

shelter to those unfortunate persons who have lost their jobs through no fault of their own. The statute was drafted to insure that a majority of workers would be eligible for unemployment benefits. The language contains a presumption that services performed for wages should be employment unless the provisions of 48-604 Subsection B have been met. I would call the body's attention in the bill to page 8, lines 6-17, this is the ABC test administered by the Department of Labor to determine whether in fact an employee is an independent contractor. The Supreme Court of Nebraska not unlike other states has ruled that the language of the act should be construed liberally to accomplish its beneficent purpose. That is what is being done. The corollary to this principle is that the language which would exclude persons from coverage should be strictly construed. The Department of Labor, Division of Employment has strictly construed the provisions of the ABC test. If you will take a look at page 8, starting on line 6, "Services performed by an individual for wages shall be deemed to be employment unless it be shown to the satisfaction of the Commissioner that (A) (this is the beginning of the ABC test and this is the part that is critical) such individual has been and will continue to be free from control or direction over the performance of such services." A letter from the Department of Labor over the signature of Commissioner Sorenson, passed out by Senator Fowler last week, being passed out to you again today. I would simply summarize two or three points in this letter. The Department of Labor, according to Commissioner Sorenson, has not made in any way, or has not in any way changed its position in recent months as to whether or not homeworkers are eligible for unemployment insurance benefits. In 1978 this agency ruled that a homeworke^r working for a company which provides the same services as Donnelley Marketing was eligible for unemployment insurance. The Department's position on whether or not such employees are covered, in other words do they meet the ABC test, has been consistent over many years and is supported by previous appeal and court decisions. One other quick sentence. The determination by the Department of Labor that services performed for a wage is covered employment is appealable. And that is the position we find ourselves in today. It is being appealed by Donnelley. Any employee may appeal first to the Appeals Tribunal and then to the State District Court and if necessary, to the Supreme Court. I repeat, the matter of the Donnelley issue is now before the Appeals Tribunal, the attorneys for Donnelley have asked for at least two and perhaps more continuances pending the outcome of this problem. On the floor of the Legislature I have suggested