

## AMENDMENTS TO SENATE BILL NO. 1310

Sponsor: REPRESENTATIVE B. BOYLE

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1 Amend Bill, page 1, line 16, by inserting after "rate,"

2 for contributions by employees,

3 Amend Bill, page 1, line 18, by inserting after

4 "determination,"

5 for trigger rate redeterminations,

6 Amend Bill, page 1, line 20, by striking out the comma after

7 "Fund" where it occurs the second time and inserting

8 and for Job Training Fund; providing for on-the-job

9 training grant program; further providing

10 Amend Bill, page 6, by inserting between lines 28 and 29

11 Section 1.2. Section 301.4(a) and (b) of the act, amended  
12 October 19, 1988 (P.L.818, No.109), are amended to read:

13 Section 301.4. Contributions by Employes.--(a)

14 Notwithstanding any other provision of this act, each employe

15 shall contribute at a rate of four-hundredths of one per centum

16 (0.04%) to the Unemployment Compensation Fund [at a rate of zero

17 per centum (0.0%) for calendar year 1989 and at a rate as set

18 forth in section 301.7 for each calendar year thereafter] and at

19 a rate of four-hundredths of one per centum (0.04%) to the Job

20 Training Fund of all wages paid for "employment" as defined by

21 the act without regard to the limitation specified in section

22 4(x)(1) of this act.

23 (b) Each employer subject to this act shall be responsible

24 for withholding and shall withhold, in trust, such contributions

25 from the wages of his employes at the time such wages are paid,

26 and shall report and transmit such deductions to the department

27 for deposit into the Unemployment Compensation Fund and Job

28 Training Fund, in accordance with rules and procedures

29 established by the department.

30 \* \* \*

31 Amend Bill, page 9, line 4, by striking out "Section 301.7"

32 and inserting

1 Sections 301.7 and 301.8(b) and (e)

2 Amend Bill, page 9, line 5, by striking out "is" and  
3 inserting

4 are

5 Amend Bill, page 9, line 9, by inserting a bracket before the  
6 comma after "301.2"

7 Amend Bill, page 9, line 9, by inserting a bracket after  
8 "301.4"

9 Amend Bill, page 10, line 6, by inserting a bracket before  
10 the comma after "301.2"

11 Amend Bill, page 10, line 6, by inserting a bracket after  
12 "301.4"

13 Amend Bill, page 10, line 9, by inserting a bracket before  
14 the colon after "(125%)"

15 Amend Bill, page 10, line 10, by inserting after "the" where  
16 it occurs the first time

17 ] the

18 Amend Bill, page 10, line 11, by inserting a bracket before  
19 the semicolon after "(4%)"

20 Amend Bill, page 10, line 13, by inserting a bracket after  
21 "(0.05%)"

22 Amend Bill, page 10, line 15, by inserting a bracket before  
23 the colon after "(110%)"

24 Amend Bill, page 10, line 16, by inserting after "the" where  
25 it occurs the first time

26 ] the

27 Amend Bill, page 10, line 17, by inserting a bracket before  
28 the semicolon after "(8%)"

1 Amend Bill, page 10, line 19, by inserting a bracket after  
2 "(0.1%)"

3 Amend Bill, page 10, line 24, by inserting a bracket before  
4 "(ii)"

5 Amend Bill, page 10, line 25, by inserting a bracket after  
6 "(0.15%);"

7 Amend Bill, page 11, line 3, by inserting a bracket before  
8 "(ii)"

9 Amend Bill, page 11, line 4, by inserting a bracket after  
10 "(0.2%);"

11 Amend Bill, page 11, line 10, by inserting after "(8%);"  
12 and

13 Amend Bill, page 11, line 13, by inserting a bracket before  
14 the semicolon after "(0.75%)"

15 Amend Bill, page 11, line 15, by inserting a bracket after  
16 "(0.2%)"

17 Amend Bill, page 11, by inserting between lines 23 and 24

18 Section 301.8. Trigger Rate Redeterminations.--\* \* \*

19 (b) The rates shall be adjusted to yield the amounts  
20 indicated at the following trigger percentages:

21 (1) At least one hundred fifty per centum (150%), the  
22 negative surcharge assessed under section 301.5 shall result in  
23 an employer contribution reduction of eighteen million dollars  
24 (\$18,000,000).

25 (2) At least one hundred ten per centum (110%) but less than  
26 one hundred twenty-five per centum (125%), the surcharge  
27 assessed under section 301.5 shall yield fifty million dollars  
28 (\$50,000,000)[, and the employe tax under section 301.4 shall  
29 yield thirty-three million three hundred thirty-three thousand  
30 three hundred thirty-three dollars (\$33,333,333)].

31 (3) At least ninety-five per centum (95%) but less than one  
32 hundred ten per centum (110%), the surcharge assessed under  
33 section 301.5 shall yield one hundred million dollars  
34 (\$100,000,000)[, and the employe tax under section 301.4 shall  
35 yield sixty-six million six hundred sixty-six thousand six

1 hundred sixty-six dollars (\$66,666,666)].

2 (4) At least seventy-five per centum (75%) but less than  
3 ninety-five per centum (95%), the surcharge assessed under  
4 section 301.5 shall yield one hundred million dollars  
5 (\$100,000,000), the additional contributions under section 301.2  
6 shall yield seventy-five million dollars (\$75,000,000)[, and the  
7 employe tax under section 301.4 shall yield one hundred sixteen  
8 million six hundred sixty-six thousand six hundred sixty-six  
9 dollars (\$116,666,666)].

10 (5) At least fifty per centum (50%) but less than seventy-  
11 five per centum (75%), the surcharge assessed under section  
12 301.5 shall yield one hundred million dollars (\$100,000,000),  
13 the additional contribution under section 301.2 shall yield one  
14 hundred fifty million dollars (\$150,000,000)[, and the employe  
15 tax under section 301.4 shall yield one hundred sixty-six  
16 million six hundred sixty-six thousand six hundred sixty-six  
17 dollars (\$166,666,666)].

18 (6) Less than fifty per centum (50%), the surcharge assessed  
19 under section 301.5 shall yield one hundred million dollars  
20 (\$100,000,000), the additional contribution under section 301.2  
21 shall yield two hundred twenty-five million dollars  
22 (\$225,000,000)[, the employe tax under section 301.4 shall yield  
23 one hundred sixty-six million six hundred sixty-six thousand six  
24 hundred sixty-six dollars (\$166,666,666)], and the benefit  
25 reduction under section 404(e)(4) shall yield fifty-two million  
26 dollars (\$52,000,000).

27 \* \* \*

28 (e) The redetermined rates shall be rounded in accordance  
29 with the following schedule:

30 (1) If the rate for the surcharge assessed under section  
31 301.5 is not a multiple of one-tenth of one per centum (0.1%),  
32 it shall be rounded to the next higher multiple of one-tenth of  
33 one per centum (0.1%).

34 [(2) If the rate for the employe tax under section 301.4 is  
35 not a multiple of one-hundredth of one per centum (0.01%), it  
36 shall be rounded to the next higher multiple of one-hundredth of  
37 one per centum (0.01%).]

38 (3) If the rate for the additional contribution under  
39 section 301.2 is not a multiple of five-hundredths of one per  
40 centum (0.05%), it shall be rounded to the next higher multiple  
41 of five-hundredths of one per centum (0.05%).

42 (4) If the rate for the benefit reduction under section  
43 404(e)(4) is not a multiple of one-tenth of one per centum  
44 (0.1%), it shall be rounded to the next higher multiple of one-  
45 tenth of one per centum (0.1%).

46 Amend Bill, page 19, by inserting between lines 26 and 27

47 Section 4.1. Section 601.4 of the act, added June 15, 2005  
48 (P.L.8, No.5), is amended to read:

49 Section 601.4. Job Training Fund.--(a) There is hereby

1 created a special fund to be known as the Job Training Fund.  
2 Deposits in the fund shall include contributions by employes  
3 under section 301.4, moneys transferred from the Special  
4 Administration Fund pursuant to section 601.1(b) and other  
5 moneys appropriated to the fund.

6 (b) Subject to the provisions of [subsections (c) and (d),  
7 the moneys in this fund are hereby appropriated, upon approval  
8 of the Governor, to the Department of Labor and Industry]  
9 subsection (b.1), the General Assembly shall annually  
10 appropriate to the Department of Labor and Industry from this  
11 fund such amounts as may be necessary for the following  
12 purposes:

13 (1) Job training programs for incumbent workers, dislocated  
14 workers, adult and youth workers, and any other work force  
15 development training program, including equipment and supplies.

16 (2) Job training equipment, subject to a requirement for  
17 matching funds from a source other than State funding.

18 (3) The costs of administering such training program.

19 (4) The costs of collecting interest and penalties under  
20 this act that are transferred from the Special Administration  
21 Fund.

22 (b.1) (1) Not less than fifty per centum (50%) of the total  
23 amount appropriated annually under subsection (b) shall be for  
24 the purpose of providing on-the-job training grants under  
25 section 601.5 of this act, including the costs of administering  
26 such grants.

27 (2) Not less than twenty-five per centum (25%) of the total  
28 amount appropriated annually under subsection (b) shall be for  
29 the purpose of funding industry partnerships under Chapter 13 of  
30 the act of December 18, 2001 (P.L.949, No.114), known as the  
31 Workforce Development Act.

32 (c) Moneys from the fund for purposes other than on-the-job  
33 training grants under section 601.5 and the Industry Partnership  
34 Program shall be made available in the following order of  
35 priority:

36 (1) Counties of the sixth, seventh and eighth class.

37 (2) Counties of the first, second, second A, third, fourth  
38 and fifth class, provided that there are insufficient  
39 applications for funding under paragraph (1) and to the extent  
40 that funds remains available.

41 (d) The department shall make funds available to eligible  
42 entities for job training programs under subsection (b)(1) and  
43 (2) as determined under subsection (e) based on a competitive  
44 application process as determined by the department. In  
45 distributing funding under this [section] subsection,  
46 preferential consideration shall be given to those counties with  
47 a higher unemployment rate. Distribution of funds shall be  
48 determined by review of all applications submitted by eligible  
49 entities within the time period authorized by the department.

50 (e) Funding shall be made available under subsections (b)(1)  
51 and (2) only for those entities identified in this section which

1 provide work force education programs and services. Eligible  
2 entities shall include:  
3 (1) Employment and training program providers receiving  
4 financial assistance from the Commonwealth or from other sources  
5 of public funding.  
6 (2) Not-for-profit organizations offering publicly funded  
7 employment training programs.  
8 (3) Career and technical institutes.  
9 (4) High schools with eight or more vocational education  
10 programs.

11 (5) Higher education institutions offering publicly funded  
12 employment and training programs, including:

13 (i) State-related institutions and their branch campuses.

14 (ii) State-owned institutions within the State System of  
15 Higher Education under Article XX-A of the act of March 10, 1949  
16 (P.L.30, No.14), known as the "Public School Code of 1949."

17 (iii) Community colleges established and operated under  
18 Article XIX-A of the "Public School Code of 1949."

19 [(f) The moneys in this fund shall be continuously available  
20 for expenditure in accordance with the provisions of this  
21 section and shall not lapse at any time nor be transferred to  
22 any other fund.]

23 (g) For purposes of this section, the term "State-related  
24 institutions" shall include The Pennsylvania State University,  
25 the University of Pittsburgh, Temple University, Lincoln  
26 University and any other institution that is hereafter  
27 designated as "State-related" by the Commonwealth.

28 Section 4.2. The act is amended by adding a section to read:

29 Section 601.5. On-the-Job Training Grant Program.--(a)  
30 Subject to available funds, the department shall provide grants  
31 to reimburse eligible employers for a portion of the cost of  
32 providing on-the-job training to newly hired employes as  
33 provided in this section.

34 (b) Grants provided under this section shall be in an amount  
35 equal to one-half of the weekly wage paid to a newly hired  
36 employe for up to eight weeks of employment, up to a maximum  
37 grant per employe of six thousand dollars (\$6,000).

38 (c) In order to be eligible to receive a grant under this  
39 section, an employer shall continuously employ the newly hired  
40 employe for a period of not less than six months at an hourly  
41 rate of not less than twelve dollars (\$12) per hour for not less  
42 than thirty (30) hours per week.

43 (d) For purposes of this section, the term "newly hired  
44 employe" shall mean an employe who:

45 (1) has received unemployment compensation benefits under  
46 this act, or under the unemployment compensation law of any  
47 other jurisdiction, within the twenty-four month period  
48 immediately preceding the date of hire;

49 (2) has not been employed by the employer requesting a grant  
50 under this section within the twelve-month period immediately  
51 preceding the date of hire; and

1 (3) has not been employed for more than thirty (30) hours  
2 per week at an hourly rate of twelve dollars (\$12) per hour or  
3 more during the four-week period immediately preceding the date  
4 of hire.

5 (e) The department shall allocate available funds under this  
6 section to the local work force investment boards which shall be  
7 responsible for initially determining which employers in each  
8 local work force investment area are eligible to receive grants  
9 under this section, subject to approval by the department.

10 (f) The department may adopt such regulations as may be  
11 necessary to implement this section.

12 Amend Bill, page 19, line 27, by striking out "4.1" and  
13 inserting

14 4.3

15 Amend Bill, page 38, line 12, by striking out "immediately."  
16 and inserting

17 as follows:

18 (1) The following provisions shall take effect January  
19 1, 2012, or immediately, whichever is later:

20 (i) The amendment of section 301.4(a) and (b) of the  
21 act.

22 (ii) The amendment of section 301.7(b) of the act.

23 (iii) The amendment of section 301.8(b) and (e) of  
24 the act.

25 (iv) The amendment of section 601.4 of the act.

26 (v) The addition of section 601.5 of the act.

27 (2) The remainder of this act shall take effect  
28 immediately.