is advised by the temporary  
3 employment firm in writing that the person is required to  
4 notify the temporary employment firm upon completion of the  
5 assignment. To satisfy the advise-in-writing requirement, the  
6 bill provides that the temporary employment firm shall advise  
7 the temporary employee through a separate document that  
8 provides an explanation of the notification requirements which  
9 also must be signed by the employee.

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HOUSE FILE 236  
FISCAL NOTE

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A fiscal note for House File 236 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

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House File 236 provides that an employee of a temporary employment firm who does not notify the firm upon completion of an employment assignment is deemed to have voluntarily quit employment for purposes of determining eligibility for unemployment benefits.

**FISCAL IMPACT**

The Department of Workforce Development reports that during calendar year 1996, 152 claimants collected unemployment benefits after completion of a temporary job while working for a temporary employment firm. Those claimants collected unemployment benefits of \$229,000 in 1996 and had total maximum benefits of \$500,000 if paid for the entire time the claimants were eligible.

If all 152 claimants were to fail to report as required by the proposed law and therefore ruled ineligible for unemployment benefits, the maximum annual impact to the Unemployment Trust Fund would be a savings of \$500,000. The savings would be reduced \$3,300 for each claimant who reported as required by the proposed legislation.

**SOURCE**

Department of Workforce Development

(LSB 1239hv, JWR)

FILED MARCH 3, 1997

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 236

H-1075

- 1 Amend House File 236 as follows:
- 2 1. Page 1, line 8, by striking the word "three"
- 3 and inserting the following: "five".

By DOTZLER of Black Hawk

H-1075 FILED FEBRUARY 20, 1997

*Doct 3-17-97 (P.626)*

HOUSE FILE 236

H-1036

- 1 Amend House File 236 as follows:
- 2 1. Page 1, line 8, by inserting after the word
- 3 "days" the following: ", or within a reasonable time
- 4 thereafter if good cause is shown,".

By TAYLOR of Linn

H-1036 FILED FEBRUARY 17, 1997

*Doct 3-17-97  
(P.626)*

HOUSE FILE 236

H-1037

- 1 Amend House File 236 as follows:
- 2 1. Page 1, line 12, by inserting after the word
- 3 "assignment." the following: "The notification
- 4 requirements of this paragraph do not apply to an
- 5 individual who is continuously employed pursuant to an
- 6 employment assignment for a period of two or more
- 7 years."

By MURPHY of Dubuque

H-1037 FILED FEBRUARY 17, 1997

*Doct 3-17-97 (P.626)*

HOUSE FILE 236

S-3206

1 Amend House File 236, as passed by the House, as  
2 follows:  
3 1. Page 1, line 10, by inserting after the word  
4 "unless" the following: "any benefits awarded under  
5 this chapter would not be charged against the account  
6 of the temporary employment firm or".

By DICK L. DEARDEN

S-3206 FILED MARCH 24, 1997

LOST 3-24-97

(P.748)

HOUSE FILE 236

S-3207

1 Amend House File 236, as passed by the House, as  
2 follows:  
3 1. Page 1, line 9, by inserting after the word  
4 "shall" the following: "not".  
5 2. Page 1, line 10, by striking the word "not".  
6 3. Page 1, line 12, by inserting after the word  
7 "assignment" the following: "and the temporary  
8 employment firm is notified in writing of the  
9 completion of each employment assignment by the client  
10 who sought the services of the temporary employee  
11 through the temporary employment firm".

By DICK L. DEARDEN

S-3207 FILED MARCH 24, 1997

LOST (P.747)

HOUSE FILE 236

S-3208

1 Amend House File 236, as passed by the House, as  
2 follows:  
3 1. Page 1, line 5, by striking the words "an  
4 employment assignment" and inserting the following:  
5 "the last employment assignment prior to a claim for  
6 benefits".  
7 2. Page 1, lines 7 and 8, by striking the words  
8 "an employment assignment" and inserting the  
9 following: "the last employment assignment prior to a  
10 claim for benefits".  
11 3. Page 1, line 8, by striking the word "each"  
12 and inserting the following: "that".

By DICK L. DEARDEN

S-3208 FILED MARCH 24, 1997

WITHDRAWN

3/24/97 (A 747)

## HOUSE FILE 236

S-3211

- 1 Amend House File 236, as passed by the House, as
- 2 follows:
- 3 1. Page 1, line 12, by inserting after the word
- 4 "assignment" the following: "or the individual had
- 5 good cause for not contacting the temporary employment
- 6 firm within three working days and notified the firm
- 7 at the first reasonable opportunity thereafter".

By DICK L. DEARDEN

S-3211 FILED MARCH 24, 1997

ADOPTED 3-24-97

(P. 748)

## SENATE AMENDMENT TO HOUSE FILE 236

H-1327

- 1 Amend House File 236, as passed by the House, as
- 2 follows:
- 3 1. Page 1, line 12, by inserting after the word
- 4 "assignment" the following: "or the individual had
- 5 good cause for not contacting the temporary employment
- 6 firm within three working days and notified the firm
- 7 at the first reasonable opportunity thereafter".

RECEIVED FROM THE SENATE

H-1327 FILED MARCH 25, 1997

*House Concurred*  
*4-15-97*  
*(P. 1227)*

Kramer, Ch  
Vanstra  
Whithead

HSB 3  
LABOR & INDUSTRIAL RELATIONS

Succeeded By

HOUSE FILE

SF 11 36

BY (PROPOSED COMMITTEE ON LABOR  
AND INDUSTRIAL RELATIONS BILL  
BY CHAIRPERSON TYRRELL)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

### A BILL FOR

1 An Act relating to eligibility for unemployment compensation  
2 benefits for temporary employees of a temporary employment  
3 firm.

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

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Succeeded By  
3/11/08

1 Section 1. Section 96.5, subsection 1, Code 1997, is  
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. j. The individual is a temporary employee  
4 of a temporary employment firm who notifies the temporary  
5 employment firm of completion of an employment assignment and  
6 who seeks reassignment. Failure of the individual to notify  
7 the temporary employment firm of completion of an employment  
8 assignment within three working days of the completion of each  
9 employment assignment under a contract of hire shall be deemed  
10 a voluntary quit unless the individual was not advised in  
11 writing of the duty to notify the temporary employment firm  
12 upon completion of an employment assignment.

13 For purposes of this paragraph:

14 (1) "Temporary employee" means an individual who is  
15 employed by a temporary employment firm to provide services to  
16 clients to supplement their work force during absences,  
17 seasonal workloads, temporary skill or labor market shortages,  
18 and for special assignments and projects.

19 (2) "Temporary employment firm" means a person engaged in  
20 the business of employing temporary employees.

21 EXPLANATION

22 This bill provides that an employee of a temporary  
23 employment firm who does not contact the firm upon completion  
24 of an employment assignment under a contract of hire is deemed  
25 to have voluntarily quit employment for purposes of denying  
26 that person unemployment benefits. The employee is denied  
27 benefits only if the employee is advised by the temporary  
28 employment firm in writing that the person is required to  
29 contact the temporary help contracting firm upon completion of  
30 the assignment.

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HOUSE FILE 236

AN ACT

RELATING TO ELIGIBILITY FOR UNEMPLOYMENT COMPENSATION BENEFITS FOR TEMPORARY EMPLOYEES OF A TEMPORARY EMPLOYMENT FIRM.

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

Section 1. Section 96.5, subsection 1, Code 1997, is amended by adding the following new paragraph:

NEW PARAGRAPH. j. The individual is a temporary employee of a temporary employment firm who notifies the temporary employment firm of completion of an employment assignment and who seeks reassignment. Failure of the individual to notify the temporary employment firm of completion of an employment assignment within three working days of the completion of each employment assignment under a contract of hire shall be deemed a voluntary quit unless the individual was not advised in writing of the duty to notify the temporary employment firm upon completion of an employment assignment or the individual had good cause for not contacting the temporary employment firm within three working days and notified the firm at the first reasonable opportunity thereafter.

To show that the employee was advised in writing of the notification requirement of this paragraph, the temporary employment firm shall advise the temporary employee by requiring the temporary employee, at the time of employment with the temporary employment firm, to read and sign a document that provides a clear and concise explanation of the notification requirement and the consequences of a failure to notify. The document shall be separate from any contract of employment and a copy of the signed document shall be provided to the temporary employee.

For purposes of this paragraph:

(1) "Temporary employee" means an individual who is employed by a temporary employment firm to provide services to clients to supplement their work force during absences, seasonal workloads, temporary skill or labor market shortages, and for special assignments and projects.

(2) "Temporary employment firm" means a person engaged in the business of employing temporary employees.

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RON J. CORBETT  
Speaker of the House

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MARY E. KRAMER  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 236, Seventy-seventh General Assembly.

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ELIZABETH ISAACSON  
Chief Clerk of the House

Approved  , 1997

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TERRY E. BRANSTAD  
Governor