

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 219 Session of  
2005

INTRODUCED BY GREENLEAF, TARTAGLIONE, KASUNIC, LEMMOND,  
ERICKSON, COSTA, WOZNIAK, O'PAKE, LAVALLE, KITCHEN AND  
BOSCOLA, FEBRUARY 8, 2005

REFERRED TO LABOR AND INDUSTRY, FEBRUARY 8, 2005

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 compensation rates.

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 October 19, 1988 (P.L.818, No.109), 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 1989 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) (1) Notwithstanding any other provisions of this  
8 section each eligible employee who is unemployed with respect to  
9 any week ending subsequent to July 1, 1980 shall be paid, with  
10 respect to such week, compensation in an amount equal to his  
11 weekly benefit rate less the total of (i) the remuneration, if  
12 any, paid or payable to him with respect to such week for  
13 services performed which is in excess of his partial benefit  
14 credit and (ii) vacation pay, if any, which is in excess of his  
15 partial benefit credit, except when paid to an employee who is  
16 permanently or indefinitely separated from his employment.

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

26 (ii) If the pension is entirely contributed to by the  
27 employer, then one hundred per centum (100%) of the pro-rated  
28 weekly amount of the pension shall be deducted. [If] Except as  
29 set forth in clause (4), if the pension is contributed to by the  
30 individual, in any amount, then fifty per centum (50%) of the

1 pro-rated weekly amount of the pension shall be deducted.

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

14 (3) 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 employee'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), shall be computed to the next lower multiple of one  
28 dollar (\$1).

29 (4) No deductions shall be made under this subsection for a  
30 pension paid under the Social Security Act (49 Stat. 620, 42

1 U.S.C. § 301 et seq.) if the pension is contributed to by the  
2 individual in any amount.

3 \* \* \*

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