

SENATE BILL No. 644

September 20, 2001, Introduced by Senators STEIL, NORTH, MC MANUS and KOIVISTO and referred to the Committee on Human Resources and Labor.

A bill to amend 1936 (Ex Sess) PA 1, entitled "Michigan employment security act," by amending sections 41 and 42 (MCL 421.41 and 421.42) and by adding section 13l.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 13l. (1) AN INDIAN TRIBE OR TRIBAL UNIT LIABLE AS AN
2 EMPLOYER UNDER SECTION 41 SHALL PAY CONTRIBUTIONS UNDER THE SAME
3 TERMS AND CONDITIONS AS ALL OTHER EMPLOYERS LIABLE UNDER SECTION
4 41, UNLESS THE INDIAN TRIBE OR TRIBAL UNIT ELECTS TO PAY REIM-
5 BURSEMENTS IN LIEU OF CONTRIBUTIONS.

6 (2) AN INDIAN TRIBE OR TRIBAL UNIT THAT ELECTS TO MAKE REIM-
7 BURSEMENT PAYMENTS IN LIEU OF CONTRIBUTIONS SHALL FILE WITH THE
8 UNEMPLOYMENT AGENCY A WRITTEN REQUEST FOR THAT ELECTION NOT LESS
9 THAN 30 CALENDAR DAYS BEFORE JANUARY 1 OF THE CALENDAR YEAR IN
10 WHICH THE ELECTION WILL BE EFFECTIVE. THE ELECTION WILL BE

SENATE BILL No. 644

1 EFFECTIVE ON JANUARY 1 OF THAT CALENDAR YEAR. THE INDIAN TRIBE
2 OR TRIBAL UNIT SHALL DETERMINE IF THE ELECTION TO PAY REIMBURSE-
3 MENTS IN LIEU OF CONTRIBUTIONS WILL APPLY TO THE TRIBE AS A
4 WHOLE, WILL APPLY ONLY TO INDIVIDUAL TRIBAL UNITS, OR WILL APPLY
5 TO STATED COMBINATIONS OF INDIVIDUAL TRIBAL UNITS.

6 (3) AN INDIAN TRIBE OR TRIBAL UNIT ELECTING TO PAY REIM-
7 BURSEMENTS IN LIEU OF CONTRIBUTIONS SHALL BE BILLED FOR THE FULL
8 AMOUNT OF BENEFITS ATTRIBUTABLE TO SERVICE IN THE EMPLOY OF THE
9 INDIAN TRIBE OR TRIBAL UNIT ON THE SAME QUARTERLY SCHEDULE AS
10 OTHER EMPLOYERS THAT HAVE ELECTED TO MAKE REIMBURSEMENT PAYMENTS
11 IN LIEU OF CONTRIBUTIONS.

12 (4) IF AN INDIAN TRIBE OR TRIBAL UNIT ELECTING TO PAY REIM-
13 BURSEMENTS IN LIEU OF CONTRIBUTIONS FAILS TO MAKE REQUIRED REIM-
14 BURSEMENT PAYMENTS, INCLUDING ASSESSMENTS OF INTEREST AND PENAL-
15 TIES, WITHIN 90 CALENDAR DAYS OF MAILING OF THE BILLING, THE
16 INDIAN TRIBE OR TRIBAL UNIT WILL LOSE THE OPTION TO PAY REIM-
17 BURSEMENTS IN LIEU OF CONTRIBUTIONS FOR THE IMMEDIATELY SUCCEED-
18 ING TAX YEAR AFTER THE FAILURE TO PAY, UNLESS THE PAYMENT IN FULL
19 IS RECEIVED BY THE UNEMPLOYMENT AGENCY BEFORE THE DATE ON WHICH
20 THE UNEMPLOYMENT AGENCY ISSUES DETERMINATIONS OF CONTRIBUTION
21 RATES FOR THE IMMEDIATELY SUCCEEDING TAX YEAR AFTER THE FAILURE
22 TO PAY. AN INDIAN TRIBE OR TRIBAL UNIT THAT LOSES THE OPTION TO
23 PAY REIMBURSEMENTS IN LIEU OF CONTRIBUTIONS SHALL HAVE THE OPTION
24 REINSTATED AS OF THE NEXT DATE THAT THE ELECTION IS PERMITTED TO
25 BE MADE UNDER SUBSECTION (2) IF, FOR A PERIOD OF NOT LESS THAN 24
26 MONTHS BEFORE THAT DATE, ALL CONTRIBUTIONS HAVE BEEN SUBMITTED IN

1 A TIMELY MANNER, AND IF NO CONTRIBUTIONS, PAYMENTS IN LIEU OF
2 CONTRIBUTIONS, INTEREST, OR PENALTIES REMAIN OUTSTANDING.

3 (5) A NOTICE OF PAYMENT AND A REPORT OF DELINQUENCY TO AN
4 INDIAN TRIBE OR TRIBAL UNIT SHALL INCLUDE INFORMATION THAT FAIL-
5 URE TO MAKE FULL PAYMENT WHEN DUE WILL RESULT IN ALL OF THE
6 FOLLOWING:

7 (A) THE INDIAN TRIBE OR TRIBAL UNIT SHALL BE LIABLE FOR
8 TAXES UNDER THE FEDERAL UNEMPLOYMENT TAX ACT, CHAPTER 23 OF SUB-
9 TITLE C OF THE INTERNAL REVENUE CODE OF 1986, 26 U.S.C. 3301 TO
10 3311.

11 (B) THE INDIAN TRIBE OR TRIBAL UNIT SHALL LOSE THE OPTION TO
12 MAKE PAYMENTS IN LIEU OF CONTRIBUTIONS.

13 (C) THE INDIAN TRIBE OR TRIBAL UNIT MAY NO LONGER BE CONSID-
14 ERED AN EMPLOYER UNDER SECTION 41 AND SERVICES PERFORMED FOR THE
15 INDIAN TRIBE OR TRIBAL UNIT MAY NO LONGER BE CONSIDERED EMPLOY-
16 MENT UNDER SECTION 42.

17 (6) ANY INDIAN TRIBE OR TRIBAL UNIT THAT ELECTS TO MAKE
18 REIMBURSEMENT PAYMENTS IN LIEU OF CONTRIBUTIONS SHALL POST SECUR-
19 ITY IN A MANNER AND AMOUNT PRESCRIBED BY RULES PROMULGATED BY THE
20 UNEMPLOYMENT AGENCY BEFORE THE EFFECTIVE DATE OF THE INDIAN
21 TRIBE'S OR TRIBAL UNIT'S ELECTION.

22 (7) AS USED IN THIS ACT:

23 (A) "INDIAN TRIBE" MEANS THAT TERM AS DEFINED IN SECTION
24 3306(u) OF THE FEDERAL UNEMPLOYMENT TAX ACT, CHAPTER 23 OF SUBTI-
25 TLE C OF THE INTERNAL REVENUE CODE OF 1986, 26 U.S.C. 3306.

26 (B) "TRIBAL UNIT" INCLUDES ANY SUBDIVISION, SUBSIDIARY, OR
27 BUSINESS ENTERPRISE, WHOLLY OWNED BY AN INDIAN TRIBE.

1 Sec. 41. "Employer" means any of the following: (1)
2 Beginning January 1, 1969, an employing unit ~~(i) which~~ THAT in
3 each of 20 different calendar weeks within a calendar year,
4 whether or not the weeks were consecutive, has or had in employ-
5 ment 1 or more individuals irrespective of whether the same indi-
6 vidual was employed in each week, or ~~(ii)~~ by which total remuner-
7 ation of \$1,000.00 or more for employment was paid or payable
8 within the calendar year.

9 (2) (a) Any individual, legal entity, or employing unit
10 ~~which~~ THAT acquired the organization, trade, or business, or
11 75% or more of the assets ~~thereof,~~ OF AN ORGANIZATION, TRADE,
12 OR BUSINESS of another, which at the time of the acquisition was
13 an employer subject to this act.

14 (b) Any individual, legal entity, or employing unit
15 described as a transferee in section 22(c).

16 (3) Any employing unit ~~which having~~ THAT HAS become an
17 employer under subdivisions (1), (2), (4), (5), (6), (7), or (9)
18 has not, under ~~sections~~ SECTION 24 ~~and~~ OR 25, ceased to be an
19 employer subject to this act.

20 (4) For the effective period of its election pursuant to
21 section 25, any other employing unit ~~which~~ THAT has elected to
22 become fully subject to this act.

23 (5) (a) Beginning January 1, 1978, an employing unit ~~which~~
24 THAT for some portion of a day in each of 20 different calendar
25 weeks, whether or not the weeks were consecutive, in either the
26 current or the IMMEDIATELY preceding calendar year, employed 10
27 or more individuals performing agricultural service, regardless

1 of whether the individuals were employed at the same moment of
2 time, or which, during any calendar quarter in either the current
3 or the IMMEDIATELY preceding calendar year, paid remuneration in
4 cash of \$20,000.00 or more to employees performing agricultural
5 service.

6 (b) For the purposes of this subdivision, an individual who
7 is a member of a crew furnished by a crew leader to perform agri-
8 cultural service for any farm operator shall be treated as an
9 employee of that crew leader if the crew leader holds a valid
10 certificate of registration under the FORMER farm labor contrac-
11 tor registration act of 1963, 7 U.S.C. 2041 to 2055; or IF sub-
12 stantially all the members of the crew operate or maintain trac-
13 tors, mechanized harvesting or crop-dusting equipment, or any
14 other mechanized equipment, which is provided by the crew leader;
15 and if the crew leader is not an employee of the farm operator
16 within the meaning of this act.

17 (c) For the purposes of this subdivision, in the case of an
18 individual who is furnished by a crew leader to perform agricul-
19 tural service for a farm operator and who is not treated as an
20 employee of the crew leader under paragraph (b), the farm opera-
21 tor and not the crew leader shall be treated as the employer of
22 the individual, and the farm operator shall be treated as having
23 paid cash remuneration to the individual in an amount equal to
24 the amount of cash remuneration paid to the individual by the
25 crew leader, either on his OR HER own behalf or on behalf of the
26 farm operator, for the agricultural service performed for the
27 farm operator.

1 (d) ~~For the purposes of~~ AS USED IN this subdivision, the
2 term "crew leader" means an individual who does all of the
3 following:

4 (i) Furnishes individuals to perform agricultural service
5 for a farm operator.

6 (ii) Pays, either on his OR HER own behalf or on behalf of a
7 farm operator, the individuals furnished by him OR HER for the
8 agricultural service performed by them.

9 (iii) Has not entered into a written agreement with the farm
10 operator under which the crew leader is designated as an employee
11 of the farm operator.

12 (6) Beginning January 1, 1978, an employing unit ~~which~~
13 THAT paid cash remuneration of \$1,000.00 or more for domestic
14 service in any calendar quarter in the current calendar year or
15 the IMMEDIATELY preceding calendar year. An employing unit that
16 is determined to be an employer under this subdivision shall not
17 be considered an employer of other covered services unless it
18 meets the test of being an employer under another subdivision of
19 this section.

20 (7) Any employing unit not an employer by reason of any
21 other paragraph of this section for which services in employment
22 are performed with respect to which ~~such~~ THE employing unit is
23 liable for any federal tax against which credit may be taken for
24 contributions required to be paid into a state unemployment com-
25 pensation fund; but services performed for ~~such~~ THAT employing
26 unit shall constitute employment for the purposes of this act
27 only to the extent that ~~such~~ THOSE services constitute

1 employment with respect to which ~~such~~ THAT federal tax is
2 payable.

3 (8) For purposes of this section, a week ~~which~~ THAT falls
4 in 2 calendar years shall be considered to fall entirely within
5 that calendar year ~~which~~ THAT contains the majority of days of
6 that week.

7 (9) Notwithstanding subdivision (1), after December 31,
8 1977, an employer means any employing unit for which services are
9 performed as defined in section 42(8) or (9).

10 (10) For the purpose of determining the amount of contribu-
11 tions due pursuant to section 44(2), the provisions of subdivi-
12 sions (5) and (6) shall first apply with respect to remuneration
13 paid after December 31, 1977, for services performed after that
14 date.

15 (11) NOTWITHSTANDING SUBDIVISION (1), AFTER DECEMBER 20,
16 2000, "EMPLOYER" INCLUDES AN INDIAN TRIBE OR TRIBAL UNIT FOR
17 WHICH SERVICES ARE PERFORMED IN EMPLOYMENT AS DEFINED IN SECTION
18 42(14). HOWEVER, THE INDIAN TRIBE OR TRIBAL UNIT SHALL CEASE TO
19 BE AN EMPLOYER IF THE INDIAN TRIBE OR TRIBAL UNIT FAILS TO MAKE A
20 REQUIRED PAYMENT, INCLUDING A PAYMENT OF INTEREST AND PENALTIES,
21 AFTER ALL COLLECTION ACTIVITIES CONSIDERED NECESSARY BY THE UNEM-
22 PLOYMENT AGENCY ARE EXHAUSTED, AND IF THE INDIAN TRIBE OR TRIBAL
23 UNIT HAS BEEN NOTIFIED OF ITS DELINQUENCY IN PAYMENT AND OF THE
24 FACT THAT THE DELINQUENCY MAY RESULT IN THE INDIAN TRIBE OR
25 TRIBAL UNIT NO LONGER BEING CONSIDERED AN EMPLOYER UNDER THIS
26 ACT. FOLLOWING A DELINQUENCY IN PAYMENT, AN INDIAN TRIBE OR
27 TRIBAL UNIT MAY AGAIN BE CONSIDERED AN EMPLOYER UNDER THIS ACT IF

1 ALL CONTRIBUTIONS, PAYMENTS IN LIEU OF CONTRIBUTIONS, PENALTIES,
2 AND INTEREST HAVE BEEN PAID PURSUANT TO SECTION 13/. THE UNEM-
3 PLOYMENT AGENCY SHALL NOTIFY THE INTERNAL REVENUE SERVICE OF THE
4 UNITED STATES DEPARTMENT OF TREASURY AND THE UNITED STATES
5 DEPARTMENT OF LABOR OF ANY TERMINATION OR REINSTATEMENT OF
6 LIABILITY UNDER THIS SECTION OF AN INDIAN TRIBE OR TRIBAL UNIT.

7 Sec. 42. (1) "Employment" means service, including service
8 in interstate commerce, performed for remuneration or under any
9 contract of hire, written or oral, express or implied.

10 (2) "Employment" includes an individual's entire service,
11 performed within or both within and ~~without~~ OUTSIDE OF this
12 state if any of the following apply:

13 (a) The service is localized in this state. Service shall
14 be ~~deemed~~ CONSIDERED to be localized within ~~a~~ THIS state if
15 the service is performed entirely within ~~the~~ THIS state; or the
16 service is performed both within and ~~without the~~ OUTSIDE OF
17 THIS state, but the service performed ~~without the~~ OUTSIDE OF
18 THIS state is incidental to the individual's service within ~~the~~
19 THIS state, such as service ~~which~~ THAT is temporary or transi-
20 tory in nature or consists of isolated transactions.

21 (b) The service is not localized in a state but some of the
22 service performed in this state and the base of operations, or,
23 if there is not a base of operations, then the place from which
24 the service is directed or controlled, is in this state; or the
25 base of operations or place from which the service is directed or
26 controlled is not in a state in which some part of the service is
27 performed, but the individual's residence is in this state.

1 (c) After December 31, 1964, the service is not localized in
2 any state but is performed by an employee on or in connection
3 with an American aircraft, if either the contract of service is
4 entered into within this state or if the contract of service is
5 not entered into within this state or within any other state and
6 during the performance of the contract of service and while the
7 employee is employed on the aircraft, it touches at an airfield
8 in this state, and the employee is employed on and in connection
9 with the aircraft when outside the United States. The commission
10 may enter into reciprocal agreements with other states with
11 respect to aircraft ~~which~~ THAT touch airfields in more than 1
12 state.

13 (3) Service performed within this state but not covered
14 under subsection (2) and not excluded under section 43 shall be
15 ~~deemed~~ CONSIDERED to be employment subject to this act if con-
16 tributions are not required and paid with respect to those serv-
17 ices under an unemployment compensation law of any other state or
18 of the federal government.

19 (4) Services, not covered under subsection (2), performed
20 entirely ~~without~~ OUTSIDE OF this state, for which contributions
21 are not required and paid under an unemployment compensation law
22 of any other state or of the federal government, shall be
23 ~~deemed~~ CONSIDERED to be employment subject to this act if the
24 ~~commission~~ UNEMPLOYMENT AGENCY approves the election of the
25 employer for whom the services are performed that the entire
26 service of the individual shall be ~~deemed~~ CONSIDERED to be
27 employment subject to this act. Such an election may be canceled

1 by the employer by filing a written notice with the ~~commission~~
2 UNEMPLOYMENT AGENCY before January 30 of any year stating the
3 employer's desire to cancel the election or at any time by sub-
4 mitting to the ~~commission~~ UNEMPLOYMENT AGENCY satisfactory
5 proof that the services designated in the election are covered by
6 an unemployment compensation law of another state or of the fed-
7 eral government, or if the services are covered by an arrangement
8 pursuant to section 11 between the ~~commission~~ UNEMPLOYMENT
9 AGENCY and the agency charged with the administration of any
10 other state or federal unemployment compensation law, pursuant to
11 which all services performed by an individual for an employing
12 unit are ~~deemed~~ CONSIDERED to be performed entirely within
13 ~~the~~ THIS state, shall be ~~deemed~~ CONSIDERED to be employment
14 if the ~~commission~~ UNEMPLOYMENT AGENCY has approved an election
15 of the employing unit for which the services are performed, pur-
16 suant to which the entire service of the individual during the
17 period covered by the election is ~~deemed~~ CONSIDERED to be
18 employment.

19 (5) Services performed by an individual for remuneration
20 shall not be ~~deemed~~ CONSIDERED to be employment subject to this
21 act ~~,~~ unless the individual is under the employer's control or
22 direction as to the performance of the services both under a con-
23 tract for hire and in fact. Service performed by an individual
24 for remuneration under an exclusive contract ~~which~~ THAT pro-
25 vides for the individual's control and direction by a person,
26 firm, or corporation possessing a public service permit or by a
27 certificated motor carrier transporting goods or property for

1 hire shall be ~~deemed~~ CONSIDERED employment subject to this
2 act. Service performed by an individual who by lease, contract,
3 or arrangement places at the disposal of a person, firm, or cor-
4 poration a piece of motor vehicle equipment and under a contract
5 of hire, which provides for the individual's control and direc-
6 tion, is engaged by the person, firm, or corporation to operate
7 the motor vehicle equipment shall be ~~deemed~~ CONSIDERED to be
8 employment subject to this act.

9 (6) Notwithstanding section 43, services performed for an
10 employing unit, for which the employing unit is liable for fed-
11 eral tax against which credit may be taken for contributions
12 required to be paid into a state unemployment compensation fund,
13 shall be ~~deemed~~ CONSIDERED to constitute employment for the
14 purposes of this act, but only to the extent that the services
15 constitute employment with respect to which federal tax is
16 payable. Notwithstanding any other provision of this act, ~~or~~
17 ~~any amendatory act,~~ services performed for an employing unit
18 ~~which~~ THAT are required to be covered under this act ~~,~~ as a
19 condition for its certification by the United States secretary of
20 labor ~~,~~ shall constitute employment for the purposes of this
21 act. The ~~commission~~ UNEMPLOYMENT AGENCY may waive the provi-
22 sions of this subsection with respect to services performed
23 within this state if the employing unit is an employer solely by
24 reason of section 41(7) and establishes that the services are
25 covered by the election of the employing unit under any other
26 state unemployment compensation law. This subsection shall not
27 apply to the exceptions provided in section 43(q).

1 (7) Notwithstanding subsection (2), all service performed
2 after December 31, 1964 ~~—~~ by an officer or member of the crew
3 of an American vessel on or in connection with the vessel is
4 ~~deemed~~ CONSIDERED to be employment subject to this act if the
5 operating office ~~—~~ from which the operations of the vessel
6 operating on navigable waters within ~~—~~ or within and ~~without,~~
7 OUTSIDE OF the United States are ordinarily and regularly super-
8 vised, managed, directed, and controlled ~~—~~ is within this
9 state.

10 (8)(a) Service performed before January 1, 1978 ~~—~~ by an
11 individual in the classified civil service of this state and
12 service performed by an individual for a school district, a com-
13 munity college district, a school or educational facility owned
14 or operated by ~~the~~ THIS state other than an institution of
15 higher education, or a political subdivision of ~~the~~ THIS state,
16 except a political subdivision ~~which~~ THAT has a local unemploy-
17 ment compensation system as provided in FORMER section 13j, is
18 employment subject to this act.

19 (b) Service performed after December 31, 1977, in the employ
20 of a governmental entity as defined in section 50a is employment
21 subject to this act.

22 (9) "Employment" includes service performed after December
23 31, 1971, by an individual in the employ of this state or any of
24 its instrumentalities for a state hospital or state institution
25 of higher education, or in the employ of this state and 1 or more
26 other states or their instrumentalities for a hospital or
27 institution of higher education located in this state. Coverage

1 of services performed for these hospitals and institutions of
2 higher education after December 31, 1977, shall be determined
3 pursuant to ~~section 42(8)(b)~~ SUBSECTION (8)(B).

4 (10) "Employment" includes service performed after December
5 31, 1971, by an individual in the employ of a religious, charita-
6 ble, educational, or other organization ~~which~~ THAT is excluded
7 from the term "employment" as defined in the federal unemployment
8 tax act solely by reason of section 3306(c)(8) of the FEDERAL
9 unemployment tax act, CHAPTER 23 OF SUBTITLE C OF THE INTERNAL
10 REVENUE CODE OF 1986, 26 U.S.C. 3306.

11 (11) "Employment" includes service performed after December
12 31, 1971, by an individual for his OR HER principal as an agent
13 driver or commission driver engaged in distributing beverages,
14 meat, vegetable, fruit, bakery, dairy, or other food products, or
15 laundry or dry cleaning services; or as a traveling or city
16 ~~salesman~~ SALESPERSON, other than as an agent driver or commis-
17 sion driver, engaged upon a full-time basis in the solicitation
18 on behalf of, and the transmission to, his OR HER principal
19 except for sideline sales activities on behalf of some other
20 person, of orders from wholesalers, retailers, contractors, oper-
21 ators of hotels, restaurants, or other similar establishments for
22 merchandise for resale or supplies for use in their business
23 operations. For purposes of this subsection, "employment"
24 includes services performed after December 31, 1971, only if all
25 of the following apply:

1 (a) The contract of service contemplates that substantially
2 all of the services are to be performed personally by the
3 individual.

4 (b) The individual does not have a substantial investment in
5 facilities used in connection with the performance of the serv-
6 ices other than in facilities for transportation.

7 (c) The services are not in the nature of a single transac-
8 tion ~~which~~ THAT is not part of a continuing relationship with
9 the person for whom the services are performed.

10 (12) "Employment" includes service performed by a United
11 States citizen outside the United States after December 31, 1971,
12 except in Canada, and in the Virgin Islands after December 31,
13 1971, and before January 1 of the year following the year in
14 which the United States secretary of labor approves the unemploy-
15 ment compensation law of the Virgin Islands under section 3304(a)
16 of the internal revenue code OF 1986, while in the employ of an
17 American employer and is other than service ~~which~~ THAT is
18 employment pursuant to subsection (2) or a parallel provision of
19 another state's law, if the requirements of subdivision (a), (b),
20 or (c) are met:

21 (a) The employer's principal place of business in the United
22 States is located in this state.

23 (b) The employer does not have a place of business in the
24 United States, but the employer is any of the following:

25 (i) An individual who is a resident of this state.

26 (ii) A corporation ~~which~~ THAT is organized under the laws
27 of this state.

1 (iii) A partnership or a trust and the number of the
2 partners or trustees who are residents of this state is greater
3 than the number who are residents of any one other state.

4 (c) None of the criteria of subdivisions (a) and (b) is met
5 but the employer elected coverage of the service under this act,
6 or the employer failed to elect coverage in any state and the
7 individual filed a claim for benefits based on the service under
8 the law of this state.

9 (d) An "American employer", for purposes of this subsection,
10 means a person who is one of the following:

11 (i) An individual who is a resident of the United States.

12 (ii) A partnership if 2/3 or more of the partners are resi-
13 dents of the United States.

14 (iii) A trust, if all of the trustees are residents of the
15 United States.

16 (iv) A corporation organized under the laws of the United
17 States or of any state.

18 (e) As used in this subsection, "United States" includes the
19 states, the District of Columbia, and the Commonwealth of Puerto
20 Rico.

21 (13) Notwithstanding any other provision of this act, the
22 term "employment" shall include an individual's service, wherever
23 performed within the United States, the Virgin Islands, or
24 Canada, if the service is not covered under the unemployment com-
25 pensation law of any other state, the Virgin Islands, or Canada,
26 and the place from which the service is directed or controlled is
27 in this state.

1 (14) AFTER DECEMBER 20, 2000, "EMPLOYMENT" INCLUDES SERVICE
2 PERFORMED IN THE EMPLOY OF AN INDIAN TRIBE OR TRIBAL UNIT, IF THE
3 SERVICE IS EXCLUDED FROM EMPLOYMENT AS THAT TERM IS DEFINED IN
4 THE FEDERAL UNEMPLOYMENT TAX ACT, CHAPTER 23 OF SUBTITLE C OF THE
5 INTERNAL REVENUE CODE OF 1986, 26 U.S.C. 3301 TO 3311, SOLELY BY
6 REASON OF SECTION 3306(c)(7) OF THE FEDERAL UNEMPLOYMENT TAX ACT,
7 CHAPTER 23 OF SUBTITLE C OF THE INTERNAL REVENUE CODE OF 1986,
8 AND IS NOT OTHERWISE EXCLUDED FROM THE DEFINITION OF EMPLOYMENT
9 UNDER SECTION 43. HOWEVER, SERVICE PERFORMED FOR AN INDIAN TRIBE
10 OR TRIBAL UNIT WILL CEASE TO BE CONSIDERED EMPLOYMENT UNDER THIS
11 ACT IF AN INDIAN TRIBE OR TRIBAL UNIT FAILS TO MAKE A REQUIRED
12 PAYMENT, INCLUDING A PAYMENT OF ANY INTEREST AND PENALTIES, AFTER
13 ALL COLLECTION ACTIVITIES CONSIDERED NECESSARY BY THE AGENCY HAVE
14 BEEN EXHAUSTED, AND IF THE INDIAN TRIBE OR TRIBAL UNIT HAS BEEN
15 NOTIFIED OF ITS DELINQUENCY IN PAYMENT AND OF THE FACT THAT THE
16 DELINQUENCY MAY CAUSE SERVICE PERFORMED FOR THE INDIAN TRIBE OR
17 TRIBAL UNIT TO NO LONGER BE CONSIDERED EMPLOYMENT UNDER THIS
18 ACT. FOLLOWING A DELINQUENCY IN PAYMENT, SERVICES PERFORMED FOR
19 AN INDIAN TRIBE OR TRIBAL UNIT MAY AGAIN BE CONSIDERED EMPLOYMENT
20 UNDER THIS ACT IF ALL CONTRIBUTIONS, REIMBURSEMENT PAYMENTS IN
21 LIEU OF CONTRIBUTIONS, PENALTIES, AND INTEREST HAVE BEEN PAID IN
22 ACCORDANCE WITH SECTION 131. IF SERVICE PERFORMED FOR THE INDIAN
23 TRIBE OR TRIBAL UNIT CEASES TO BE CONSIDERED EMPLOYMENT UNDER
24 THIS ACT, THEN THE UNEMPLOYMENT AGENCY SHALL NOTIFY THE INTERNAL
25 REVENUE SERVICE OF THE UNITED STATES DEPARTMENT OF TREASURY AND
26 THE UNITED STATES DEPARTMENT OF LABOR OF THAT FACT, AND OF ANY

1 SUBSEQUENT CONSIDERATION OF THE SERVICE AS EMPLOYMENT UNDER THIS
2 ACT.