

SENATE BILL NO. 134
INTRODUCED BY J. ESSMANN

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT AN OFFICER OF A QUASI-PUBLIC OR A PRIVATE CORPORATION OR MANAGER OF A MANAGER-MANAGED LIMITED LIABILITY COMPANY WHO QUALIFIES MAY ELECT NOT TO BE COVERED AS AN EMPLOYEE FOR THE PURPOSES OF PAYING INTO OR RECEIVING BENEFITS UNDER UNEMPLOYMENT INSURANCE LAW FOR THE OFFICER'S OR MANAGER'S OWN EMPLOYMENT."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Election to not be covered by unemployment insurance law. An officer of a quasi-public or a private corporation or manager of a manager-managed limited liability company may elect not to be covered as an employee for the purposes of paying into or receiving benefits under this chapter for the officer's or manager's own employment if the officer or manager qualifies under one or more of the following provisions:

(1) the officer or manager is not engaged in the ordinary duties of a worker for the corporation or the limited liability company and does not receive any pay from the corporation or the limited liability company for performance of the duties;

(2) the officer or manager either:

(a) owns 20% or more of the number of shares of stock in the corporation or owns 20% or more of the limited liability company;

(b) owns less than 20% of the number of shares of stock in the corporation or limited liability company if the officer's or manager's shares when aggregated with the shares owned by a person or persons listed in subsection (3) total 20% or more of the number of shares in the corporation or limited liability company; or

(3) the officer or manager is the spouse, child, adopted child, stepchild, mother, father, son-in-law, daughter-in-law, nephew, niece, brother, or sister of a corporate officer who meets the requirements of subsection (2)(a) or (2)(b).

NEW SECTION. Section 2. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 39, chapter 51, and the provisions of Title 39, chapter 51, apply to [section 1].

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