HB 3508-2 (LC 3589) 4/13/15 (ASD/ps)

PROPOSED AMENDMENTS TO HOUSE BILL 3508

- On page 1 of the printed bill, line 2, delete "657.167" and insert "341.547, 657.010, 657.167 and 657.173".
- Delete lines 4 through 30 and delete page 2 and insert:

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- 4 "SECTION 1. (1) The Legislative Assembly finds and declares that:
- 5 "(a) The interests of the state and its citizens are best served by a 6 strong community college system.
- "(b) As described by their establishing legislation, these two-year institutions are an independent, unique and vital section of our state's higher education system, separate from both the common school system and other institutions of higher education.
 - "(c) Paramount to the success of the community college system is the attraction and retention of qualified instructors.
- "(d) In order to attract and retain instructors, those instructors
 who are subject to uncertainties of employment must be provided assurance that their economic needs will be addressed.
- "(e) Over time, a change in hiring patterns has occurred, and for the last decade a substantial portion of community college faculty have been hired on a contingent, as-needed basis.
- "(f) That contingent basis distinguishes the employment of those instructors from the more stable employment of instructors in the common school system and in the other institutions of higher education.

- "(g) Contingent assurances of future employment are often speculative and do not rise to the level of other forms of assurance.
- "(h) Thus, assurances conditioned on forecasts of enrollment, funding or program decisions are typically not reasonable assurances of employment.
- "(2) It is the intent of the Legislative Assembly that the standard of reasonable assurance continue to apply to all employees of educational institutions as required by federal law and ORS 341.547.
 - **"SECTION 2.** ORS 341.547 is amended to read:

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- "341.547. (1)(a) Each community college board shall give an individual, written notice of reasonable assurance of continued employment to all employees who are to perform services in the same or a similar capacity during a subsequent academic year or term or in the period immediately following a recess period. The notice shall be given by May 30 of each year for employees employed as of that date and as of the date of hire for employees employed subsequent to May 30.
 - "(b) For purposes of this subsection, individuals who perform services in an instructional capacity are presumed not to have a reasonable assurance of continued employment under an offer of employment that is conditioned in whole or in part on enrollment, funding or program changes.
 - "(2)(a) No liability shall accrue from failure to give the notice required by subsection (1) of this section, or from the timing or contents [thereof] of the notice, on the part of the community college board. [However]
- "(b) Notwithstanding paragraph (a) of this subsection, the Higher Education Coordinating Commission shall enforce the provisions of subsection (1) of this section.
- "(3) Faculty members on annual or indefinite tenure, classified staff members on regular status and management service employees are considered to have been given notice for the purposes of this section.

"SECTION 3. ORS 657.167 is amended to read:

"657.167. (1)(a) Benefits based on [service] services performed in an instructional, research or principal administrative capacity for an educational institution or institution of higher education shall be payable to an individual in the same amount, on the same terms and subject to the same conditions as benefits payable on the basis of other [service] services subject to this chapter[, except that].

- "(b) Notwithstanding paragraph (a) of this subsection, benefits [shall not be paid based on such services] are not payable on services described in paragraph (a) of this subsection for any week of unemployment commencing during the period between two successive academic years or, when an agreement provides instead for a similar period between two regular terms whether or not successive or during a period of paid sabbatical leave provided for in the individual's contract and if [such] the individual performs [such] the services in the first of [such] the academic years or terms and if there is a contract or a reasonable assurance that [such] the individual will perform services in [any] such capacity for any institution in the second of [such] the academic years or terms.
- "(c) All services by an individual for an institution shall be deemed in instructional, research or principal administrative capacity if at least 50 percent of the individual's time is spent in such activities.
- "(d)(A) An individual who performs services in an instructional capacity for a community college that is assigned the Standard Industrial Classification code 8222 or the North American Industry Classification System code 611210 is presumed not to have a reasonable assurance of performing the services in the second of the academic years or terms if the individual has an offer of employment that is conditioned in whole or in part on enrollment, funding or program changes.
 - "(B) A community college may overcome the presumption described

- in subparagraph (A) of this paragraph by providing clear and convincing evidence that the individual has received reasonable assurance of employment.
- (2) With respect to any services described in subsection (1) of this section, 4 [compensation] benefits payable on the basis of such services shall be denied 5 to any individual for any week that commences during an established and 6 customary vacation period or holiday recess if [such] the individual performs 7 [such] the services in the period immediately before [such] the vacation pe-8 9 riod or holiday recess, and there is reasonable assurance that [such] the individual will perform [such] the services or any services described in ORS 10 657.221 (1) in the period immediately following [such] the vacation period 11 or holiday recess. 12
 - "(3)(a) With respect to any services described in subsection (1) of this section, benefits based on such services shall be denied as specified in subsections (1) and (2) of this section to any individual who performed [such service] the services in an institution while in the employ of an education service district established by ORS chapter 334, providing 50 percent or more of the individual's time is spent in instructional, research or principal administrative capacity in [such] the institution.
 - "(b) If benefits are denied under this subsection to an individual who was not offered employment performing such services for the educational institution for the second of the academic years or terms, benefits shall be payable retroactively to the individual for each week for which the individual filed a timely claim for benefits and for which the benefits were denied solely because of this subsection.
- "(4) The provisions of subsections (1), (2) and (3) of this section apply only to [service] services performed for[:]
- [(a)] an educational institution or institution of higher education operated by:
 - "(a) A nonprofit employing unit;

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1 "(b) This state;

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2 "(c) A political subdivision of this state; or

longer be of any force or effect.

- 3 "(d) An Indian tribe.
- "(5) If the United States Secretary of Labor serves notice that any provisions of this section, or rules adopted under this section, fail to meet the requirements of the Social Security Act or the Federal Unemployment Tax Act, the nonconforming provisions or rules shall no
- 9 "SECTION 4. ORS 657.010, as amended by section 29, chapter 52, Oregon Laws 2014, is amended to read:
- "657.010. As used in this chapter, unless the context requires otherwise:
 - "(1) 'Academic year' means one sequence of fall, winter, spring and summer quarters or a comparable sequence of semesters, or a shorter sequence if, based upon objective criteria, including enrollment and staffing, a quarter or semester is not part of an institution's academic year.
- "[(1)] (2) 'Base year' means the first four of the last five completed calendar quarters preceding the benefit year.
- "[(2)] (3) 'Benefits' means the money allowances payable to unemployed persons under this chapter.
- "[(3)] (4) 'Benefit year' means a period of 52 consecutive weeks com-21 mencing with the first week with respect to which an individual files an 22 initial valid claim for benefits, and thereafter the 52 consecutive weeks pe-23 riod beginning with the first week with respect to which the individual next 24 files an initial valid claim after the termination of the individual's last pre-25 ceding benefit year except that the benefit year shall be 53 weeks if the filing 26 of an initial valid claim would result in overlapping any quarter of the base 27 year of a previously filed initial valid claim. 28
- "[(4)] (5) 'Calendar quarter' means the period of three consecutive calendar months ending on March 31, June 30, September 30 or December 31, or

- 1 the approximate equivalent [thereof], as the Director of the Employment De-
- 2 partment may, by [regulation] rule, prescribe.
- "[(5)] (6) 'Contribution' or 'contributions' means the taxes[, as defined in
- 4 subsection (13) of this section,] that are the money payments required by this
- 5 chapter, or voluntary payments permitted, to be made to the Unemployment
- 6 Compensation Trust Fund.
- 7 "[(6)] (7) 'Educational institution,' including an institution of higher ed-
- 8 ucation [as defined in subsection (9) of this section], means an institution:
- 9 "(a) In which participants, trainees or students are offered an organized
- 10 course of study or training designed to transfer to them knowledge, skills,
- information, doctrines, attitudes or abilities from, by or under the guidance
- of an instructor or teacher;
- "(b) That is accredited, registered, approved, licensed or issued a permit
- to operate as a school by the Department of Education or other government
- agency, or that offers courses for credit that are transferable to an approved,
- 16 registered or accredited school;
- "(c) In which the course or courses of study or training that it offers may
- be academic, technical, trade or preparation for gainful employment in a re-
- 19 cognized occupation; and
- "(d) In which the course or courses of study or training are offered on a
- 21 regular and continuing basis.
- 22 "[(7)] (8) 'Employment office' means a free public employment office or
- 23 branch [thereof] of an employment office, operated by this state or main-
- tained as a part of a state-controlled system of public employment offices.
- "[(8)] (9) 'Hospital' means an organization that has been licensed[, certi-
- 26 fied or approved] by the Oregon Health Authority as a hospital.
- 27 "[(9)] (10) 'Institution of higher education' means an educational institu-
- 28 tion that:
- 29 "(a) Admits as regular students only individuals having a certificate of
- 30 graduation from a high school, or the recognized equivalent of such a cer-

- 1 tificate;
- "(b) Is legally authorized in this state to provide a program of education beyond high school;
- "(c) Provides an educational program for which it awards a bachelor's or higher degree, or provides a program that is acceptable for full credit toward such a degree, a program of post-graduate or post-doctoral studies, or a pro-
- 7 gram of training to prepare students for gainful employment in a recognized
- 8 occupation; and
- 9 "(d) Is a public or other nonprofit institution.
- "[(10)] (11) 'Internal Revenue Code' means the federal Internal Revenue Code, as amended and in effect on December 31, 2013.
- "[(11)] (12) 'Nonprofit employing unit' means an organization, or group of organizations, described in section 501(c)(3) of the Internal Revenue Code that is exempt from income tax under section 501(a) of the Internal Revenue Code.
- "[(12)] (13) 'State' includes, in addition to the states of the United States of America, the District of Columbia and Puerto Rico. However, for all purposes of this chapter the Virgin Islands shall be considered a state on and after the day on which the United States Secretary of Labor first approves the Virgin Islands' law under section 3304(a) of the Federal Unemployment Tax Act as amended by Public Law 94-566.
- "[(13)] (14) 'Taxes' means the money payments to the Unemployment
 Compensation Trust Fund required, or voluntary payments permitted, by this
 chapter.
- "[(14)] (15) 'Valid claim' means any claim for benefits made in accordance with ORS 657.260 if the individual meets the wages-paid-for-employment requirements of ORS 657.150.
- "[(15)] (16) 'Week' means any period of seven consecutive calendar days ending at midnight, as the director may, by [regulation] rule, prescribe. The director may by [regulation] rule prescribe that a 'week' shall be 'in,'

- 1 'within,' or 'during' the calendar quarter that includes the greater part of 2 such week.
 - **"SECTION 5.** ORS 657.173 is amended to read:

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- "657.173. (1)(a) Notwithstanding ORS 657.010 [(1)], in the case of an individual who is not eligible for benefits under ORS 657.150 (2) using the definition in ORS 657.010 [(1)], 'base year' means the last four completed calendar quarters preceding the benefit year, if use of this alternate definition of 'base year' makes the individual eligible for benefits under ORS 657.150 (2).
 - "(b) Notwithstanding paragraph (a) of this subsection, a determination of eligibility under ORS 657.150 (2) may not be made using paragraph (a) of this subsection if the individual qualifies or would qualify for regular benefits under the unemployment law of another governmental jurisdiction using that jurisdiction's standard base year.
 - "(c) Work and earnings in a calendar quarter that is included in a claim determined to be eligible using the base year as defined in paragraph (a) of this subsection cannot be included in the base year of a subsequent claim unless the subsequent claim's base year is extended under ORS 657.170 to include the calendar quarter.
 - "(2)(a) Except as provided in paragraph (b) of this subsection, the definition of 'base year' that applies for the purposes of determining an individual's eligibility for benefits under ORS 657.150 applies for all purposes under this chapter related to that individual's claim.
 - "(b) When making a finding under ORS 657.170 (1), 'base year' has the meaning given that term in ORS 657.010 [(1)].
- "(3) The Director of the Employment Department shall adopt rules necessary to carry out the provisions of this section.
- 28 "SECTION 6. Section 1 of this 2015 Act is repealed on January 2, 2020.
- 30 "SECTION 7. (1) The amendments to ORS 341.547 and 657.167 by

sections 2 and 3 of this 2015 Act do not become operative until the date on which the federal government approves the standards imposed on community colleges to provide reasonable assurance with respect to the payment or denial of unemployment insurance benefits.

"(2) The Director of the Employment Department shall notify the Legislative Counsel as soon as practicable after receiving notice of the federal government's approval.

"SECTION 8. The amendments to ORS 341.547 and 657.167 by sections 2 and 3 of this 2015 Act apply to offers of employment made or services performed, as applicable, on or after the later of the effective date of this 2015 Act or the operative date specified in section 6 of this 2015 Act."

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