DAN MOUL, MEMBER 91st LEGISLATIVE DISTRICT

PO BOX 202091 G-32 IRVIS OFFICE BUILDING HARRISBURG, PA 17120-2091 717-783-5217

30 WEST MIDDLE STREET GETTYSBURG, PA 17325 717-334-3010 TOLL-FREE: 1-866-646-4915

WWW.REPMOUL.COM



House of Representatives

Commonwealth of Pennsylvania Harrisburg

COMMITTEES

CHILDREN & YOUTH
VICE CHAIRMAN
GAME & FISHERIES
AGRICULTURE & RURAL AFFAIRS
TOURISM & RECREATIONAL
DEVELOPMENT, SUBCOMMITTEE
ON TRAVEL PROMOTION

MEMORANDUM

TO:

All House Members

FROM:

Representative Dan Moul

SUBJECT:

Proposed Legislation

DATE:

August 4, 2011

In the near future I plan to introduce legislation to amend the Pennsylvania Unemployment Compensation Law to extend the "reasonable assurance" doctrine to employees of private school bus contractors. In essence, this would not allow such employees to collect unemployment compensation benefits during normal school vacation breaks. I believe allowing such employees to collect unemployment during, basically, summer breaks, inflates the operating costs of such contractors, and consequently inflates the costs that school districts incur in transporting their pupils.

It is important to note that Section 402.1 of the Unemployment Compensation Law establishes specific eligibility rules for employees of educational institutions. This section specifically <u>disallows</u> the payment of unemployment compensation benefits to educational institution employees (principle administrative personnel/teachers and other support personnel) for periods between academic years/terms if there is reasonable assurance that such individuals will be employed by the educational institution in the next academic year/term. This section also provides for retroactive payment of benefits if an individual is not re-employed in the next academic term/year. This section also states that educational institution employees are ineligible for unemployment compensation benefits for periods during a customary vacation period or holiday recess, provided there is reasonable assurance that they will be employed after such period.

The Pennsylvania Commonwealth Court, in <u>Haynes v. UC Board of Review</u>, (1982), explained the purpose behind Section 402.1 as follows:

"The intent of the legislature in passing Section 402.1 was to eliminate the payment of benefits to school employees during summer months and other regularly scheduled vacations, on the rationale that such employees are able to anticipate and prepare for these nonworking periods. The law thus recognizes that these employees are not truly unemployed or suffering from economic insecurity during scheduled recess."

Quite frankly, I believe school bus drivers who work for private contractors who contract with public school districts should be treated just like school bus drivers who work directly for the school district. States such as Arizona and Kansas have similar provisions in their unemployment compensation laws.

Please contact Suzette Beemer, <u>sheemer@pahousegop.com</u>, if you wish to cosponsor this legislation DM/sb