

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1486 Session of  
1987

INTRODUCED BY CORNELL, TRELLO, BUNT, CAWLEY, NAHILL AND SEVENTY,  
JUNE 11, 1987

REFERRED TO COMMITTEE ON LABOR RELATIONS, JUNE 11, 1987

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 separation pay.

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

19 Section 1. Section 404(d) of the act of December 5, 1936  
20 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment  
21 Compensation Law, amended July 21, 1983 (P.L.68, No.30), is  
22 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 January 1984 shall be paid on  
4 the basis of the provisions of this section in effect at the  
5 beginning of such benefit years.

6 \* \* \*

7 (d) Notwithstanding any other provisions of this section  
8 each eligible employee who is unemployed with respect to any week  
9 ending subsequent to July 1, 1980 shall be paid, with respect to  
10 such week, compensation in an amount equal to his weekly benefit  
11 rate less the total of (i) the remuneration, if any, paid or  
12 payable to him with respect to such week for services performed  
13 which is in excess of his partial benefit credit; (ii) vacation  
14 pay, if any, which is in excess of his partial benefit credit,  
15 except when paid to an employee who is permanently or  
16 indefinitely separated from his employment [and]; (iii)  
17 severance or separation allowances or dismissal wages and  
18 similar payments, the payment of or eligibility for which is  
19 made or conditioned upon a temporary, indefinite or permanent  
20 separation from employment except payments made pursuant to a  
21 private plan the actual and declared purpose of which is to  
22 provide benefits in addition to the compensation provided by  
23 this act and so found by the department and (iv) an amount equal  
24 to the amount of a governmental or other pension, retirement or  
25 retired pay, annuity, or any other similar periodic payment  
26 which is based on the previous work of such individual, which is  
27 reasonably attributable to such week, in accordance with this  
28 subsection. The provisions of this subsection shall be  
29 applicable whether or not such vacation pay, retirement pension  
30 or annuities, payments, allowances or wages are legally required

1 to be paid. If such retirement pension or annuity payments  
2 deductible under the provisions of this subsection are received  
3 on other than a weekly basis, the amount thereof shall be  
4 allocated and pro-rated in accordance with the rules and  
5 regulations of the department. Vacation pay, separation  
6 allowances, dismissal wages or other remuneration deductible  
7 under the provisions of this subsection shall be pro-rated on  
8 the basis of the employee's normal full-time weekly wage and as  
9 so pro-rated shall be allocated to such period or periods of  
10 unemployment as shall be determined by rules and regulations of  
11 the department. Such compensation, if not a multiple of one  
12 dollar (\$1), shall be computed to the next lower multiple of one  
13 dollar (\$1).

14 \* \* \*

15 Section 2. This act shall apply to all claims for  
16 compensation filed on and after the effective date of this  
17 amendatory act.

18 Section 3. This act shall take effect in 60 days.