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[CHAPTER 117]

AN ACT

June 4, 1943
[H. R. 2115]
[Public Law 65]

To amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the District of Columbia Unemployment Compensation Act, approved August 28, 1935, as amended, is further amended to read as follows:

District of Columbia Unemployment Compensation Act.
49 Stat. 946.
D. C. Code §§ 46-301 to 46-324; Supp. II, §§ 46-303, 46-314.

"DEFINITIONS

"SECTION 1. As used in this Act, unless the context indicates otherwise—

"Employer."

"(a) The term 'employer' means every individual and type of organization for whom services are performed in employment;

"Employment."

"(b) (1) 'Employment' means any service performed prior to the effective date of this Act which was employment as defined in this Act prior to such date, and subject to the other provisions of this subsection, service performed on and after the effective date of this Act, including service in interstate commerce, performed for wages or under any contract of hire, written or oral, express or implied;

Service included.

"(2) The term 'employment' shall include an individual's entire service, performed within or both within and without the District if—

"(A) the service is localized in the District; or

"(B) the service is not localized in any State but some of the service is performed in the District and (i) the individual's base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in the District; or (ii) the individual's base of operations or place from which such service is directed or controlled is not in any State in which some part of the service is performed but the individual's residence is in the District.

Services covered by reciprocal arrangement.
Post, p. 121.

"(3) Services covered by an arrangement pursuant to section 16 of this Act between the Board and the agency charged with the administration of any other State or Federal unemployment compensation law, pursuant to which all services performed by an individual for an employer are deemed to be performed entirely within the District, shall be deemed to be employment if the Board has approved an election of the employer for whom such services are performed, pursuant to which the entire service of such individual during the period covered by such election is deemed to be employment for an employer.

When deemed localized within state.

"(4) Service shall be deemed to be localized within a State if—

"(A) the service is performed entirely within such State; or

"(B) the service is performed both within and without such State, but the service performed without such State is incidental to the individual's service within the State, for example, is temporary or transitory in nature or consists of isolated transactions.

Services not included.

"(5) The term 'employment' shall not include—

"(A) domestic service in a private home, local college club, or local chapter of a college fraternity or sorority;

"(B) casual labor not in the course of the employer's trade or business;

"(C) service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of twenty-one in the employ of his father or mother;

Service in employ of U. S., etc.

"(D) service performed in the employ of the United States Government or of an instrumentality of the United States which

is (a) wholly owned by the United States, or (b) exempt from the tax imposed by section 1600 of the Internal Revenue Code of the United States or by virtue of any other provision of law: *Provided*, That, in the event that the Congress of the United States, on or before the date of the enactment of the Act, has permitted or in the event that the Congress of the United States shall permit States to require any instrumentalities of the United States to make contributions to an unemployment fund under a State unemployment compensation law, then, to the extent so permitted by Congress, and from and after the date as of which such permission becomes effective, or January 1, 1940, whichever is the later, all of the provisions of this Act shall be applicable to such instrumentalities in the same manner, to the same extent, and on the same terms as to all other employees, individuals, and services: *Provided further*, That if the District of Columbia should not be certified by the Social Security Board under section 1603 of the Internal Revenue Code for any year, the payments required of any instrumentality of the United States or its employees with respect to such year shall be refunded by the District Unemployment Compensation Board in accordance with the provisions of section 4 (i) of this Act: *Provided, however*, That any employer required to make retroactive payment of any contributions shall be given thirty days from October 17, 1940, within which to make such retroactive payments without incurring any penalty for the late payment of such contributions and all interest charges shall commence one month from October 17, 1940;

53 Stat. 183.
26 U. S. C. § 1600; Supp. II, § 1600.
Contributions to State unemployment funds.

Refunds if certification lacking.
53 Stat. 185.
26 U. S. C. § 1603.

Post, p. 111.
Retroactive payment of contributions.

"(E) service performed in the employ of the District, or of any other State, or of any political subdivision thereof, or any instrumentality of any one or more of the foregoing which is wholly owned by the District or by one or more States or political subdivisions; and any service performed in the employ of any instrumentality of the District or of one or more States or political subdivisions to the extent that the instrumentality is, with respect to such service, exempt under the Constitution of the United States from the tax imposed by section 1600 of the Federal Internal Revenue Code;

D. C., State, etc., employment, tax exemption.
53 Stat. 183.
26 U. S. C. § 1600; Supp. II, § 1600.

"(F) service performed in the employ of a Senator, Representative, Delegate, or Resident Commissioner, insofar as such service directly assists him in carrying out his legislative duties;

Service in employ of Senator, etc.

"(G) service performed in the employ of a corporation, community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual;

Religious, etc., organizations.

"(H) service with respect to which unemployment compensation is payable under any other unemployment compensation system established by an Act of Congress;

Other compensation systems.

"(I) (1) service performed in any calendar quarter in the employ of any organization exempt from income tax under section 101 of the Internal Revenue Code of the United States, if—

Organizations exempt from income tax.
53 Stat. 33.
26 U. S. C. § 101; Supp. II, § 101.

"(a) the remuneration for such service does not exceed $45; or

"(b) such service is in connection with the collection of dues or premiums for a fraternal beneficiary society, order, or association, and is performed away from the home office, or is ritualistic service in connection with any such society, order, or association; or

"(c) such service is performed by a student who is enrolled and is regularly attending classes at a school, college, or university;

Agricultural, etc., organizations.
53 Stat. 33.
26 U. S. C. § 101 (1).

"(2) service performed in the employ of an agricultural or horticultural organization exempt from income tax under section 101 (1) of the Internal Revenue Code of the United States;

Voluntary employees' beneficiary associations.

"(3) service performed in the employ of a voluntary employees' beneficiary association providing for the payment of life, sick, accident, or other benefits to the members of such association or their dependents, if (i) no part of its net earnings inures (other than through such payments) to the benefit of any private shareholder or individual, and (ii) 85 per centum or more of the income consists of amounts collected from members for the sole purpose of making such payments and meeting expenses;

"(4) service performed in the employ of a voluntary employees' beneficiary association providing for the payment of life, sick, accident, or other benefits to the members of such association or their dependents or their designated beneficiaries, if (i) admission to membership in such association is limited to individuals who are officers or employees of the United States Government, and (ii) no part of the net earnings of such association inures (other than through such payments) to the benefit of any private shareholder or individual;

Schools, colleges, etc.
53 Stat. 33.
26 U. S. C. § 101; Supp. II, § 101.

"(5) service performed in any calendar quarter in the employ of a school, college, or university, not exempt from income tax under section 101 of the Internal Revenue Code of the United States, if such service is performed by a student who is enrolled and is regularly attending classes at such school, college, or university, and the remuneration for such service does not exceed $45 (exclusive of room, board, and tuition);

Foreign government employees.

"(J) service performed in the employ of a foreign government (including service as a consular or other officer or employee or a nondiplomatic representative);

"(K) service performed in the employ of an instrumentality wholly owned by a foreign government—

"(1) if the service is of a character similar to that performed in foreign countries by employees of the United States Government or of an instrumentality thereof; and

"(2) if the Secretary of State shall certify to the Secretary of the Treasury that the foreign government, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar service performed in the foreign country by employees of the United States Government and of instrumentalities thereof;

Student nurses; internes.

"(L) service performed as a student nurse in the employ of a hospital or nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered or approved pursuant to State law; and service performed as an interne in the employ of a hospital by an individual who has completed a four years' course in a medical school chartered or approved pursuant to State law;

Insurance agents.

"(M) service performed by an individual for a person as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such person is performed for remuneration solely by way of commission;

Newspaper distributors under 18.

"(N) service performed by an individual under the age of eighteen in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

"(O) service covered by an arrangement between the Board and the agency charged with the administration of any other State or Federal unemployment compensation law pursuant to which all services performed by an individual for an employer during the period covered by such employer's duly approved election are deemed to be performed entirely within such agency's State; Service deemed entirely within agency's State.

"(P) service performed by an individual for a person as a real-estate salesman, real-estate solicitor, or real-estate agent, if all of such service performed by such individual for such person is performed for remuneration solely by way of commission. Real estate salesman, etc.

"(6) INCLUDED AND EXCLUDED SERVICE.—If the services performed during one-half or more of any pay period by an individual in employment for the person employing him constitute employment, all the services of such individual in employment for such period shall be deemed to be employment; but if the services performed during more than one-half of any such pay period by an individual in employment for the person employing him do not constitute employment, then none of the services of such individual in employment for such period shall be deemed to be employment. As used in this subsection the term 'pay period' means a period (of not more than thirty-one consecutive days) for which a payment of remuneration is ordinarily made to the individual in employment by the person employing him. This subsection shall not be applicable with respect to services performed in a pay period by an individual in employment for the person employing him, where any of such service is excepted by paragraph 5 (H) of subsection (b). "Pay period." *Ante*, p. 101.

"(c) 'Wages' means all remuneration for personal services, including commissions and bonuses and the cash value of all remuneration in any medium other than cash. Gratuities customarily received by an individual in the course of his employment from persons other than his employer shall be treated as wages received from his employer. The reasonable cash value of remuneration in any medium other than cash, and the reasonable amount of gratuities, shall be estimated and determined in accordance with the regulations prescribed by the Board, except that such term 'wages' shall not include— "Wages." Exceptions.

"(1) that part of the remuneration which, after remuneration equal to $3,000 has been paid to any individual by an employer with respect to employment during any calendar year, is paid to such individual by such employer with respect to employment during such calendar year and after December 31, 1939;

"(2) the amount of any payment with respect to services performed on and after the effective date of this Act, made to, or on behalf of, an individual in its employ under a plan or system established by an employer which makes provision for such individuals generally or for a class or classes of such individuals (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment), on account of (A) retirement, or (B) sickness or accident disability, or (C) medical and hospitalization, expenses in connection with sickness or accident disability, or (D) death, provided such individual (i) has not the option to receive, instead of provision for such death benefit, any part of such payment or, if such death benefit is insured, any part of the premiums (or contribution to premiums) paid by his employer, and (ii) has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive a cash consideration in lieu

of such benefit either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his employment with such employer;

"(3) the payment by an employer (without deduction from the remuneration of the individual in employment) (A) of the tax imposed upon an individual in its employ under section 1400 of the Internal Revenue Code; or

53 Stat. 175.
26 U. S. C. § 1400; Supp. II, § 1400.

"(4) dismissal payments on and after the effective date of this Act, which the employer is not legally required to make.

Post, p. 607.

"Earnings."

"(d) 'Earnings' means all remuneration payable for personal services, including wages, commissions, and bonuses, and the cash value of all remuneration payable in any medium other than cash whether received from employment, self-employment, or any other work. Gratuities received by an individual in the course of his work shall be treated as earnings. The reasonable cash value of any remuneration payable in any medium other than cash, and a reasonable amount of gratuities shall be estimated and determined in accordance with the regulations prescribed by the Board.

"Unemployed."

"(e) An individual shall be deemed 'unemployed' with respect to any week during which he performs no services and with respect to which no earnings are payable to him, or with respect to any week of less than full-time work if the earnings payable to him with respect to such week are less than his weekly benefit amount.

"Base period."

"(f) 'Base period' means the first four out of the last five completed calendar quarters immediately preceding the first day of the individual's benefit year.

"Benefits."

"(g) The term 'benefits' means the money payments to an individual, as provided in this Act, with respect to his unemployment.

"Benefit year."

"(h) 'Benefit year' with respect to any individual means the fifty-two-consecutive-week period beginning with the first day of the first week with respect to which the individual first files a valid claim for benefits, and thereafter the fifty-two-consecutive-week period beginning with the first day of the first week with respect to which the individual next files a valid claim for benefits after the termination of his last preceding benefit year. Any claim for benefits made in accordance with section 11 (b) of this Act shall be deemed to be a 'valid claim' for the purposes of this subsection if the individual has during his base period been paid wages for employment by employers equal to not less than whichever is the lesser of (1) twenty-five times his weekly benefit amount, and (2) $250.

Post, p. 116.
"Valid claim."

"Computation date."

"(i) The term 'computation date' means the 30th day of June of each year as of which rates of contributions are determined for the next following calendar year, except that the first computation date under the provisions of this Act shall be the last day of the third calendar quarter immediately preceding the effective date of this Act, as of which rates of contribution, commencing with the effective date of this Act, are determined for the remainder of that calendar year.

"Board."
Post, p. 121.

"(j) The term 'Board' means the District Unemployment Compensation Board established by section 15 of this Act.

"Calendar quarter."

"(k) 'Calendar quarter' means the period of three consecutive months ending on March 31, June 30, September 30, or December 31, or the equivalent thereof as the Board may by regulation prescribe.

"District."

"(l) The term 'District' means the District of Columbia.

"Employment office."

"(m) The phrase 'employment office' means a free public employment office or branch thereof, operated by the Social Security Board or by any department or agency of the United States or by any

department or agency of the District of Columbia or any free public employment office maintained as a part of a State-controlled system of public employment offices.

"(n) The term 'month' means calendar month; except as the Board may otherwise prescribe. "Month."

"(o) The term 'week' means the calendar week or such period of seven consecutive days as the Board may by regulation prescribe. "Week."

"(p) 'Fund' means the District unemployment fund established by section 2 of this Act, to which all contributions required and from which all benefits provided under this Act shall be paid. "Fund."

"(q) 'State' includes, in addition to the States of the United States of America, Alaska, Hawaii, and the District of Columbia (herein referred to as the 'District'). "State."

"(r) 'Employing unit' means any individual or type of organization, including any partnership, association, trust, estate, joint-stock company, insurance company, or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor thereof, or the legal representative of a deceased person, which has, or subsequent to January 1, 1936, had, in its employ one or more individuals performing services for it within the District. "Employing unit."

"(s) The phrase 'dependent relative' means a spouse, mother, father, stepmother, stepfather, brother, or sister, who, because of age or physical disability, is unable to work, or a child under sixteen years of age, or a child who is unable to work because of physical disability, who is wholly or mainly supported by the individual receiving the benefit. For the purposes of this subsection the term 'child' shall mean any son, daughter, stepson, or stepdaughter, regardless of age, whom the claimant is morally obligated to support. "Dependent relative." "Child."

"DISTRICT UNEMPLOYMENT FUND

"SEC. 2. (a) There is hereby established the District unemployment fund, as a special deposit in the Treasury of the United States, into which shall be paid all contributions received or collected pursuant to this Act and from which shall be paid all benefits and refunds provided for under this Act. The fund shall consist of three separate accounts: (1) A clearing account, (2) an unemployment-trust-fund account, and (3) a benefit account, and be managed and controlled by the Board in the manner provided in this Act; and the Board shall keep complete and accurate accounts of the status of the fund and shall include a statement of such status in its yearly report to Congress. Establishment.

"EMPLOYER CONTRIBUTIONS

"SEC. 3. (a) Each employer who employs one or more individuals in any employment shall for each month, beginning with the month of January 1936 and ending December 31, 1939, pay contributions equal to the following percentages of the total wages payable (regardless of the time of payment) with respect to such employment by him during such month: Years 1936–1939.

"(1) With respect to employment during the calendar year 1936, the rate shall be 1 per centum;

"(2) With respect to employment during the calendar year 1937, the rate shall be 2 per centum;

"(3) With respect to employment during the calendar years 1938 and 1939, the rate shall be 3 per centum.

"(b) Each employer shall pay contributions equal to 2.7 per centum of wages paid by him during the calendar year 1940 and thereafter, until the effective date of this Act, with respect to employment after December 31, 1939. 1940 until effective date of Act.

"(c) FUTURE RATES BASED ON BENEFIT EXPERIENCE.—

Employer accounts.

"(1) The Board shall maintain a separate account for each employer, and shall credit his account with all of the contributions paid by him after June 30, 1939, with respect to employment subsequent to May 31, 1939.

Chargeability of benefit payments.

"(2) Benefits paid to an individual with respect to any week of unemployment which was based on an initial claim filed after June 30, 1939, and before July 1, 1940, shall be charged against the account of his most recent employer. Benefits paid to an individual on an initial claim for benefits filed after June 30, 1940, shall be charged against the accounts of his base period employers. The amount of benefits so chargeable against each base period employer's account shall bear the same ratio to the total benefits paid to an individual as the base period wages paid to the individual by such employer bear to the total amount of the base period wages paid to the individual by all of his base period employers.

Standard rate.

"(3) The standard rate of contributions payable by each employer shall be 2.7 per centum.

Restriction on reduction.

"(4) (i) No employer's rate of contribution for any calendar year or part thereof shall be reduced below the standard rate unless and until his account could have been charged with benefits paid throughout the thirty-six-consecutive-calendar-month period ending on the computation date applicable to such year or part thereof.

Percentage differential.

"(ii) If the amount in the fund as of the computation date is less than 5 per centum of the total pay rolls subject to contributions under this Act for the twelve-consecutive-month period ending on said computation date, the contribution rate for each employer shall be increased by the percentage differential between said 5 per centum of such total pay rolls and said fund's percentage of such total pay rolls, but in no event shall the contribution rate for any employer be more than 2.7 per centum. Said percentage differential for each employer shall be computed to the next highest one-tenth of 1 per centum.

If fund is less than 2.4% on Dec. 20 of any year.

"(iii) If, on December 20 of any calendar year, the amount in the fund becomes less than 2.4 per centum of the total annual pay rolls subject to contribution under this Act for the twelve-consecutive-month period ending on the preceding June 30, the Board shall make a declaration to that effect. Effective the quarter following such announcement, each employer's rate of contribution shall be the standard rate.

Rate, etc., for uncompleted portion of year.

"(5) The Board shall for any uncompleted portion of the calendar year beginning with the effective date of this Act and for each calendar year thereafter classify employers in accordance with their actual experience in the payment of contributions and with respect to benefits charged against their accounts. Each employer's rate for such uncompleted year and each subsequent calendar year shall be determined on the basis of his record through the applicable computation date.

Failure to file report, etc.

"(6) If, as of the date such classification of employers is made, the Board finds that an employing unit has failed to file any report in connection therewith, or has filed a report which the Board finds incorrect or insufficient, the Board shall make an estimate of the information required from such employing unit on the basis of the best evidence reasonably available to it at the time, and notify the employing unit thereof by registered mail addressed to its last-known address. Unless such employing unit shall file the report or a correct or sufficient report, as the case may be, within fifteen days after the mailing of such notice, the Board shall compute such employing unit's rate of contribution on the basis of such estimates, and the rates so determined shall

be subject to increase, but not to reduction, on the basis of subsequently ascertained information.

Single employing units.

"(7) For the purpose of this subsection, two or more employing units which are parties to or the subject of a merger, consolidation, or other form of reorganization effecting a change in legal identity or form, shall be deemed to be a single employing unit if (a) the successor unit requests a transfer of the predecessor's experience within six months from date such change in legal identity or form occurred, or within six months from the effective date of this Act; (b) immediately after such change the employing enterprises of the predecessor's employing unit or units are continued solely through a single employing unit as successor thereto; and (c) immediately after such change such successor is owned or controlled by substantially the same interests as the predecessor employing unit or units. If the Board shall deem two or more employing units to have become a single employer, it shall combine their experience, if any, with pay rolls, contributions and benefit charges (as shown on their experience rating accounts) as of the applicable computation date for the calendar year or part thereof in which the change in identity or form occurred. If this combination of experience indicates that, under section 3 (c) (8) of this Act, the successor employer should pay contributions at a new rate, such new rate shall be effective from the date of such change.

Combination of experience.

Variations from standard rates.

"(8) Variations from the standard rates of contributions for each calendar year or part thereof shall be determined as of the applicable computation date in accordance with the following requirements:

Employer's reserve.

"i. If as of the computation date the total of all contributions credited to any employer's account, with respect to employment since May 31, 1939, is in excess of the total benefits paid after June 30, 1939, then chargeable or charged to his account, such excess shall be known as the employer's reserve, and his contribution rate for the ensuing calendar year or part thereof shall be—

Contribution rates.

"(A) 2.7 per centum if such reserve is less than 1 per centum of his average annual pay roll;

"(B) 2 per centum if such reserve equals or exceeds 1 per centum but is less than 1.5 per centum of his average annual pay roll;

"(C) 1.5 per centum if such reserve equals or exceeds 1.5 per centum but is less than 2 per centum of his average annual pay roll;

"(D) 1 per centum if such reserve equals or exceeds 2 per centum but is less than 3 per centum of his average annual pay roll;

"(E) 0.5 per centum if such reserve equals or exceeds 3 per centum but is less than 3.5 per centum of his average annual pay roll;

"(F) 0.1 per centum if such reserve equals or exceeds 3.5 per centum of his average annual pay roll.

"ii. If as of the computation date the total amount of benefits paid and chargeable to an employer's account for the periods after June 30, 1939, is more than the total contributions credited to his account with respect to employment since May 31, 1939, then his contribution rate for the ensuing calendar year or part thereof shall be 2.7 per centum.

"(9) As used in this subsection—

"Annual pay roll."

"(a) The term 'annual pay roll' means the total amount of wages for employment paid by an employer during a twelve-month period ending ninety days prior to the computation date;

"Average annual pay roll."

"(b) The term 'average annual pay roll' means the average of the annual pay rolls of any employer for the three consecutive twelve-month periods ending ninety days prior to the computation date;

"Base period wages."

"(c) The term 'base period wages' means the wages paid to an individual during his base period for employment;

"Base period employers."

"(d) The term 'base period employers' means the employers by whom an individual was paid his base period wages;

"Most recent employer."

"(e) The term 'most recent employer' means that employer who last employed such individual immediately prior to such individual's filing an initial claim for benefits.

Notice to employer.

"(10) At least one month prior to the final date upon which the first contributions for any calendar year or part thereof become due from any employer at a contribution rate determined under this subsection, the Board shall notify such employer of his rate of contributions and of the benefit charges upon which such rate was based. Such determination shall become conclusive and binding upon the employer unless, within fifteen days after the mailing of notice thereof to his last-known address, or in the absence of mailing, within fifteen days after the delivery of such notice, the employer files an application for review and a redetermination, setting forth his reasons therefor. Upon receipt of such application, the Board shall voluntarily adjust such matter or shall grant an opportunity for a fair hearing and promptly notify the employer thereof. No employer shall have standing, in any proceeding involving his rate of contributions or contribution liability, to contest the chargeability of his account of any benefits paid in accordance with a determination, redetermination, or decision pursuant to section 11 of this Act, except on the ground that the services on the basis of which such benefits were found to be chargeable do not constitute services performed in employment for him and only in the event that he was not a party to such determination, redetermination, or decision or to any other proceedings under this Act in which the character of such services was determined. The employer shall be promptly notified of the Board's denial of his application or of the Board's redetermination, both of which shall become final unless, within fifteen days after the mailing of such notice thereof to his last-known address, or in the absence of mailing, within fifteen days after the delivery of such notice, a petition for judicial review is filed in the District Court of the United States for the District of Columbia. In any proceedings under this subsection the findings of the Board as to the facts, if supported by evidence and in the absence of fraud, shall be conclusive and the jurisdiction of said court shall be confined to question of law. Such proceedings shall be given precedence over all other civil cases except cases arising under section 12 of this Act and under the District of Columbia Workmen's Compensation Act. An appeal may be taken from the decision of the District Court of the United States for the District of Columbia to the United States Court of Appeals for the District of Columbia in the same manner as is provided in other civil cases.

Determination binding.
Application for review.

Post, p. 116.

Notice of denial, etc.

Findings as to facts conclusive.

Precedence of proceedings.
Post, p. 118.
45 Stat. 600.
D. C. Code §§ 36-501, 36-502.
Appeal.

Contributions payable.

"(d) The contributions payable pursuant to subsections (b) and (c) of this section shall become due and be paid by each employer to the Board in accordance with such regulations as the Board may prescribe, and shall not be deducted in whole or in part from the wages of individuals in such employer's employ.

"METHOD OF PAYING EMPLOYER CONTRIBUTIONS

Payment and collection.

"SEC. 4. (a) The contributions required by section 3 shall be paid to and collected by the Board, and shall, immediately upon collection,

be deposited in the clearing account of the fund. All moneys so required to be paid to and collected by the Board shall be subject to audit by the District auditor.

Returns and payments.

"(b) Not later than the last day of the following month after the close of each calendar quarter, or at such other time as the Board may by regulations prescribe, every employer shall make a return of, and shall pay the contributions which shall have accrued with respect to, wages paid during such quarter with respect to employment. Each such return shall be filed with the Board, and shall contain such information and be made in such manner as the Board may by regulation prescribe. No extension of time for filing the return or for payment of the contributions shall be allowed to any employer, except as herein provided.

Filing; contents.

Interest on unpaid contributions.

"(c) If the contributions are not paid when due, there shall be added, as part of the contributions, interest at the rate of 1 per centum per month from the date the contributions became due until paid.

Priority in event of bankruptcy, etc.

"(d) In the event of the dissolution, insolvency, receivership, bankruptcy, composition, or assignment for benefit of creditors of any employer, contributions then or thereafter due from such employer under this section shall have priority over all other claims, except taxes due the United States or the District, and wages (not exceeding $600 with respect to any individual) due for services performed within the three months preceding such event.

Liens.
Ante, p. 105.

"(e) If any employer liable to pay the contribution or tax imposed by section 3 of this Act neglects and refuses to pay the same after demand, the amount (including any interest) shall be a lien upon all of the property and rights to property, whether real or personal belonging to such person. Such lien shall not be valid as against any mortgagee, pledgee, purchaser, or judgment creditor until notice thereof has been filed by the Board with the clerk of the District Court of the United States for the District of Columbia. The Board may cause a civil action to be filed in the District Court of the United States for the District of Columbia to enforce the aforesaid lien by sale of any property or rights to property, whether real or personal, of the delinquent employer affected by said lien. All persons having liens upon or claiming any interest in the property or rights to property sought to be sold, as aforesaid, shall be made parties to the proceedings and brought into court. The court shall proceed to adjudicate all matters involved therein and finally determine the merits of all claims to a lien upon the property and rights to the property in question, and in all cases where a claim or interest of the Board therein is established, may decree a sale of such property and rights of property by the proper officer of the court, and any sale made pursuant to such proceedings shall be made subject to any and all valid liens existing against said property or rights to property, at the date of filing of the notice of lien. Such action shall be heard by the court at the earliest possible date, and shall be entitled to preference on the calendar of the court over all other civil actions except petitions for judicial review of this Act. In any suit to enforce a lien hereunder the owner of the property or rights of property affected by said lien may be allowed to file with the clerk of the District Court of the United States for the District of Columbia a written undertaking with two or more sureties to be approved by the court, or with corporate surety approved by the court, to the effect that he and they will pay the judgment that may be recovered and costs which judgment shall be rendered against all the persons so undertaking. Upon the approval of said undertaking the property or rights of property shall be released from such lien. No such undertaking shall be approved by the court until the owner of the property or rights of

Enforcement.

Adjudication.

Sale of property.

Hearings.

Filing of undertaking.

Notice to Board.

property in question shall have given at least two days' notice to the Board of his intention to apply to the courts therefor. Each notice shall give the names and residences of the persons intended to be offered as sureties and the time when the motion for such approval will be made, and such sureties shall make oath if required that they are worth over and above all debts and liabilities double the amount of said lien. The Board may appear and object to such approval.

Exception.

When corporate surety is offered and the undertaking bears a certificate of the clerk of the District Court of the United States for the District of Columbia that said corporation holds authority from the Secretary of the Treasury to do business in the District of Columbia and has a process agent therein, no notice shall be required.

Offering before suit.

Such an undertaking as above mentioned may be offered before any suit is brought in order to discharge the property from such lien, in which case notice shall be given as aforesaid to the Board and the same proceedings shall be had as above directed in relation to the undertaking to be given after the commencement of the suit, except that when the surety is a corporation and the undertaking bears a certificate of the clerk of said District Court of the United States for the District of Columbia that said corporation holds authority from the Secretary of the Treasury to do business in the District of Columbia, and has a process agent therein, no notice shall be required; and said undertaking shall be to the effect that the owner of said property or rights of property and his said sureties will pay any judgment that may be rendered in any suit that may thereafter be brought for the enforcement of said lien.

Approval.

If such undertaking be approved before any suit is brought, the surety or sureties may be made parties to such suit; if the undertaking be approved after suit is brought, the surety or sureties shall ipso facto become parties to the suit, and in either case the decree of the court shall be against the surety or sureties as well as the owner.

Certificate of release of lien.

Subject to such regulations as the Board may prescribe, the Board shall issue a certificate of release of the lien if the Board finds that the liability for the amount of the contribution or tax imposed, together with all interest in respect thereof, has been satisfied or for any other reason deemed proper by the Board.

Validity of lien.

Such lien shall continue to be valid for a period of ten years from the date of filing of the notice thereof with the clerk of the District Court of the United States for the District of Columbia, unless the same shall have been released of record, as hereinbefore provided.

Remedy to be cumulative.

The foregoing remedy of the Board shall be cumulative and no action taken by the Board shall be or be construed to be an election on the part of the Board to pursue any remedy hereunder to the exclusion of any other remedy for which provision is made in this Act.

Employment of contractors.

"(f) Whenever any employing unit contracts with or has under it any contractor or subcontractor for any employment which is a part of its usual trade, occupation, profession, or business, said employing unit shall report to the Board, in accordance with applicable regulations, the name and address of each and every such contractor or subcontractor so employed. Unless such report is made the employing unit shall for all purposes of the Act be deemed to employ each individual in the employ of each such contractor or subcontractor for each day during which such individual is engaged solely in performing such employment. Any employing unit who thus becomes liable for and pays contributions with respect to individuals in the employ of any such contractor or subcontractor, however, may recover same from such contractor or subcontractor.

Fraction of cent.

"(g) In payment of any contribution, a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to 1 cent.

"(h) COLLECTION.—If, after due notice, any employer defaults in any payment of contributions or interest thereon, the amount due may be collected by civil action in the name of the Board, and the employer adjudged in default shall pay the costs of such action. Civil actions brought under this section to collect contributions or interest thereon from an employer shall be heard by the court at the earliest possible date and shall be entitled to preference upon the calendar of the court over all other civil actions except petitions for judicial review of this Act. This subsection shall not be construed to mean that the Board shall be required to use only this means of collecting delinquent contributions but it may use any other legal method which it deems advisable.

Collection by civil action.

Other means of collection.

"(i) REFUNDS.—If not later than three years after the date on which any contributions or interest thereon were paid, an employing unit which has paid such contributions or interest thereon shall make application for an adjustment thereof in connection with subsequent contribution payments, or for a refund thereof because such adjustment cannot be made, and the Board shall determine that such contributions or interest or any portion thereof was erroneously collected, the Board shall allow such employing unit to make an adjustment thereof, without interest, in connection with subsequent contribution payments by it, or if such adjustment cannot be made the Board shall refund said amount, without interest, from the clearing account or benefit account upon checks issued by the Board or its duly authorized agent. For like cause and within the same period, adjustment or refund may be so made on the Board's own initiative. Should benefits have been paid based upon work records filed by the employing unit, claiming an adjustment or refund, such benefit should be disregarded for purposes of figuring such adjustment or refund, and any such benefit payments already having been made at the time of the adjustment or refund, based upon records filed with this Board by such employing unit, shall to that extent be allowed and shall not be deemed to have been paid erroneously. All refunds paid pursuant to this subsection shall be subject to a prior audit by the District auditor.

Adjustments or refunds.

Action on Board's initiative.

"(j) Upon application by an employer, filed pursuant to suitable regulation by the Board, the Board shall determine the extent to which the employer's contributions paid for the first six months of the calendar year 1940 were in excess of his contributions due for said period under Public, Numbered 719, Seventy-sixth Congress, and shall make an adjustment for that amount, without interest, solely in connection with subsequent contributions by him.

Adjustment of employer's contributions.

54 Stat. 730. D. C. Code § 46-301 *et seq.*; Supp. II, § 303.

"(k) The Board, or the executive officer provided for under section 15 (b) of this Act, with the consent of the Board, may prescribe the extent, if any, to which any ruling, regulation, or decision relating to this Act shall be applied without retroactive effect.

Board rulings, etc. *Post*, p. 121.

"(l) The Board, with the approval of the corporation counsel and the District auditor, may compromise any civil case arising under this Act. Whenever a compromise is made by the Board in each such case, there shall be placed in the minutes of the Board the opinion of an attorney of the Board with the reasons therefor, including a statement of (1) the amount of the contributions due, (2) the amount of interest due on such contributions, and (3) the amount actually paid in accordance with the terms of the compromise.

Compromises.

"SERVICE ON NONRESIDENT EMPLOYERS

"SEC. 5. Any nonresident employer, for whom services constituting employment subject to this Act are performed, shall be deemed to have

Director of Vehicles and Traffic, D. C., as process agent.

appointed the Director of Vehicles and Traffic of the District of Columbia as his true and lawful attorney upon whom may be served all processes in any action or proceedings against such nonresident arising out of, or incident to, this Act, and said employment shall be a signification that any such process against him served, as herein provided, shall have the same effect and validity as if served on him personally in the District of Columbia. Service of such process shall be made by leaving a copy thereof (with a fee of $2) in the hands of the Director of Vehicles and Traffic of the District of Columbia, or other persons in charge of his office, and such service shall be sufficient service upon such nonresident: *Provided*, That notice of such service and a copy of the process are forthwith sent, by registered mail, by the plaintiff to the defendant and the defendant's return receipt attached to the writ and entered with the initial pleading. The court in which the action is pending may order such extensions as may be necessary to afford the defendant a reasonable opportunity to defend the action, and no judgment by default in any such action shall be granted until at least twenty days shall have elapsed after the notice of such service has been sent to the defendant as hereinabove prescribed.

Method of service.

Notice to defendant.

Extensions.

"DEPOSIT IN UNEMPLOYMENT TRUST FUND

"SEC. 6. All moneys received in the District unemployment fund from sources other than the unemployment trust fund, except as provided in section 4 (i) and section 1 (b) (5) (D), shall be immediately paid over to the Secretary of the Treasury to the credit of the unemployment trust fund, to be held in trust for the District upon the terms and conditions provided in section 904 of the Social Security Act.

Ante, pp. 111, 100.

49 Stat. 640.
42 U. S. C. § 1104.

"AMOUNT AND DURATION OF BENEFITS

"SEC. 7. (a) On and after January 1, 1938, benefits shall become payable from the benefit account of the District unemployment fund. All benefits shall be paid through employment offices, in accordance with such regulations as the Board may prescribe.

Payment.

"(b) An individual's weekly benefit amount shall be the amount appearing in column B in the table set forth in this subsection on the line on which in column A of such table appears the total wages for employment paid to such individual by employers during that quarter of his base period in which such wages were the highest.

Individual's weekly benefit amount.

"UNEMPLOYMENT BENEFIT TABLE

"COLUMN A "Wages paid in highest quarter of base period	"COLUMN B "Weekly benefit amount	"COLUMN C "Qualifying amount
$37.50 to $138	$6	$150
$138.01 to $161	7	175
$161.01 to $184	8	200
$184.01 to $207	9	225
$207.01 to $230	10	250
$230.01 to $253	11	250
$253.01 to $276	12	250
$276.01 to $299	13	250
$299.01 to $322	14	250
$322.01 to $345	15	250
$345.01 to $368	16	250
$368.01 to $391	17	250
$391.01 to $414	18	250
$414.01 to $437	19	250
$437.01 and over	20	250

"(c) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to his weekly benefit amount less the earnings (if any) payable to him with respect to such week. For the purpose of this subsection, the term 'earnings' shall include only that part of the remuneration payable to him for such week which is in excess of 40 per centum of his weekly benefit amount for any week. Such benefit, if not a multiple of $1, shall be computed to the next higher multiple of $1. Computation. "Earnings."

"(d) Any otherwise eligible individual shall be entitled during any benefit year to a total amount of benefits equal to twenty times his weekly benefit amount or one-half of the wages for employment paid to such individual by employers during his base period, whichever is the lesser: *Provided*, That such total amount of benefits, if not a multiple of $1, shall be computed to the next higher multiple of $1. Total amount during year.

"(e) DEPENDENT'S ALLOWANCE.—In addition to the benefits payable under subsections (b) and (c) of this section, each eligible individual who is unemployed in any week shall be paid with respect to such week $1 for each dependent relative, but not more than $3 shall be paid to an individual as dependent's allowance with respect to any one week of unemployment, nor shall any weekly benefit which includes a dependent's allowance be paid in the amount of more than $20. The dependent's allowance is not to be taken into consideration in calculating the claimant's total amount of benefits in subsection (d) of this section.

"(f) (1) BENEFITS AFTER TERMINATION OF MILITARY SERVICE.—Notwithstanding any inconsistent provisions of this Act the benefit rights of trainees shall be determined in accordance with the following provisions of this subsection for the periods and with respect to the matters specified herein. Except as herein otherwise provided, all other provisions of this Act shall continue to be applicable in connection with such benefits.

"(2) The term 'military service' as used in this subsection means active service in the land or naval forces of the United States, but the service of an individual in any reserve component of the land or naval forces of the United States who is ordered to active duty in any such force for a period of thirty days or less shall not be deemed to be active service in such force during such period. "Military service."

"(3) The term 'trainee' as used in this subsection means an individual who entered military service after March 31, 1940, who continued such service for not less than ninety consecutive days and whose military service was terminated on or before the six months after the war in which the United States is now engaged has been terminated by a treaty of peace proclaimed by the President of the United States. "Trainee."

"(4) In determining a trainee's 'benefit year' (as defined by section 1 (h) of this Act) the weeks and parts of weeks between the date of his entrance into military service and the date of termination of such service shall be excluded. "Benefit year." *Ante*, p. 104.

"(5) In determining a trainee's 'base period' (as defined in section 1 (f) of this Act) the completed and uncompleted calendar quarters between the date of his entrance into military service and the termination of such service shall be excluded. "Base period." *Ante*, p. 104.

"(6) If under an Act of Congress, payments with respect to the unemployment of individuals who have completed a period of military service are payable by the United States, a trainee shall be disqualified for benefits with respect to any week beginning within a benefit year as defined in paragraph (4) of this subsection until he has exhausted all his rights to such payments from the United States.

"METHOD OF PAYING BENEFITS

Requisitioning from Board's account.

"SEC. 8. Moneys shall be requisitioned from the Board's account in the unemployment trust fund solely for the payment of benefits and refunds as provided under section 4 (i) and section 1 (b) (5) (D) in accordance with regulations prescribed by the Board. The Board shall from time to time requisition from the unemployment trust fund such amounts not exceeding the amounts standing to the Board's account therein as it deems necessary for the payment of benefits and refunds for a reasonable future period. Upon receipt of the amount requisitioned, the Board shall deposit it in the benefit account of the District unemployment fund in the Treasury of the United States as a special deposit to be used solely to pay the benefits and refunds provided in this Act. All payments of benefits shall be made by checks drawn by the Board, or its duly authorized agent, shall be made through the employment offices designated by the Board, and shall be subject to a post, but not a prior, audit by the District auditor.

Ante, pp. 111, 100.

Deposit to benefit of fund.

"ELIGIBILITY FOR BENEFITS

Requirements.

"SEC. 9. An unemployed individual shall be eligible to receive benefits with respect to any week only if it has been found by the Board—

"(a) that he has made a claim for benefits with respect to such week in accordance with such regulations as the Board may prescribe;

"(b) that he has during his base period been paid wages for employment by employers equal to not less than the amount appearing in column 'C' of the table in section 7 (b), on the line on which in column 'B' his weekly benefit amount appears;

Ante, p. 112.

"(c) that he is physically able to work;

"(d) that he is available for work and has registered and inquired for work at the employment office designated by the Board, with such frequency and in such manner as the Board may by regulation prescribe: *Provided*, That failure to comply with this condition may be excused by the Board upon a showing of good cause for such failure; and the Board may by regulation waive or alter the requirements of this subsection as to such types of cases or situations with respect to which it finds that compliance with such requirements would be oppressive or would be inconsistent with the purposes of this Act;

"(e) that he has been unemployed for a waiting period of one week. No week shall be counted as a week of unemployment for the purposes of this subsection—

"(1) unless it occurs within the benefit year which includes the week with respect to which he claims payment of benefits;

"(2) if benefits have been paid with respect thereto; and

"(3) unless the individual was eligible for benefits with respect thereto as provided in sections 9 and 10 of this Act, except for the requirements of this subsection and of subsection (f) of section 10.

"DISQUALIFICATION FOR BENEFITS

Voluntarily leaving work without good cause.

"SEC. 10. (a) An individual who has left his most recent work voluntarily without good cause, as determined by the Board under regulations prescribed by it, shall not be eligible for benefits with respect to the week in which he so left nor with respect to the three weeks of consecutive unemployment immediately following.

Misconduct.

"(b) An individual who has been discharged for misconduct occurring in the course of his most recent work, proved to the satisfaction of the Board, shall not be eligible for benefits with respect to the week in which such discharge occurred nor with respect to such additional number of consecutive weeks of unemployment immediately following (not less than one nor more than four) as the Board may determine, under regulations prescribed by it, in proportion to the degree of such misconduct.

Failure to apply for or accept suitable work.

"(c) If an individual otherwise eligible for benefits fails, without good cause as determined by the Board under regulations prescribed by it either to apply for new work found by the Board to be suitable when notified by any employment office, or to accept any such work when offered to him, he shall not be eligible for benefits with respect to the week in which such failure occurred nor with respect to the three weeks of continuous unemployment immediately following. In determining whether or not work is suitable within the meaning of this subsection the Board shall consider (1) the physical fitness and prior training and experience of the individual, (2) the distance of the place of work from the individual's place of residence, and (3) the risk involved as to health, safety, or morals.

Suitability of work.

No denial under specified conditions.

"(d) Benefits shall not be denied to any otherwise eligible individual for refusing to accept new work under any of the following conditions: (1) If the position offered is vacant due directly to a strike, lock-out, or other labor dispute; (2) if the wages, earnings, hours, or other conditions of the work offered are less favorable to the individual than those prevailing for similar work in the locality; (3) if as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

Failure to attend vocational courses.

"(e) If an individual under twenty-one years of age otherwise eligible for benefits fails, without good cause as determined by the Board under regulations prescribed by it, to attend courses at a vocational or other school when recommended by the manager of the employment office or by the Board and such courses are available at public expense, he shall not be eligible for benefits with respect to any week in which such failure occurred.

Unemployment due to labor dispute.

"(f) An individual shall not be eligible for benefits with respect to any week if it has been found by the Board that such individual is unemployed in such week as a direct result of a labor dispute, such as a strike, lock-out, or jurisdictional labor dispute still in active progress in the establishment where he is or was last employed: *Provided*, That this subsection shall not apply if it is shown to the satisfaction of the Board that—

Nonapplicability.

"(1) he is not participating in or directly interested in the labor dispute which caused his unemployment; and

"(2) he does not belong to a grade or class of workers of which, immediately before the commencement of the dispute, there were members employed at the premises at which the dispute occurs, any of whom are participating in or directly interested in the dispute: *Provided*, That if in any case separate branches of work which are commonly conducted as separate businesses in separate premises are conducted in separate departments of the same premises, each such department shall, for the purposes of this subsection, be deemed to be a separate factory, establishment, or other premises.

Compensation from another State, etc.

"(g) An individual shall not be eligible for benefits for any week with respect to which he has received or is seeking unemployment compensation under any other unemployment compensation law of

another State or of the United States: *Provided*, That if the appropriate agency of such other State or of the United States finally determines that he is not entitled to such unemployment benefits, this disqualification shall not apply.

"DETERMINATION OF CLAIMS

Regulations.

"SEC. 11. (a) Claims for benefits shall be made in accordance with such regulations as the Board may prescribe. Each employer shall post and maintain in places readily accessible to individuals in his service printed statements concerning such regulations or such other matters as the Board may by regulation prescribe. Each employer shall supply such individuals with copies of such printed statements or materials relating to claims for benefits as the Board may by regulation prescribe. Such printed statements or materials shall be supplied by the Board to each employer without cost to him.

Initial determinations.

"(b) Promptly after an individual has filed a claim for benefits, an agent of the Board designated by it for such purpose shall make an initial determination with respect thereto which shall include a determination with respect to whether or not such benefit may be payable, and if payable, the week with respect to which payments will commence, the maximum duration thereof, and the weekly benefit amount, except that in any case in which the payment or denial of benefits will be determined by the provisions of section 10 (e) of this Act, the agent shall promptly transmit such claim to an appeal tribunal which shall make a decision thereon after such investigation as it deems necessary, and after affording the parties opportunity for fair hearing in accordance with subsection (e) of this section, and the claimant and interested parties shall be given notice thereof and permitted to appeal therefrom to the Board and the courts as is provided in this Act for notice of, and appeals from, decisions of appeal tribunals. An initial determination may, for good cause, be reconsidered. The claimant and other parties to the proceedings shall be promptly notified of the initial determination or any amended determination and the reasons therefor. Benefits shall be denied or, if the claimant is otherwise eligible, paid promptly in accordance with such initial determination except as hereinafter otherwise provided. The claimant or any party to the determination may file an appeal from such initial determination or from a reconsideration of such determination within ten days after notification thereof, or after the date such notification was mailed to his last-known address. If upon such initial determination benefits are allowed but the record of the case indicates that a disqualification has been alleged or may exist, benefits shall not be paid prior to the expiration of the period for appeal as hereinbefore provided. If an appeal is duly filed with respect to a matter other than the weekly benefit amount or maximum duration of benefits payable, benefits with respect to the period prior to the final decision of the Board shall be paid only after such decision: *Provided*, That if an appeal tribunal affirms an initial determination allowing benefits, such benefits shall be paid regardless of any appeal which may thereafter be taken. If, subsequent to such initial determination, benefits with respect to any week for which a claim has been filed are denied for reasons other than matters included in the initial determination, the claimant shall be promptly notified of the denial and the reasons therefor, and may appeal therefrom in accordance with the procedure herein described for appeals from initial determinations.

Transmittal to appeal tribunal.

Reconsideration.

Appeal from initial determination.

Payment restrictions.

Hearings.

"(c) To hear and decide appealed claims, the Board shall appoint one or more appeal tribunals to hold hearings in accordance with

regulations prescribed by the Board at which all parties shall be given opportunity to present evidence and to be heard. In the conduct of such hearings, the parties shall not be bound by common law or statutory rules of evidence or other technical rules of procedure, but the appeal tribunal shall use due diligence to ascertain the true facts of the case.

Composition of appeal tribunal.

"(d) Each appeal tribunal shall consist of either an examiner regularly employed by the Board on a salaried basis or a body composed of an examiner who shall act as chairman, and, without regard to the civil-service laws otherwise applicable, of one representative of employees and one representative of employers, each designated by the Board. No representative shall be regularly employed by the Board, nor shall any person acting in any case on behalf of the Board have any interest, direct or indirect, in the case. In no case shall the hearings proceed unless the examiner designated as a member of an appeal tribunal is present; and if either or both of such representatives fail to appear for any such hearings or are disqualified from participating in any such hearings, the examiner shall proceed to hear the case: *Provided*, That the Board may designate alternates to serve in the absence or disqualification of any member of an appeal tribunal. Each such representative shall be paid for each day on which he actively engaged or was present and prepared to engage in the conduct of any such hearings, such sums, not in excess of $10, as the Board shall by regulation prescribe.

Attendance requirements.

Alternates.

Compensation.

Decision.

"(e) An appeal tribunal, after affording the parties reasonable opportunity for fair hearing, shall, unless such appeal is withdrawn, affirm or modify the finding of facts and the initial determination. The parties shall be duly notified of the decision of such appeal tribunal, together with the reasons therefor. The Board, under regulations prescribed by it, may permit further appeal by any party or may, upon its own motion, affirm, reverse, or modify the decision of the appeal tribunal or may set it aside and order a rehearing or the taking of additional evidence before the same or a different appeal tribunal. Unless a petition for such appeal is filed within ten days after the date of notification or mailing of the decision of an appeal tribunal, or within such ten-day period the Board has taken action on its own motion in accordance with the provisions of this subsection, the decision of the appeal tribunal shall constitute the decision of the Board and shall be effective as such. Any decision of an appeal tribunal which is not so modified or so appealed within such ten-day period is final for all purposes, except as provided in section 12 (a) of this Act, and is not subject to review by the District auditor. All decisions rendered by the Board affirming, reversing, or modifying any decision of an appeal tribunal shall become effective immediately, unless the Board shall otherwise order, and are not subject to review by the District auditor.

Further appeal, etc.

Effect of decision if uncontested.

Record of proceedings.

"(f) A full and complete record shall be kept of all proceedings in connection with an appealed claim. All testimony at every hearing on any such claim shall be taken down by a stenographer, but shall not be transcribed except upon order of the Board or in the event of an appeal pursuant to section 12. Upon any such appeal, a copy of all the testimony and of the findings of fact upon which the Board's decision was based shall be filed with the court, and the facts so found shall, if supported by evidence, be binding on the court.

Witness fees.

"(g) Witnesses subpenaed pursuant to this section shall be allowed fees at a rate fixed by the Board. Such fees shall be deemed part of the expense of administering this Act.

"COURT REVIEW

"SEC. 12. (a) Within thirty days after the decision of the Board has become final, any party to the proceeding may appeal from the decision to the District Court of the United States for the District of Columbia. Upon the filing of any such appeal notice thereof shall be served upon the Board by the appellant and upon any other party to the proceeding. Such appeal shall be heard by the court at the earliest possible date and shall be given precedence over all other civil cases. It shall not be necessary on any such appeal to enter exceptions to the rulings of the Board and no bond shall be required for entering such appeal. In no event shall any appeal act as a supersedeas. In any appeal under this section the findings of the Board, or of the examiner or appeal tribunal, as the case may be, as to the facts, if supported by evidence and in the absence of fraud, shall be conclusive, and the jurisdiction of said court shall be confined to questions of law: *Provided*, That no appeal shall be permitted under this section by any party who has not first exhausted his administrative remedies as provided by this Act.

Appeal.

"(b) An appeal may be taken from a decision of such court to the United States Court of Appeals for the District of Columbia.

"ADMINISTRATION

Authority of Board.

"SEC. 13. (a) The Board is hereby authorized and directed to administer the provisions of this Act. Subject to the Civil Service Act the Board is further authorized to employ such officers, examiners, accountants, attorneys, experts, agents, and other persons, and to make such expenditures, as may be necessary to administer this Act, and to authorize any such person to do any act or acts which could lawfully be done by the Board. The Civil Service Commission is hereby authorized and directed to confer a competitive classified civil-service status upon those employees performing services for the Board on July 1, 1940: *Provided*, (1) That such employees are certified by the Board as having rendered satisfactory service for not less than six months; (2) that they qualify in such appropriate noncompetitive examination as may be prescribed by the Civil Service Commission; however, all employees certified by the Board in accordance with condition (1) hereof shall automatically be eligible to take such noncompetitive examination; (3) that they are citizens of the United States; and (4) that they are not disqualified by any provision of section 3 of Civil Service Rule V. The Board may, in its discretion, require bond from any of its employees engaged in carrying out the provisions of this Act.

Civil-service status of certain employees.

Bond.

Regulations.

"(b) The Board is further authorized to make and enforce all reasonable regulations which may be necessary to carry out the provisions of this Act. Such regulations shall become effective five days after they have been published in a newspaper of general circulation in the District.

Annual report.

"(c) The Board shall each year, not later than March 1, submit to Congress a report covering the administration and operation of this Act during the preceding calendar year, and containing such recommendations as the Board wishes to make.

Change in rates.

"(d) The Board shall, whenever it believes that a change in the contribution or benefit rates is necessary to protect the solvency of the fund, at once recommend such change to Congress if in session.

Cooperation with Social Security Board.

"(e) FEDERAL-STATE COOPERATION.—In the administration of this Act the Board shall cooperate to the fullest extent consistent with the provisions of this Act, with the Social Security Board, created

by the Act of Congress, entitled 'The Social Security Act, as amended', and is authorized and directed to take such action, through the adoption of appropriate rules, regulations, administrative methods, and standards, as may be necessary to secure to the District and its citizens all advantages available under the provisions of such Act, under the provisions of sections 1602 and 1603 of the Federal Unemployment Tax Act, and under the provisions of the Act of Congress entitled 'An Act to provide for the establishment of a national employment system and for cooperation with States in the promotion of such system, and for other purposes', approved June 6, 1933, as amended. The Board shall comply with the regulations of the Social Security Board relating to the receipt or expenditure by the States of moneys granted under any of such Acts and shall make such reports, in such form and containing such information as the Social Security Board may from time to time require, and shall comply with such provisions as the Social Security Board may from time to time find necessary to assure the correctness and verification of such reports.

49 Stat. 635.
42 U. S. C. § 901.
Ante, p. 47.

53 Stat. 184, 185.
26 U. S. C. §§ 1602, 1603.

48 Stat. 113.
29 U. S. C. § 49 *et seq.*

"The Board may afford reasonable cooperation with every agency of the United States charged with the administration of any unemployment-insurance law.

Cooperation with Federal agencies.

"(f) DISCLOSURE OF INFORMATION.—Except as hereinafter otherwise provided, information obtained from any employing unit or individual pursuant to the administration of this Act and determinations as to the benefit rights of any individual shall be held confidential and shall not be disclosed or be open to public inspection in any manner, whether by subpena or otherwise, revealing the individual's or employing unit's identity. Any claimant (or his legal representative) shall be supplied with information from the records of the division, to the extent necessary for the proper presentation of his claim in any proceeding under this Act with respect thereto. Subject to such restrictions as the Board may by regulation prescribe, such information may be made available to any agency of this or any other State, or any Federal agency, charged with the administration of an unemployment compensation law or the maintenance of a system of public employment offices, or the Bureau of Internal Revenue of the United States Department of the Treasury, and information obtained in connection with the administration of the employment service may be made available to persons or agencies for purposes appropriate to the operation of a public employment service. Upon request therefor the Board shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any State agency similarly charged, the name, address, ordinary occupation, and employment status of each recipient of benefits and such recipient's rights to further benefits under this Act. The Board may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of this Act, and may in connection with such request transmit any such report or return to the Comptroller of the Currency of the United States as provided in section 1606 (c) of the Federal Internal Revenue Code.

Disclosure of information.
Post, p. 123.

Examination of returns of banking associations.

53 Stat. 1392.
26 U. S. C. § 1606 (c).

"(g) In the discharge of the duties imposed by this Act, any member of the Board and any duly authorized representative thereof shall have power to administer oaths and affirmations, take depositions, certify to official acts, and issue subpenas to compel attendance of witnesses and the production of books, papers, correspondence, memoranda, and other records deemed necessary as evidence in connection with a disputed claim or the administration of this Act.

Powers of Board members, etc.

Contumacy.

"(h) In the case of contumacy by, or refusal to obey a subpena issued to, any person, the Board may invoke the aid of the District Court of the United States for the District of Columbia in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, and other records. Such court may issue an order requiring such person to appear before the Board or officer designated by the Board, there to produce records, if so ordered, or to give testimony touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. Any person who shall, without just cause, fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, and other records, if in his power so to do, in obedience to the subpena of the Board, shall be guilty of a misdemeanor, and upon conviction shall be subject to a fine of not more than $1,000 or to imprisonment for a term of not more than one year, or both.

Penalty.

Testimony.

"(i) No person shall be excused from attending and testifying or from producing books, papers, correspondence, memoranda, and other records before the Board or in obedience to the subpena of the Board or any member thereof or any officer designated by it, or in any cause or proceeding instituted by the Board, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

Immunity from self-incrimination.

"METHOD OF PAYING ADMINISTRATIVE EXPENSES

Deposit of receipts.
49 Stat. 626.
42 U. S. C. §§ 501-503.

"SEC. 14. All moneys received by the Board from the United States under title III of the Social Security Act or from other sources for administering this Act shall, immediately upon such receipt, be deposited in the Treasury of the United States as a special deposit to be used solely to pay such administrative expenses (including expenditures for rent, for suitable office space in the District of Columbia, and for lawbooks, books of reference, and periodicals), traveling expenses when authorized by the Board, and allowances to field men for furnishing privately owned motor vehicles in the performance of official duties at rates not to exceed $24 per month. All such payments of expenses shall be made by checks drawn by the Board and shall be subject to audit by the District auditor in the same manner as are payments of other expenses of the District. All moneys received by the Board pursuant to section 302 of the Social Security Act shall be expended solely for the purposes and in the amounts found necessary by the Social Security Board for the proper and efficient administration of this Act. In lieu of incorporation in this Act of the provision described in section 303 (a) (9) of the Social Security Act, the Board shall include in its annual report to the Congress, provided in section 13 (c) of this Act, a report of any moneys received after July 1, 1941, from the Social Security Board under title III of the Social Security Act, and any unencumbered balances in the unemployment compensation administration fund as of that date, which the Social Security Board finds have, because of any action or contingency, been lost or have been expended for purposes other than, or in amounts in excess of, those found necessary

Payments; audit.

49 Stat. 626.
42 U. S. C. § 502.

53 Stat. 1379.
42 U. S. C. § 503 (a) (9).

Ante, p. 118.

49 Stat. 626.
42 U. S. C. §§ 501-503.

by the Social Security Board for the proper administration of this Act.

"DISTRICT UNEMPLOYMENT COMPENSATION BOARD

"SEC. 15. (a) There is hereby established the District Unemployment Compensation Board, to be composed of the Commissioners of the District as members ex officio, and one representative of employees and one representative of employers to be appointed by the Commissioners. Each such representative shall be a resident of the District and shall hold office for a term of three years from the date of his appointment; except that any representative appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. The president of the Board of Commissioners of the District shall be chairman of the Board.

Establishment; composition.

Residence; terms of office.

Vacancies.

Chairman.

"(b) The Board shall administer this Act through an executive officer to be appointed and employed by the Board, subject to section 13 (a) of this Act. Such executive officer shall act as secretary of the Board and is hereby authorized to act in the name of the Board in all matters specifically delegated to him by the Board.

Administration of Act.

Ante, p. 118.

"(c) The Commissioners of the District shall serve on the Board without additional compensation, but the representatives of employees and employers, respectively, shall be paid $10 for each day of active service.

Compensation.

"(d) The Board, as herein established, shall be and constitute a body corporate with an official seal which shall be judicially noticed, and shall be capable of suing and being sued as such.

Constitution as body corporate.

"RECIPROCAL ARRANGEMENTS

"SEC. 16. (a) The Board is hereby authorized to enter into reciprocal arrangements with appropriate and duly authorized agencies of other States or of the Federal Government, or both, whereby—

"(1) services performed by an individual for a single employing unit for which services are customarily performed by such individual in more than one State shall be deemed to be services performed entirely within any one of the States (i) in which any part of such individual's service is performed or (ii) in which such individual has his residence or (iii) in which the employing unit maintains a place of business, provided there is in effect, as to such services, an election, approved by the agency charged with the administration of such State's unemployment-compensation law, pursuant to which all the services performed by such individual for such employing unit are deemed to be performed entirely within such State;

Services in more than one State.

"(2) potential rights to benefits accumulated under the unemployment-compensation laws of one or more States or under one or more such laws of the Federal Government, or both, may constitute the basis for the payment of benefits through a single appropriate agency under terms which the Board finds will be fair and reasonable as to all affected interests and will not result in any substantial loss to the fund;

Rights under laws of one or more States, etc.

"(3) wages or services, upon the basis of which an individual may become entitled to benefits under an unemployment-compensation law of another State or of the Federal Government, shall be deemed to be wages for employment for the purpose of determining his rights to benefits under this Act, and wages for employment, on the basis of which an individual may become entitled to benefits under this Act shall be deemed to be wages

Entitlement.

or services on the basis of which unemployment compensation under such law of another State or of the Federal Government is payable, but no such arrangement shall be entered into unless it contains provisions for reimbursements to the fund for such of the benefits paid under this Act upon the basis of such wages or services, and provisions for reimbursements from the fund for such of the compensation paid under such other law upon the basis of wages for employment, as the Board finds will be fair and reasonable as to all affected interests; and

Date of payment to fund.
Ante, p. 108.

"(4) contributions due under this Act with respect to wages for employment shall for the purposes of section 4 of this Act be deemed to have been paid to the fund as of the date payment was made as contributions therefor under another State or Federal unemployment-compensation law, but no such arrangement shall be entered into unless it contains provisions for such reimbursement to the fund of such contributions and the actual earnings thereon as the Board finds will be fair and reasonable as to all affected interests.

Reimbursements deemed benefits.
Ante, pp. 112, 114.

"(b) Reimbursements paid from the fund pursuant to paragraph 3 of subsection (a) of this section shall be deemed to be benefits for the purpose of sections 6, 7, and 8 of this Act. The Board is authorized to make to other State or Federal agencies and to receive from such other State or Federal agencies reimbursements from or to the fund, in accordance with arrangements entered into pursuant to subsection (a) of this section.

Cooperation with other agencies.

"(c) The administration of this Act and of other State and Federal unemployment-compensation and public-employment-service laws will be promoted by cooperation between the District and such other States and the appropriate Federal agencies in exchanging services and making available facilities and information. The Board is therefore authorized to make such investigations, secure and transmit such information, make available such services and facilities, and exercise such of the other powers provided herein with respect to the administration of this Act as it deems necessary or appropriate to facilitate the administration of any such unemployment-compensation or public-employment-service law, and in like manner to accept and utilize information, services, and facilities made available to the District by the agency charged with the administration of any such other unemployment-compensation or public-employment-service law.

Arrangements with foreign governments.

"(d) To the extent permissible under the laws and Constitution of the United States, the Board is authorized to enter into or cooperate in arrangements whereby facilities and services provided under this Act and facilities and services provided under the unemployment-compensation law of any foreign government may be utilized for the taking of claims and the payment of benefits under the employment-security law of the District or under a similar law of such government.

"RECORDS AND REPORTS

Work records.
Ante, p. 105.

"SEC. 17. (a) Every employing unit, whether or not liable to pay contributions under section 3 hereof, shall keep such true and accurate work records with respect to all individuals employed by it as the Board may prescribe. Such records shall be open to inspection by the Board and shall be subject to being copied by the Board or their authorized representative at any reasonable time and as often as may be necessary.

"(b) The Board may require from any employing unit any sworn or unsworn reports in connection with its business, covering employment, employees, wages, earnings, unemployment and related matters, as the Board deems necessary to the effective administration of this Act. Except as hereinbefore provided in section 13 (f) of this Act, information thus obtained may not be divulged. Any person who violates any provision of this section or section 13 (f) of this Act shall be fined not less than $20 nor more than $200 or imprisoned not longer than ninety days, or both.

Employer reports.

Inviolability. *Ante*, p. 119.

Penalty.

"PROTECTION OF RIGHTS AND BENEFITS

"SEC. 18. (a) No agreement by any individual to waive any of his rights under this Act, or to pay any part of the contribution payable by his employer with respect to his or any other individual's employment, shall be valid; nor shall any employer make, require, or permit any deduction from the wages payable to his employees for the purpose of paying any part of the contributions required of the employer under this Act, or require or attempt to induce any individual to waive any right he may acquire under this Act. Any employer who violates any provision of this subsection shall, for each such offense, be fined not less than $100 nor more than $1,000 or be imprisoned not more than six months, or both.

Invalidity of waiver.

Penalty.

"(b) No assignment, pledge, or encumbrance of any right to benefits which are or may become due or payable under this Act shall be valid or enforceable; and the right to any such benefits shall be exempt from levy, execution, attachment, or any other remedy whatsoever provided for the collection of debt; and the benefits received by any individual so long as they are not mingled with other funds of the recipient shall be exempt from any remedy whatsoever for the collection of all debts except debts accrued for necessaries furnished to such individual, his spouse, or his dependents during the time when such individual was unemployed.

Assignments.

Exemption of benefits from levy, etc.

"(c) No individual seeking to establish a claim for benefits shall be charged any fee whatsoever by the Board or its representatives, or by the court or any officer thereof. Any individual claiming benefits in any proceeding before the Board or its representative or the court may be represented by counsel or other duly authorized agent; but no such counsel or agent shall either charge or receive for such services more than an amount approved by the Board. Any person who violates any provision of this subsection shall, for each such offense, be fined not more than $500 or imprisoned not more than one year, or both.

Fees.

Penalty.

"PENALTIES

"SEC. 19. (a) Whoever makes a false statement or representation knowing it to be false, or knowingly fails to disclose a material fact, to obtain or increase any benefit or other payment provided for in this Act for himself or any other individual, shall, for each such offense, be fined not more than $100 or imprisoned not more than sixty days, or both.

False statement.

"(b) Any employing unit, and any officer or agent of any employing unit or any other person, who furnishes a false record or makes a false statement or representation, knowing it to be false, or who knowingly fails to disclose a material fact to avoid the payment of any or all of the contributions required of such employing unit under this Act, or to prevent or reduce the payment of benefits to any individual entitled thereto, or who fails or refuses to pay the contributions

False employer record.

or other payment or to furnish any reports required of him under this Act, shall for each such offense be fined not more than $1,000 or imprisoned not more than six months, or both. For purposes of this subsection an officer of a corporation charged with any duty required by this Act shall be personally liable to prosecution under this section.

"(c) Any person who shall willfully violate any provision of this Act or any rule or regulation thereunder, the violation of which is made unlawful or the observance of which is required under the terms of this Act, and for which a penalty is neither prescribed herein nor provided by any other applicable statute, shall be punished by a fine of not more than $200 or by imprisonment for not longer than sixty days, or by both such fine and imprisonment, and each day such violation continues shall be deemed to be a separate offense.

Benefits wrongfully received.

"(d) Any person who, by reason of his fraud, has received any sum as benefits under this Act to which he is not entitled shall, in the discretion of the Board, be liable to repay such sum to the Board, to be deposited in the fund; be liable to have such sum deducted from any future benefits payable to him under this Act; or may have such sum waived in the discretion of the Board. If any person, other than by reason of his fraud, is paid any sum as benefits under this Act, to which he was not entitled, he shall not be liable to repay such sum, but in the discretion of the Board be liable to have such sum deducted from any future benefits payable to him with respect to the benefit year current at the time of such receipt: *Provided, however*, That no such recoupment from future benefits shall be had if such sum is received by such person without fault on his part and such recoupment would defeat the purpose of this Act or would be against equity and good conscience; or in the discretion of the Board such recoupment has been waived. In any case in which, under this subsection, a claimant is liable to repay to the Board any sum, such sum may be collected without interest, by civil action in the name of the Board. The disbursing officer and certifying officer of the Board shall not be held liable for any amounts certified or paid by them, in good faith, prior to the effective date of this Act, or subsequent thereto, to any person where the refund, recoupment, adjustment, or recovery of such amount is waived under this subsection or where such refund, recoupment, adjustment, or recovery under this subsection is not completed prior to the death of the person against whom such refund, recoupment, adjustment, or recovery has been authorized.

"DISPOSITION OF FINES

"SEC. 20. The amount of all fines collected pursuant to the provisions of this Act shall be turned over to the Board and by it paid into the District unemployment fund.

"REPRESENTATION IN COURT

"SEC. 21. (a) On the request of the Board the United States attorney for the District of Columbia shall represent the Board in any action in court arising under this Act, or in connection with the administration and enforcement of its provisions, or the rules and regulations authorized thereunder, including actions for the collection of contributions due hereunder; but in any civil action the Board may be represented by its own counsel.

"(b) Violations of any provision of this Act shall be prosecuted by the United States attorney for the District of Columbia.

"ALL AUDITS BY DISTRICT AUDITOR

"SEC. 22. All audits herein prescribed shall be made by the District auditor in the same manner as are all other audits of the District.

"RIGHT TO AMEND OR REPEAL

"SEC. 23. All rights, privileges, or immunities conferred by this Act or by acts done pursuant thereto shall exist subject to the power of Congress to amend or repeal this Act at any time.

"SEPARABILITY OF PROVISIONS

"SEC. 24. If any provisions of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"EFFECTIVE DATE

"SEC. 25. This Act shall take effect as of 12:01 antemeridian on the first day of the next succeeding calendar quarter following the enactment of this Act.

"SHORT TITLE

"SEC. 26. This Act may be cited as the 'District of Columbia Unemployment Compensation Act'."

Approved June 4, 1943.

[CHAPTER 118]

JOINT RESOLUTION

To extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

June 7, 1943
[H. J. Res. 111]
[Public Law 66]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period during which the President is authorized to enter into foreign-trade agreements under section 350 of the Tariff Act of 1930, as amended by the Act (Public, Numbered 316, Seventy-third Congress) approved June 12, 1934, is hereby extended for a further period of two years from June 12, 1943.

Foreign-trade agreements.
Authority of President.

48 Stat. 943.
19 U. S. C. §§ 1351–1354; Supp. II, § 1351 note.

SEC. 2. Section 350 (a) (2) of the Tariff Act of 1930 (U. S. C., 1940 edition, title 19, sec. 1351 (a) (2)) is amended by inserting after "because of its discriminatory treatment of American commerce or because of other acts" the following: "(including the operations of international cartels)".

International cartels.

Approved June 7, 1943.

[CHAPTER 119]

AN ACT

Amending the "Joint resolution making an appropriation to assist in providing a supply and distribution of farm labor for the calendar year 1943", approved April 29, 1943.

June 9, 1943
[H. R. 2848]
[Public Law 67]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 (f) of the joint resolution entitled "Joint resolution making an appropriation to assist in providing a supply and distribution of farm

Supply and distribution of farm labor for 1943.