

43:21-19

LEGISLATIVE HISTORY CHECKLIST

NJSA: 43:21-19

(Excludes transient theatrical and musical entertainers from Unemployment Compensation)

LAWS OF: 1948

CHAPTER: 318

BILL NO: S130

SPONSOR(S): Farley

Date Introduced: March 31, 1948

Committee: **Assembly:** -----

Senate: Labor

Amended during passage: No

Date of Passage: **Assembly:** May 12, 1948

Senate: May 10, 1948

Date of Approval: August 16, 1948

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: **Assembly** No

Senate No

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

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233 thirty-seven, or the equivalent thereof as the commission may by regulation
234 prescribe.

235 (s) "Investment company" means any company as defined in paragraph
236 one-a of chapter three hundred twenty-two of the laws of one thousand nine
237 hundred and thirty-eight, entitled "An act concerning investment companies,
238 and supplementing Title 17 of the Revised Statutes by adding thereto a new
239 chapter entitled 'investment companies.'"

1 2. This act shall take effect immediately.

STATEMENT

The object of this amendment is to exclude from the provisions of the Unemployment Compensation Law the service of the leader and members of so-called name bands or orchestras, and also the service of entertainers from being in "covered employment" insofar as their relationship of employee and employer with the owner or operator of an amusement hall, theatre or ballroom is concerned. Such service whether performed prior to the passage of this amendatory act or thereafter is excluded from coverage under the Unemployment Compensation Law, except if the period of engagement with one particular "employer" or "contractor" exceeds ten weeks in any calendar year.

This amendatory statute is not meant to remove from the term "covered employment" the service of members of name bands insofar as their relationship of employee and employer to the leader of the name band is concerned. Nor is this act meant to effect the service of members of bands or orchestras other than the so-called name bands.

The reason for this legislation is the unfair and unjustifiable burden placed upon owners or operators of places of amusement in New Jersey, such as, theatres, ballrooms and the like with particular reference to the seasonal amusement places in the resort cities for contributions to the State Unemployment Compensation Fund based on payrolls which are increased to great amounts as a result of payments made to transient entertainers.

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The United States Supreme Court in the recent case of *Bartels et als. vs. Birmingham et als.*, 91 L. Ed. 1584, held that members of name bands hired by operators of amusement halls for limited engagements, are not employees of the operator but are employees of the leader of the band and the latter is an independent contractor. This legislation will provide for a State policy consistent with the opinion of the Supreme Court and will also nullify the effect of the decision of the New Jersey Supreme Court caused by the decision in the case of *Empire Theatre, Inc., vs. Unemployment Compensation Commission*. In that decision it was held that specialty artists such as vaudeville entertainers are employees of the owner or operator of the theatre.