

HOUSE No. 707

By Mr. Sullivan of Boston, petition of the Massachusetts State Employees Association that public employees be included within the coverage of the Employment Security Law. Public Service.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Fifty-Seven.

AN ACT PERMITTING THE COVERAGE OF EMPLOYEES OF THE COMMONWEALTH, ANY POLITICAL SUBDIVISION OR ANY INSTRUMENTALITY OF THE COMMONWEALTH UNDER THE EMPLOYMENT SECURITY LAW.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Subsection (f) of section 6 of chapter 151A of
2 the General Laws, as appearing in section 1 of chapter 431 of
3 the acts of 1954, is hereby amended by striking out in lines 11
4 and 12 the words "an instrumentality of the commonwealth
5 whenever such instrumentality" and inserting in place thereof
6 the words: — the commonwealth, any political subdivision
7 or instrumentality of the commonwealth, whenever the com-
8 monwealth, a political subdivision or instrumentality of the
9 commonwealth, — so that said clause (f) shall read as fol-
10 lows: — (f) Service performed in the employ of a state, or
11 any political subdivision thereof, or any instrumentality of
12 any one or more of the foregoing which is wholly owned by
13 one or more states or political subdivisions; and any service
14 performed in the employ of any instrumentality of one or
15 more states or political subdivisions to the extent that the in-
16 strumentality is, with respect to such service, immune under
17 the constitution of the United States from the tax imposed

18 by section sixteen hundred of the Federal Internal Revenue
19 Code, or any acts in addition thereto and amendments thereof;
20 provided, however, that the term "employment" shall include
21 services performed by an individual for the commonwealth,
22 any political subdivision or instrumentality of the common-
23 wealth, whenever the commonwealth, a political subdivision
24 or instrumentality of the commonwealth has been authorized
25 to become liable for payments instead of contributions, and
26 has otherwise complied with the provisions of subsection (o)
27 of section fourteen;

1 SECTION 2. Section 14 of said chapter 151A, as most re-
2 cently amended by chapter 431 of the acts of 1954, is hereby
3 further amended by striking out subsection (o) and inserting
4 in place thereof the following subsection: —

5 (o) The commonwealth, any political subdivision or instru-
6 mentality of the commonwealth having been authorized to
7 insure any of its workers shall become liable for payments in
8 lieu of contributions under this section by filing with the
9 director notice of authorization and request for coverage.
10 Such notice shall clearly specify the classes of employees to
11 be included in such coverage. Effective the first day of the
12 week immediately following such notice, services performed
13 by covered employees for the commonwealth, the political
14 subdivision or instrumentality of the commonwealth shall, for
15 the purpose of insuring such of its present and former employ-
16 ees as are covered, be deemed to have been employment sub-
17 ject to this chapter, and wages paid for such services shall be
18 used in the computation of benefits. The commonwealth,
19 the political subdivision or instrumentality of the common-
20 wealth shall be liable for payment in lieu of contributions re-
21 quired of employers liable for contribution under this chapter,
22 and shall pay into the fund an amount equivalent to the
23 amount of benefits and dependence allowances paid to claim-
24 ants who during the applicable base period were paid wages
25 by the commonwealth, the political subdivision or instru-
26 mentality of the commonwealth which were used to compute
27 such benefits. The amount of payments required under this
28 subsection shall be ascertained as soon as practicable at the

29 end of each month or quarter, and request for payment shall
30 be made to the commonwealth, the political subdivision or
31 instrumentality of the commonwealth concerned. In addi-
32 tion to said payments in lieu of contributions the common-
33 wealth, the political subdivision or instrumentality of the
34 commonwealth shall also be liable for the payment of the
35 administrative costs of the payment of such benefits. The
36 director shall as soon as practicable at the end of each quarter
37 ascertain such costs and shall submit a statement setting forth
38 the amount of such administrative costs to the commonwealth,
39 the political subdivision or instrumentality of the common-
40 wealth against whom benefit charges were made. If the com-
41 monwealth, the political subdivision or instrumentality of the
42 commonwealth shall fail to make any of the payments re-
43 quired by this subsection within thirty days after the sub-
44 mission of a statement setting forth the amount of such pay-
45 ment by the director, no further benefit payments shall be
46 made by the director until the overdue payments in lieu of
47 contributions have been made to the division by the common-
48 wealth, the political subdivision or instrumentality of the
49 commonwealth.

1 SECTION 3. Section 28 of said chapter 151A, as appearing
2 in section 3 of chapter 432 of the acts of 1954, is hereby
3 amended by striking out the second paragraph of said sec-
4 tion and inserting in place thereof the following paragraph:—
5 Wages earned for services performed by an employee of
6 the commonwealth, a political subdivision or instrumentality
7 of the commonwealth which has become liable for payments
8 in lieu of contributions under subsection (o) of section four-
9 teen shall not be included in the computation of benefits
10 under this chapter when said employee has been retired from
11 active service and is receiving severance or separation pay,
12 or a retirement allowance or pension, if said retirement al-
13 lowance or pension was financed totally or in part by said
14 commonwealth, the political subdivision or instrumentality
15 of the commonwealth; provided, however, that old age and
16 survivors insurance benefits under the federal social security
17 act shall not be considered as such a pension.

1 SECTION 4. Such of the employees of the commonwealth,
2 a county, city, town, district, county tuberculosis hospital
3 district, or other political subdivision or instrumentality of
4 the commonwealth, as the commonwealth, or a county, city,
5 town, district, county tuberculosis hospital district, or other
6 political subdivision or instrumentality of the commonwealth
7 acting respectively through the governor and council, county
8 commissioners, city council, the qualified voters in a town, or
9 district meeting, the trustees of a county tuberculosis dis-
10 trict, or the governing body in any other political subdivision
11 or instrumentality of the commonwealth, shall determine, as
12 evidenced by a written notice filed with the director of em-
13 ployment security in accordance with the provisions of para-
14 graph (o) of section fourteen of chapter one hundred and fifty-
15 one A of the General Laws, as shall be specified in said no-
16 tice, may be insured under said chapter one hundred and
17 fifty-one A, and the commonwealth, county, city, town, dis-
18 trict, county tuberculosis hospital district, or other political
19 subdivision or instrumentality of the commonwealth shall
20 become liable for payments instead of contributions as pro-
21 vided in said subsection (o) of said section fourteen of said
22 chapter one hundred and fifty-one A.

1 SECTION 5. This act shall take effect on July first of the
2 current year.