

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 746

Session of
1981

INTRODUCED BY PERZEL AND WOGAN, MARCH 9, 1981

REFERRED TO COMMITTEE ON LABOR RELATIONS, MARCH 9, 1981

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 pension offsets.

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

19 Section 1. Subsection (d) of section 404, act of December 5,
20 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the
21 "Unemployment Compensation Law," amended July 10, 1980 (No.108),
22 is amended to read:

23 Section 404. Rate and Amount of Compensation.--Compensation
24 shall be paid to each eligible employe in accordance with the

1 following provisions of this section except that compensation
2 payable with respect to weeks ending in benefit years which
3 begin prior to the first day of October, one thousand nine
4 hundred seventy-one shall be paid on the basis of the provisions
5 of this section in effect at the beginning of such benefit
6 years.

7 * * *

8 (d) (1) Notwithstanding any other provisions of this section
9 each eligible employee who is unemployed with respect to any week
10 ending subsequent to the first day of July, one thousand nine
11 hundred eighty, shall be paid, with respect to such week,
12 compensation in an amount equal to his weekly benefit rate less
13 the total of (i) the remuneration, if any, paid or payable to
14 him with respect to such week for services performed which is in
15 excess of his partial benefit credit; (ii) vacation pay, if any,
16 which is in excess of his partial benefit credit, except when
17 paid to an employee who is permanently or indefinitely separated
18 from his employment and (iii) an amount [equal to] not in excess
19 of one-half of the amount of a governmental or other pension,
20 retirement or retired pay, annuity, or any other similar
21 periodic payment which is based on the previous work of such
22 individual, which is reasonably attributable to such week, in
23 accordance with this subsection.

24 (2) The requirements of clause (iii) of paragraph (1) of
25 this subsection shall apply only to a pension, retirement or
26 retired pay, annuity, or other similar periodic payment if: (i)
27 the payment is under a plan maintained or contributed to by a
28 base period employer or chargeable employer and (ii) in the case
29 of such a payment not made under the Social Security Act or the
30 Railroad Retirement Act of 1974 or the corresponding provisions

1 of prior law, services performed for such employer by the
2 individual after the beginning of the base period or
3 remuneration for such services affect eligibility for, or
4 increase the amount of, such pension, retirement or retired pay,
5 annuity, or similar payment.

6 (3) The balance in the employe's compensation account as
7 indicated in Part D of the table contained in subsection (e)
8 shall be reduced by his weekly benefit amount without regard to
9 the pension deduction provided herein: Provided, however, That
10 notwithstanding section 804, any overpayment that occurs as a
11 result of the retroactive implementation of the changes made in
12 this subsection of this amendatory act shall be established as
13 nonfault nonrecoupable.

14 (4) The provisions of this subsection shall be applicable
15 whether or not such vacation pay, retirement pension or
16 annuities, or wages are legally required to be paid. If such
17 retirement pension or annuity payments deductible under the
18 provisions of this subsection are received on other than a
19 weekly basis, the amount thereof shall be allocated and pro-
20 rated in accordance with the rules and regulations of the
21 department. Vacation pay, or other remuneration deductible under
22 the provisions of this subsection shall be pro-rated on the
23 basis of the employe's normal full-time weekly wage and as so
24 pro-rated shall be allocated to such period or periods of
25 unemployment as shall be determined by rules and regulations of
26 the department. Such compensation, if not a multiple of one
27 dollar (\$1.00), shall be computed to the next higher multiple of
28 one dollar (\$1.00).

29 * * *

30 Section 2. This act shall take effect in 60 days.