

UNEMPLOYMENT COMPENSATION LAW - UNEMPLOYMENT COMPENSATION
NOTIFICATION BY EMPLOYERS, RELIEF FROM CHARGES AND EMERGENCY
PROVISIONS RELATED TO COVID-19

Act of Mar. 27, 2020, P.L. 25, No. 9

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Session of 2020
No. 2020-9

HB 68

AN ACT

Amending the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), entitled "An act establishing a system of unemployment compensation to be administered by the Department of Labor and Industry and its existing and newly created agencies with personnel (with certain exceptions) selected on a civil service basis; requiring employers to keep records and make reports, and certain employers to pay contributions based on payrolls to provide moneys for the payment of compensation to certain unemployed persons; providing procedure and administrative details for the determination, payment and collection of such contributions and the payment of such compensation; providing for cooperation with the Federal Government and its agencies; creating certain special funds in the custody of the State Treasurer; and prescribing penalties," in administration of act, providing for unemployment compensation benefit notification by employers; in contributions by employers and employees, further providing for relief from charges; and providing for emergency provisions related to COVID-19.

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

Section 1. The act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment Compensation Law, is amended by adding a section to read:

Section 206.1. Unemployment Compensation Benefit Notification by Employers.--Each employer, whether or not liable for the payment of contributions under this act, shall provide notification of the availability of unemployment compensation to the employer's employees at the time of separation from employment. The notification shall include, but not be limited to, the following information:

(1) Availability of unemployment compensation benefits to workers who are unemployed and who meet the requirements of this act.

(2) Ability of an employe to file an unemployment compensation claim in the first week that employment stops or work hours are reduced.

(3) Availability of assistance or information about an unemployment compensation claim on the department's publicly accessible Internet website or by calling a toll-free number that the employer shall provide.

(4) That the employe will need certain information in order to file a claim, including:

(i) the employe's full legal name;

(ii) the employe's Social Security number; and

(iii) if not a citizen or resident of the United States, authorization to work in the United States.

Section 2. Section 302.1(b)(2)(i) and (3)(i) of the act are amended to read:

Section 302.1. Relief from Charges.--Notwithstanding any other provisions of this act assigning charges for compensation paid to employes, except for section 302(a)(2), the department shall relieve an employer of charges for compensation in accordance with this section and section 213 of this act.

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(b) Requests for relief from charges:

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(2) If an employer is requesting relief from charges on the basis of a separation that occurs on or before the date the claimant files an application for benefits or on the basis of continuing part-time work, the following shall apply:

(i) If the request is filed within [fifteen (15)] **twenty-one (21)** days after the date of the earliest notice issued by the department under section 501(a) of this act indicating that the claimant is eligible under section 401(a) of this act and relief is granted, relief shall begin with the earliest week for which the claimant is eligible for benefits pursuant to the claimant's application for benefits.

* * *

(3) If an employer is requesting relief from charges on the basis of a separation that occurs after the claimant files an application for benefits, the following shall apply:

(i) If the request is filed within [fifteen (15)] **twenty-one (21)** days after the date of the earliest notice issued by the department indicating that the claimant is claiming benefits subsequent to the separation and relief is granted, relief shall begin with the earliest week for which the claimant is eligible for benefits following the last day worked.

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Section 3. The act is amended by adding an article to read:

ARTICLE XVI

EMERGENCY PROVISIONS RELATED TO COVID-19

Section 1601. Definitions.

The following words and phrases when used in this article shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"COVID-19." The novel coronavirus as identified in the Governor's Proclamation of Disaster Emergency issued on March 6, 2020.

Section 1602. Emergency eligibility rules.

(a) General rule.--The secretary shall waive provisions of this act to ease eligibility requirements and access to unemployment compensation for claimants whose unemployment is related to the COVID-19 outbreak or the efforts of public health officials to contain and prevent the spread of COVID-19. The secretary shall only waive provisions of this act if the waiver is authorized under this section and is permitted under Federal law.

(b) Waiting period.--The one-week waiting period required under section 401(e) shall be waived for all claimants for the duration of a disaster emergency declared by the Governor because of COVID-19.

(c) Job search and registration requirements.--The job search and registration requirements under section 401(b) shall be waived under section 401(b)(6) for all claimants for the duration of a disaster emergency declared by the Governor because of COVID-19.

(d) Construction.--This section shall not be construed to provide unemployment compensation benefits for an individual

who does not meet the definition of unemployed as provided under section 4(u).

Section 1603. Relief from charges.

(a) General rule.--If the department determines that a claimant's unemployment is related to the COVID-19 outbreak or the efforts of public health officials to contain and prevent the spread of COVID-19, the department shall provide relief from benefit charges for any employer whose account would otherwise be charged under section 302. The department shall only provide relief under this section if permitted under Federal law.

(b) Automatic relief from charges.--Relief under subsection (a) shall be provided automatically for those claims related to the COVID-19 outbreak or the efforts of public officials to contain and prevent the spread of COVID-19. The employer shall not be required to apply for relief under section 302.1 to obtain relief under subsection (a).

(c) Determination of relationship to COVID-19.--The following shall apply:

(1) For purposes of this section, the employer who is eligible for relief from charges shall be entitled to relief from charges for weeks of unemployment occurring during the duration of a disaster emergency declared by the Governor which is related to COVID-19 under this section.

(2) For a claim where the department has determined that the claimant's unemployment is not related to the COVID-19 outbreak or the efforts of public health officials to contain and prevent the spread of COVID-19, relief from charges under this section shall be determined in accordance with section 302.1.

(d) Benefit repayment for reimbursable employers.--For any employer who makes payments in lieu of contribution under this act, the following shall apply to payments for benefits for weeks of unemployment occurring during a disaster emergency declared by the Governor related to COVID-19:

(1) An employer who has elected to pay the solvency fee under section 213 shall receive automatic relief from charges in accordance with subsections (b) and (c).

(2) An employer who has not elected to pay the solvency fee under section 213 shall make payments as follows:

(i) The employer shall repay benefits within 120 days of the date of the statement of account notifying the employer of the repayment obligation.

(ii) The department may extend the 120-day time period for repayment up to another 60 days upon the request of an employer who demonstrates financial hardship.

(iii) The department shall offer interest-free payment plans to an employer who demonstrates financial hardship.

(iv) No interest on late payments shall accrue or be charged to employers until January 1, 2021.

Section 1604. Funding of extended unemployment compensation in response to COVID-19.

(a) Compliance with Federal requirements.--To the extent Federal funding is authorized for the administration of the unemployment compensation program, extended unemployment compensation, disaster unemployment assistance or any other unemployment assistance related to COVID-19 made available by the Federal Government, the secretary is authorized to administer the assistance. The secretary is authorized to adopt

temporary regulations to ensure Federal compliance in order to receive funding and the following shall apply:

- (1) The temporary regulations shall not be subject to:
 - (i) Sections 201, 202, 203, 204 and 205 of the act of July 31, 1968 (P.L.769, No.240), referred to as the Commonwealth Documents Law.
 - (ii) Section 204(b) of the act of October 15, 1980 (P.L.950, No.164), known as the Commonwealth Attorneys Act.
 - (iii) The act of June 25, 1982 (P.L.633, No.181), known as the Regulatory Review Act.

(2) The temporary regulations adopted by the secretary shall expire 120 days after the expiration date of the Federal law authorizing the funding.

(a.1) Additional statutory requirements to receive funding.--If the secretary determines that additional statutory amendments are needed to receive Federal funding related to COVID-19 unemployment assistance beyond the expiration date of the temporary regulations authorized under subsection (a), the secretary shall include legislative recommendations to the General Assembly in the monthly report required under subsection (d).

(b) Sequencing.--The following shall apply to Federal funding received for administrative purposes:

(1) Upon the availability of Federal funding, money received from the Federal Government shall be utilized by the secretary prior to expending any other funds made available to address COVID-19.

(2) (Reserved).

(c) Authorized use.--The secretary is prohibited from expending any money made available for administrative purposes in response to COVID-19 beyond what is necessary to administer unemployment compensation.

(d) Report.--The following shall apply:

(1) Beginning April 1, 2020, and the first day of each subsequent month, the secretary shall prepare a report detailing any permanent statutory changes that must be made in order for the Commonwealth to comply with Federal requirements for funding and all spending related to unemployment compensation in response to COVID-19 the department has made during the preceding month, including any funding made available through the Federal Government, the Governor's disaster proclamation or any other transfers authorized under this section.

(2) The report under paragraph (1) shall include the number of applications processed, the number of applications approved and denied and the total amount expended.

(3) The secretary shall submit the report under paragraph (1) to the President pro tempore of the Senate, the Speaker of the House of Representatives, the Majority Leader and Minority Leader of the Senate, the Majority Leader and Minority Leader of the House of Representatives, the chairperson and minority chairperson of the Appropriations Committee of the Senate and the chairperson and minority chairperson of the Appropriations Committee of the House of Representatives.

Section 1605. Expiration.

This article shall expire on January 1, 2021.

Section 4. The amendment of section 302.1(b)(2)(i) and (3)(i) of the act shall apply to notices issued under section 302.1(b)(2)(i) and (3)(i) on or after the publication of the notice under section 5 of this act.

Section 5. The Secretary of Labor and Industry shall transmit notice to the Legislative Reference Bureau for publication in the Pennsylvania Bulletin upon completion of modifications to the delivery system for unemployment compensation benefits implementing the changes to the filing periods under section 302.1(b)(2)(i) and (3)(i) of the act.

Section 6. This act shall take effect as follows:

(1) The following shall take effect immediately:

(i) This section.

(ii) The remainder of this act.

(2) The amendment of section 302.1(b)(2)(i) and (3)(i) of the act shall take effect upon publication of the notice under section 5 of this act.

APPROVED--The 27th day of March, A.D. 2020.

TOM WOLF