

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1306 Session of  
1989

INTRODUCED BY PHILLIPS, PETRARCA, FAIRCHILD, ROBINSON, COLAIZZO,  
NOYE, STUBAN, TIGUE, CARLSON, DEMPSEY, SAURMAN, BELFANTI,  
BOYES, DISTLER, WOGAN, STABACK, REBER, DIETTERICK, KASUNIC,  
JOHNSON, McCALL, E. Z. TAYLOR, GEIST, ROBBINS, ADOLPH, HASAY,  
MRKONIC, LAUGHLIN AND TRELLO, APRIL 25, 1989

REFERRED TO COMMITTEE ON LABOR RELATIONS, APRIL 25, 1989

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," providing for an  
16 exclusion of certain military pay from unemployment  
17 compensation.

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  
23 amended to read:

24 Section 404. Rate and Amount of Compensation.--\* \* \*

(d) (1) Notwithstanding any other provisions of this section each eligible employee who is unemployed with respect to any week ending subsequent to July 1, 1980 shall be paid, with respect to such week, compensation in an amount equal to his weekly benefit rate less the total of:

(i) the remuneration excluding remuneration paid by the Federal Government to members of the National Guard or reserve components of the armed forces of the United States for active duty and for participation at unit training assemblies, if any, paid or payable to him with respect to such week for services performed which is in excess of his partial benefit credit; and

(ii) vacation pay, if any, which is in excess of his partial benefit credit, except when paid to an employee who is permanently or indefinitely separated from his employment.

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

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

(iii) No deduction shall be made under this clause by reason

1 of the receipt of a pension if the services performed by the  
2 individual during the base period or remuneration received for  
3 such services for such employer did not affect the individual's  
4 eligibility for, or increase the amount of, such pension,  
5 retirement or retired pay, annuity or similar payment. This  
6 subclause shall not apply to pensions paid under the Social  
7 Security Act (Public Law 74-271, 42 U.S.C. § 301 et seq.) or the  
8 Railroad Retirement Act of 1974 (Public Law 93-445, 88 Stat.  
9 1305) or the corresponding provisions of prior law. Payments  
10 made under such acts shall be treated solely in the manner  
11 specified by subclause (i) of this clause.

12 (3) The provisions of this subsection shall be applicable  
13 whether or not such vacation pay, retirement pension or  
14 annuities or wages are legally required to be paid. If such  
15 retirement pension or annuity payments deductible under the  
16 provisions of this subsection are received on other than a  
17 weekly basis, the amount thereof shall be allocated and pro-  
18 rated in accordance with the rules and regulations of the  
19 department. Vacation pay or other remuneration deductible under  
20 the provisions of this subsection shall be pro-rated on the  
21 basis of the employee's normal full-time weekly wage and as so  
22 pro-rated shall be allocated to such period or periods of  
23 unemployment as shall be determined by rules and regulations of  
24 the department. Such compensation, if not a multiple of one  
25 dollar (\$1), shall be computed to the next lower multiple of one  
26 dollar (\$1).

27 \* \* \*

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