

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2332 Session of
2002

INTRODUCED BY LEDERER, MCGEEHAN, GEORGE, CORRIGAN, BELARDI,
LESCOVITZ, READSHAW, BEBKO-JONES, EACHUS, LaGROTTA, MARKOSEK,
LAUGHLIN, SHANER, GRUCELA, WOJNAROSKI, THOMAS, YUDICHAK,
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ROBERTS, PIPPY, TRELLO, KELLER, BROWNE, HORSEY, SOLOBAY,
DeLUCA, HASAY, WALKO, ARMSTRONG, CRUZ, J. TAYLOR, HARHAI,
MYERS, PISTELLA, MAHER, FREEMAN AND L. I. COHEN,
FEBRUARY 4, 2002

REFERRED TO COMMITTEE ON LABOR RELATIONS, FEBRUARY 4, 2002

AN ACT

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

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

20 Section 1. Section 404(d) of the act of December 5, 1936
21 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment
22 Compensation Law, amended October 19, 1988 (P.L.818, No.109), is

1 amended to read:

2 Section 404. Rate and Amount of Compensation.--Compensation
3 shall be paid to each eligible employe in accordance with the
4 following provisions of this section except that compensation
5 payable with respect to weeks ending in benefit years which
6 begin prior to the first day of January 1989 shall be paid on
7 the basis of the provisions of this section in effect at the
8 beginning of such benefit years.

9 * * *

10 (d) (1) Notwithstanding any other provisions of this
11 section, except for the provisions under clause (4), each
12 eligible employe who is unemployed with respect to any week
13 ending subsequent to July 1, 1980 shall be paid, with respect to
14 such week, compensation in an amount equal to his weekly benefit
15 rate less the total of (i) the remuneration, if any, paid or
16 payable to him with respect to such week for services performed
17 which is in excess of his partial benefit credit and (ii)
18 vacation pay, if any, which is in excess of his partial benefit
19 credit, except when paid to an employe who is permanently or
20 indefinitely separated from his employment.

21 (2) (i) In addition to the deductions provided for in
22 clause (1), for any week with respect to which an individual is
23 receiving a pension, including a governmental or other pension,
24 retirement or retired pay, annuity or any other similar periodic
25 payment, under a plan maintained or contributed to by a base
26 period or chargeable employer, the weekly benefit amount payable
27 to such individual for such week shall be reduced, but not below
28 zero, by the pro-rated weekly amount of the pension as
29 determined under subclause (ii).

30 (ii) If the pension is entirely contributed to by the

1 employer, then one hundred per centum (100%) of the pro-rated
2 weekly amount of the pension shall be deducted. If the pension
3 is contributed to by the individual, in any amount, then fifty
4 per centum (50%) of the pro-rated weekly amount of the pension
5 shall be deducted.

6 (iii) No deduction shall be made under this clause by reason
7 of the receipt of a pension if the services performed by the
8 individual during the base period or remuneration received for
9 such services for such employer did not affect the individual's
10 eligibility for, or increase the amount of, such pension,
11 retirement or retired pay, annuity or similar payment. This
12 subclause shall not apply to pensions paid under the Social
13 Security Act (Public Law 74-271, 42 U.S.C. § 301 et seq.) or the
14 Railroad Retirement Act of 1974 (Public Law 93-445, 88 Stat.
15 1305) or the corresponding provisions of prior law. Payments
16 made under such acts shall be treated solely in the manner
17 specified by subclause (i) of this clause.

18 (3) The provisions of this subsection shall be applicable
19 whether or not such vacation pay, retirement pension or
20 annuities or wages are legally required to be paid. If such
21 retirement pension or annuity payments deductible under the
22 provisions of this subsection are received on other than a
23 weekly basis, the amount thereof shall be allocated and pro-
24 rated in accordance with the rules and regulations of the
25 department. Vacation pay or other remuneration deductible under
26 the provisions of this subsection shall be pro-rated on the
27 basis of the employee's normal full-time weekly wage and as so
28 pro-rated shall be allocated to such period or periods of
29 unemployment as shall be determined by rules and regulations of
30 the department. Such compensation, if not a multiple of one

1 dollar (\$1), shall be computed to the next lower multiple of one
2 dollar (\$1).

3 (4) The provisions of clause (2) shall not apply to the
4 determination of unemployment compensation benefits for any
5 eligible employee who is sixty-two years of age or older.

6 * * *

7 Section 2. This act shall take effect immediately.