

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 565

Session of
1975

INTRODUCED BY A. K. HUTCHINSON AND PETRARCA, FEBRUARY 24, 1975

REFERRED TO COMMITTEE ON LABOR RELATIONS, FEBRUARY 24, 1975

AN ACT

1 Amending the act of December 5, 1936 (1937 P.L.2897, No.1),
2 entitled "An act establishing a system of unemployment
3 compensation to be administered by the Department of Labor
4 and Industry and its existing and newly created agencies with
5 personnel (with certain exceptions) selected on a civil
6 service basis; requiring employers to keep records and make
7 reports, and certain employers to pay contributions based on
8 payrolls to provide moneys for the payment of compensation to
9 certain unemployed persons; providing procedure and
10 administrative details for the determination, payment and
11 collection of such contributions and the payment of such
12 compensation; providing for cooperation with the Federal
13 Government and its agencies; creating certain special funds
14 in the custody of the State Treasurer; and prescribing
15 penalties," extending coverage to employes of political
16 subdivisions and instrumentalities thereof.

17 The General Assembly of the Commonwealth of Pennsylvania
18 hereby enacts as follows:

19 Section 1. The act of December 5, 1936 (1937 P.L.2897,
20 No.1), known as the "Unemployment Compensation Law," is amended
21 by adding an article to read:

ARTICLE XII-A

23 EMPLOYES OF POLITICAL SUBDIVISIONS AND THEIR INSTRUMENTALITIES

24 Section 1201-A. Employes of Political Subdivisions.--

25 Notwithstanding any other provisions of this act, the political

subdivisions and the instrumentalities thereof shall be deemed to be employers and services performed in the employ of them shall be deemed to constitute employment subject to this act.

Section 1202-A. Contributions.--(a) In lieu of contributions required to be paid by employers under the provisions of section 301(a) and section 301.1 of this act, a political subdivision or instrumentality thereof shall pay to the department for the Unemployment Compensation Fund an amount equivalent to the amount of regular benefits and one-half of any extended benefits paid that is attributable to service in the employ of such political subdivision or instrumentality to individuals for weeks of unemployment which begin after the effective date hereof.

(b) The department shall compute the amount which any such political subdivision or instrumentality thereof shall pay into the Unemployment Compensation Fund and shall report such amount quarterly to the financial authorities thereof who shall pay the required amount into the fund in accordance with the regulations of the department.

(c) Political subdivisions and instrumentalities thereof shall within thirty (30) days of the effective date of this act, execute and file with the department a surety bond approved by the department or they may elect, in lieu thereof, to deposit with the department money or securities of equal present monetary value.

The amount of the bond or deposit required by the department shall be one per centum of the organization's total wages for the most recent four calendar quarters prior to the effective date of this act. If an organization did not pay wages throughout the specific four calendar quarters, the amount of

1 the bond or deposit shall be set by the department. Refunds of
2 deposits shall be made by the department according to
3 appropriate rules and regulations developed by the department
4 relative to termination of election for payments in lieu of
5 contributions or as to delinquencies in payments due.

6 Section 2. Article XII of the act is repealed.

7 Section 3. This act shall take effect immediately.