

House File 2607 - Introduced

HOUSE FILE 2607
BY COMMITTEE ON LABOR AND
WORKFORCE

(SUCCESSOR TO HF 2319)

A BILL FOR

- 1 An Act exempting service performed for certain employers
- 2 from eligibility for unemployment insurance, and including
- 3 applicability provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. **96.37 Service exempt for certain**
2 **employers.**

3 1. Service performed for an employer shall not be considered
4 employment, as defined in section 96.1A, if all of the following
5 conditions are met:

6 a. The employer certifies to the department in a manner
7 prescribed by the department that all owners of the employing
8 unit are members of the old order Amish church or another
9 recognized Amish congregation, and that the employing unit and
10 its owners hold sincere religious objections to participation in
11 governmental insurance or social insurance programs, including
12 unemployment insurance.

13 b. The employer does not permit any employee to claim or
14 receive benefits under this chapter for any period of employment
15 covered by this section.

16 c. The employer obtains from each employee employed on or
17 hired on or after the effective date of this Act a written
18 acknowledgment stating the employee understands that service
19 performed for the employer for wages is not considered employment
20 for purposes of unemployment insurance and that the employee will
21 not be eligible to receive benefits under this chapter based on
22 such employment.

23 d. The employer annually submits an election to the
24 department as required by subsection 2 and the election remains
25 in effect.

26 2. a. This section shall only apply to an employer as of
27 the date the employer files an election with the department in
28 a manner prescribed by the department and the department accepts
29 the election.

30 b. An election under this section shall remain in effect
31 until revoked by the employer or terminated by the department for
32 failure to comply with the requirements of this section.

33 c. Upon revocation or termination of the election, service
34 performed for the employer shall be considered employment, as
35 defined in section 96.1A, on and after the effective date of the

1 revocation or termination.

2 3. This section shall not be construed to exempt an employer
3 from any requirement of federal unemployment insurance law or any
4 other tax or employment obligation imposed under state or federal
5 law.

6 4. The department may adopt rules pursuant to chapter 17A to
7 administer this section.

8 Sec. 2. APPLICABILITY. This Act applies to service performed
9 for an employer on or after the effective date of this Act.

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EXPLANATION

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The inclusion of this explanation does not constitute agreement with

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the explanation's substance by the members of the general assembly.

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This bill provides that service performed for employers
14 is not considered employment for purposes of eligibility for
15 unemployment benefits (benefits) if specified conditions are met.

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The employer must certify to the department of workforce
17 development (department) that all owners of the employing unit
18 are members of the old order Amish church or another recognized
19 Amish congregation. The employer must further certify to the
20 department that the employing unit and its owners hold sincere
21 religious objections to participation in governmental insurance
22 or social insurance programs, including unemployment insurance.
23 The employer must not permit any employee to claim or receive
24 benefits for any period of employment covered by the bill. The
25 employer must obtain from each employee a written acknowledgment
26 stating the employee understands that service performed for the
27 employer for wages is not considered employment for purposes of
28 unemployment insurance and that the employee will not be eligible
29 to receive benefits based on such employment. Finally, the
30 employer must annually submit an election to the department and
31 the election must remain in effect.

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The bill shall not be construed to exempt an employer from any
33 requirement of federal unemployment insurance law or any other
34 tax or employment obligation imposed under state or federal law.

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The bill applies to service performed for an employer on or

1 after the effective date of the bill.

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