AN ACT

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

- 17 The General Assembly of the Commonwealth of Pennsylvania
- 18 hereby enacts as follows:
- 19 Section 1. Section 4(1)(3) and (4)(1) introductory paragraph
- 20 of the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897,
- 21 No.1), known as the Unemployment Compensation Law, are amended
- 22 to read:
- 23 Section 4. Definitions. -- The following words and phrases, as
- 24 used in this act, shall have the following meanings, unless the

- 1 context clearly requires otherwise.
- 2 * * *
- 3 (1) * * *
- 4 (3) "Employment" shall also include--
- 5 (A) Services covered by an election pursuant to section 4
- 6 (j) of this act, and
- 7 (B) Services covered by an arrangement pursuant to section
- 8 312 of this act between the department and the agency of any
- 9 other state or Federal Unemployment Compensation Law, pursuant
- 10 to which all services performed by an individual for an
- 11 employing unit are deemed to be performed entirely within this
- 12 State, shall be deemed to be employment if the department has
- 13 approved an election of an employing entity for whom such
- 14 services are performed, pursuant to which the entire service of
- 15 such individual during the period covered by such election is
- 16 deemed to be employment.
- 17 (C) Notwithstanding any other provisions of section 4(1), an
- 18 individual's entire service as an officer or member of a crew of
- 19 an American vessel on or in connection with such vessel,
- 20 wherever performed, and whether in intrastate or interstate or
- 21 foreign commerce, if the employer maintains within this State
- 22 the operating office from which the operations of the American
- 23 vessel, in respect to which such services are performed, are
- 24 ordinarily and regularly managed, supervised, directed and
- 25 controlled.
- 26 (D) Service of an individual who is a citizen of the United
- 27 States after December 31, 1971, performed outside the United
- 28 States (except in Canada and in the case of the Virgin Islands
- 29 after December 31, 1971, and before January 1 of the year
- 30 following the year in which the Secretary of Labor approves for

- 1 the first time an unemployment insurance law submitted to him by
- 2 the Virgin Islands for approval) in the employ of an American
- 3 employer (other than service which is deemed "employment" under
- 4 the provisions of paragraph (2) of this subsection or the
- 5 parallel provisions of another state's law), if:
- 6 (a) the employer's principal place of business in the United
- 7 States is located in this State; or
- 8 (b) the employer has no place of business in the United
- 9 States, but (i) the employer is an individual who is a resident
- 10 of this State; or (ii) the employer is a corporation which is
- 11 organized under the laws of this State; or (iii) the employer is
- 12 a partnership or a trust and the number of the partners or
- 13 trustees who are residents of this State is greater than the
- 14 number who are residents of any one other state; or
- 15 (c) none of the criteria of divisions (a) and (b) of this
- 16 subparagraph is met but the employer has elected coverage in
- 17 this State, or the employer having failed to elect coverage in
- 18 any state, the individual has filed a claim for benefits, based
- 19 on such service, under this act.
- 20 (d) an "American employer" for purposes of this
- 21 subparagraph, means a person who is (i) an individual who is a
- 22 resident of the United States; or (ii) a partnership if two-
- 23 thirds or more of the partners are residents of the United
- 24 States; or (iii) a trust, if all of the trustees are residents
- 25 of the United States; or (iv) a corporation organized under the
- 26 laws of the United States or of any state.
- 27 (E) Service by an individual other than one who is an
- 28 employe under paragraphs (1) and (2) of this subsection who
- 29 performs services for remuneration for any person--
- 30 (a) as an agent-driver or commission-driver engaged in

- 1 distributing meat products, vegetable products, fruit products,
- 2 bakery products, beverages (other than milk), or laundry or dry-
- 3 cleaning services, for his principal;
- 4 (b) as a traveling or city salesman, other than as an agent-
- 5 driver or commission-driver, engaged upon a full-time basis in
- 6 the solicitation on behalf of, and the transmission to, his
- 7 principal (except for side-line sales activities on behalf of
- 8 some other person) of orders from wholesalers, retailers,
- 9 contractors, or operators of hotels, restaurants, or other
- 10 similar establishments for merchandise for resale or supplies
- 11 for use in their business operations:
- 12 Provided, That for the purposes of this subparagraph, the
- 13 term "employment" shall include services described in (a) and
- 14 (b) above performed after December 31, 1971 only if: (i) the
- 15 contract of service contemplates that substantially all of the
- 16 services are to be performed personally by such individual; (ii)
- 17 the individual does not have a substantial investment in
- 18 facilities used in connection with the performance of the
- 19 services (other than in facilities for transportation); and
- 20 (iii) the services are not in the nature of a single transaction
- 21 that is not part of a continuing relationship with the person
- 22 for whom the services are performed.
- 23 (F) Services performed after December 31, 1971 by an
- 24 individual as defined under the provisions of Articles X, XI and
- 25 XII of this act except for services excluded from employment
- 26 pursuant to such articles.
- 27 (G) Notwithstanding any other provisions of this act,
- 28 service performed after December 31, 1977, by an individual in
- 29 agricultural labor as defined in section 4(1)(4)(1) when:
- 30 (a) Such service is performed for a person who--

- 1 (1) during any calendar quarter in either the current or the
- 2 preceding calendar year paid remuneration in cash of twenty
- 3 thousand dollars or more to individuals employed in agricultural
- 4 labor (not taking into account service in agricultural labor
- 5 performed before January 1, 1982, by an alien referred to in
- 6 section 4(1)(3)(G)(a.1) or 4(1)(2)(G)(a.1)); or
- 7 (2) for some portion of a day in each of twenty different
- 8 calendar weeks, whether or not such weeks were consecutive, in
- 9 either the current or the preceding calendar year, employed in
- 10 agricultural labor (not taking into account service in
- 11 agricultural labor performed before January 1, 1982, by an alien
- 12 referred to in section 4(1)(3)(G)(a.1)) ten or more individuals,
- 13 regardless of whether they were employed at the same moment of
- 14 time.
- 15 (a.1) Such service is not performed in agricultural labor if
- 16 performed before January 1, 1982, by an individual who is an
- 17 alien admitted to the United States to perform service in
- 18 agricultural labor pursuant to sections 214(c) and 101(a)(15)(H)
- 19 of the Immigration and Nationality Act.
- 20 (b) For the purposes of this subsection any individual who
- 21 is a member of a crew furnished by a crew leader to perform
- 22 service in agricultural labor for any other person shall be
- 23 treated as an employe of such crew leader--
- 24 (1) if such crew leader holds a valid certificate of
- 25 registration under the Farm Labor Contractor Registration Act of
- 26 1963; or substantially all the members of such crew operate or
- 27 maintain tractors, mechanized harvesting or cropdusting
- 28 equipment, or any other mechanized equipment, which is provided
- 29 by such crew leader; and
- 30 (2) if such individual is not an employe of such other

- 1 person within the meaning of division (a)(1) and (2) above.
- 2 (c) For the purposes of this subparagraph (G), in the case
- 3 of any individual who is furnished by a crew leader to perform
- 4 service in agricultural labor for any other person and who is
- 5 not treated as an employe of such crew leader--
- 6 (1) such other person and not the crew leader shall be
- 7 treated as the employer of such individual; and
- 8 (2) such other person shall be treated as having paid cash
- 9 remuneration to such individual in an amount equal to the amount
- 10 of cash remuneration paid to such individual by the crew leader
- 11 (either on his own behalf or on behalf of such other person) for
- 12 the service in agricultural labor performed for such other
- 13 person.
- 14 (d) The term "crew leader" means an individual who--
- 15 (1) furnishes individuals to perform service in agricultural
- 16 labor for any other person;
- 17 (2) pays (either on his own behalf or on behalf of such
- 18 other person) the individuals so furnished by him for the
- 19 service in agricultural labor performed by them; and
- 20 (3) has not entered into a written agreement with the farm
- 21 operator under which the crew leader is designated as an employe
- 22 of the farm operator.
- 23 (H) Notwithstanding any other provisions of this act,
- 24 domestic service after December 31, 1977, in a private home,
- 25 local college club or local chapter of a college fraternity or
- 26 sorority performed for a person who paid cash remuneration of
- 27 one thousand dollars or more after December 31, 1977, in any
- 28 calendar quarter in the current calendar year or the preceding
- 29 calendar year to individuals employed in such domestic service.
- 30 (I) Notwithstanding any other provisions of this act,

- 1 service performed after December 31, 2021, by an individual in
- 2 <u>agricultural labor</u>, as defined in section 4(1). For purposes of
- 3 this clause, the employer of an agricultural laborer shall be
- 4 <u>deemed to be the owner, operator or leaseholder of the land on</u>
- 5 which the services are performed where compensation for
- 6 employment was paid by or on behalf of the owner, operator or
- 7 <u>leaseholder of the land. Where the owner, operator or</u>
- 8 <u>leaseholder permits a farm labor contractor to pay wages to an</u>
- 9 <u>agricultural laborer on the owner's, operator's or leaseholder's</u>
- 10 behalf, the owner, operator or leaseholder shall be the employer
- 11 <u>under this subsection for all purposes.</u>
- 12 (4) The word "employment" shall not include--
- 13 (1) Agricultural labor which shall include all services
- 14 performed except those services defined in 4(1)(3)(G) or (I)--
- 15 * * *
- 16 Section 2. This act shall take effect in 60 days.