

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**HOUSE BILL**  
**No. 2425** Session of  
1978

INTRODUCED BY WHITE, RICHARDSON, MOEHLMANN AND RHODES,  
APRIL 18, 1978

REFERRED TO COMMITTEE ON JUDICIARY, APRIL 18, 1978

AN ACT

1 Amending the act of December 5, 1936 (2nd Sp.Sess., 1937  
2 P.L.2897, No.1), entitled "An act establishing a system of  
3 unemployment compensation to be administered by the  
4 Department of Labor and Industry and its existing and newly  
5 created agencies with personnel (with certain exceptions)  
6 selected on a civil service basis; requiring employers to  
7 keep records and make reports, and certain employers to pay  
8 contributions based on payrolls to provide moneys for the  
9 payment of compensation to certain unemployed persons;  
10 providing procedure and administrative details for the  
11 determination, payment and collection of such contributions  
12 and the payment of such compensation; providing for  
13 cooperation with the Federal Government and its agencies;  
14 creating certain special funds in the custody of the State  
15 Treasurer; and prescribing penalties," deleting the  
16 exclusions of the employment of inmates of custodial or penal  
17 institutions.

18 The General Assembly of the Commonwealth of Pennsylvania  
19 hereby enacts as follows:

20 Section 1. Subparagraph (8) of paragraph (4) of subsection  
21 (1) of section 4, and section 1002, act of December 5, 1936 (2nd  
22 Sp.Sess., 1937 P.L.2897, No.1), known as the "Unemployment  
23 Compensation Law," amended July 6, 1977 (No.22), are amended to  
24 read:

25 Section 4. Definitions.--The following words and phrases, as

1 used in this act, shall have the following meanings, unless the  
2 context clearly requires otherwise.

3 \* \* \*

4 (1) \* \* \*

5 (4) The word "employment" shall not include--

6 \* \* \*

7 (8) For the purposes of Articles X, XI, XII--(a) Service  
8 performed in the employ of (i) a church or convention or  
9 association of churches or (ii) an organization which is  
10 operated primarily for religious purposes and which is operated,  
11 supervised, controlled or principally supported by a church or  
12 convention or association of churches; or

13 (b) by a duly ordained, commissioned, or licensed minister  
14 of a church in the exercise of his ministry or by a member of a  
15 religious order in the exercise of duties required by such  
16 order; or

17 (d) in a facility conducted for the purpose of carrying out  
18 a program of (i) rehabilitation for individuals whose earning  
19 capacity is impaired by age or physical or mental deficiency or  
20 injury or (ii) providing remunerative work for individuals who  
21 because of their impaired physical or mental capacity cannot be  
22 readily absorbed in the competitive labor market, by an  
23 individual receiving such rehabilitation or remunerative work;  
24 or

25 (e) as part of an unemployment work-relief or work-training  
26 program assisted or financed in whole or in part by any Federal  
27 agency or an agency of a State or political subdivision thereof,  
28 by an individual receiving such work relief or work training; or

29 [(f) prior to January 1, 1978 for a hospital in a State  
30 prison or other State correctional institution by an inmate of

1 the prison or correctional institution and after December 31,  
2 1977, by an inmate of a custodial or penal institution.]

3 \* \* \*

4 Section 1002. Services Excluded from "Employment."--Except  
5 for services performed in the employ of a hospital or  
6 institution of higher education not otherwise excluded in this  
7 act, for the purposes of this article the term "employment"  
8 shall not include services performed by:

9 (1) Elected officials.

10 [(4) Inmates of custodial or penal institutions who receive  
11 compensation for services rendered therein.]

12 (5) All department heads and members of boards and  
13 commissions, appointed by the Governor with or without the  
14 consent of one or both branches of the General Assembly.

15 (6) Members of a legislative body, or members of the  
16 judiciary, of the Commonwealth or a political subdivision.

17 (7) Individuals employed as part of any unemployment work-  
18 relief or work-training program assisted or financed in whole or  
19 in part by any Federal agency or an agency of a State or  
20 political subdivision thereof, by an individual receiving such  
21 work relief or work training.

22 (8) Members of the State National Guard or Air National  
23 Guard.

24 (9) Students employed as defined in section 4(1)(4)(10)(B)  
25 and (C).

26 (10) Employees serving on a temporary basis in case of fire,  
27 storm, snow, earthquake, flood or similar emergency.

28 (11) Individuals serving in positions which, under or  
29 pursuant to the laws of this Commonwealth, are designated as (i)  
30 a major nontenured policymaking or advisory position; or (ii) a

1 policymaking position the performance of the duties of which  
2 ordinarily does not require more than eight hours per week.

3 Section 2. Section 1201 of the act, amended July 6, 1977  
4 (No.22) and December 22, 1977 (No.107), is amended to read:

5 Section 1201. Political Subdivision Employees.--(a) Service  
6 performed after December 31, 1977, in the employ of any of the  
7 instrumentalities or any political subdivision of this  
8 Commonwealth or any of its instrumentalities or any  
9 instrumentality of more than one of the foregoing or any  
10 instrumentality which is jointly owned by this Commonwealth or a  
11 political subdivision thereof and one or more other states or  
12 political subdivisions of this or other states provided that  
13 such service is excluded from "employment" as defined in the  
14 Federal Unemployment Tax Act by section 3306(c)(7) of that act  
15 and is not excluded from "employment" under section 4(1)(4) of  
16 this act, shall be deemed to constitute employment subject to  
17 this act with the exceptions hereinafter set forth in section  
18 1201(b).

19 (b) (1) Elected officials.

20 [(2) Inmates of custodial or penal institutions who receive  
21 compensation for services rendered therein.]

22 (3) All department heads and members of boards and  
23 commissions, appointed by the Governor with or without the  
24 consent of one or both branches of the General Assembly.

25 (4) Members of a legislative body, or members of the  
26 judiciary, of the Commonwealth or a political subdivision.

27 (5) Individuals employed as part of any unemployment work-  
28 relief or work-training program assisted or financed in whole or  
29 in part by any Federal agency or an agency of a State or  
30 political subdivision thereof, by an individual receiving such

1 work relief or work training.

2 (6) Students employed as defined in section 4(1)(4)(10)(B)  
3 and (C).

4 (7) Members of the State National Guard or Air National  
5 Guard.

6 (8) Employees serving on a temporary basis in case of fire,  
7 storm, snow, earthquake, flood or similar emergency.

8 (9) Individuals serving in positions which, under or  
9 pursuant to the laws of this Commonwealth, are designated as (i)  
10 a major nontenured policymaking or advisory position, or (ii) a  
11 policymaking position the performance of the duties of which  
12 ordinarily does not require more than eight hours per week.

13 (c) An authority instituted by a borough, city, county,  
14 school district, town or township, or by two or more of such  
15 subdivisions of the Commonwealth, as a separate governmental  
16 entity at the local government level shall be deemed, for  
17 purposes of this article, a separate political subdivision.

18 Section 3. This act shall take effect immediately and shall  
19 apply to applications for benefits filed on and after six months  
20 from the date of final enactment.