

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1222 Session of
1987

INTRODUCED BY RHOADES, SHUMAKER, WILT, SALVATORE, REGOLI,
HELFRICK, CORMAN, REIBMAN, PECORA, AFFLERBACH, LYNCH,
ANDREZESKI, O'PAKE, LEWIS, STEWART, JONES, ROMANELLI AND
ZEMPRELLI, DECEMBER 23, 1987

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF
REPRESENTATIVES, AS AMENDED, SEPTEMBER 28, 1988

A SUPPLEMENT
AN ACT

<—

<—

1 ~~To the act of July 3, 1987 (P.L. 459, No. 9A), entitled "An act to~~ <—
2 ~~provide from the General Fund for the expenses of the~~
3 ~~Executive, Legislative and Judicial Departments of the~~
4 ~~Commonwealth, the public debt and for the public schools for~~
5 ~~the fiscal year July 1, 1987, to June 30, 1988, and for the~~
6 ~~payment of bills incurred and remaining unpaid at the close~~
7 ~~of the fiscal year ending June 30, 1987; to provide~~
8 ~~appropriations from the Lottery Fund, the Pennsylvania~~
9 ~~Economic Revitalization Fund and the Energy Conservation and~~
10 ~~Assistance Fund to the Executive Department; to provide for~~
11 ~~the appropriation of Federal funds to the Executive and~~
12 ~~Judicial Departments of the Commonwealth and for the~~
13 ~~establishment of restricted receipts accounts for the fiscal~~
14 ~~year July 1, 1987, to June 30, 1988, and for the payment of~~
15 ~~bills incurred and remaining unpaid at the close of the~~
16 ~~fiscal year ending June 30, 1987; itemizing appropriations~~
17 ~~required from the Motor License Fund for the fiscal year July~~
18 ~~1, 1987, to June 30, 1988, for the proper operation of the~~
19 ~~several departments of the Commonwealth authorized to spend~~
20 ~~Motor License Fund moneys; and to further provide from the~~
21 ~~General Fund for the expenses of the Executive Department and~~
22 ~~Judicial Department of the Commonwealth, the public debt and~~
23 ~~for the public schools for the fiscal year July 1, 1986, to~~
24 ~~June 30, 1987, and for the payment of bills incurred and~~
25 ~~remaining unpaid at the close of the fiscal year ending June~~
26 ~~30, 1986," making supplemental appropriations; imposing~~
27 ~~additional restrictions on the appropriations for the Human~~
28 ~~Services Development Fund; and making repeals.~~

1 ~~MAKING AN APPROPRIATION FROM THE STATE STORES FUND TO PROVIDE~~ <—
2 ~~FOR LIQUOR CONTROL ENFORCEMENT EXPENSES FOR THE FISCAL YEAR~~
3 ~~JULY 1, 1988, TO JUNE 30, 1989, AND FOR THE PAYMENT OF BILLS~~
4 ~~INCURRED AND REMAINING UNPAID AT THE CLOSE OF THE FISCAL YEAR~~
5 ~~ENDING JUNE 30, 1988.~~

6 AMENDING THE ACT OF DECEMBER 5, 1936 (2ND SP.SESS., 1937 <—
7 P.L.2897, NO.1), ENTITLED "AN ACT ESTABLISHING A SYSTEM OF
8 UNEMPLOYMENT COMPENSATION TO BE ADMINISTERED BY THE
9 DEPARTMENT OF LABOR AND INDUSTRY AND ITS EXISTING AND NEWLY
10 CREATED AGENCIES WITH PERSONNEL (WITH CERTAIN EXCEPTIONS)
11 SELECTED ON A CIVIL SERVICE BASIS; REQUIRING EMPLOYERS TO
12 KEEP RECORDS AND MAKE REPORTS, AND CERTAIN EMPLOYERS TO PAY
13 CONTRIBUTIONS BASED ON PAYROLLS TO PROVIDE MONEYS FOR THE
14 PAYMENT OF COMPENSATION TO CERTAIN UNEMPLOYED PERSONS;
15 PROVIDING PROCEDURE AND ADMINISTRATIVE DETAILS FOR THE
16 DETERMINATION, PAYMENT AND COLLECTION OF SUCH CONTRIBUTIONS
17 AND THE PAYMENT OF SUCH COMPENSATION; PROVIDING FOR
18 COOPERATION WITH THE FEDERAL GOVERNMENT AND ITS AGENCIES;
19 CREATING CERTAIN SPECIAL FUNDS IN THE CUSTODY OF THE STATE
20 TREASURER; AND PRESCRIBING PENALTIES," ESTABLISHING A
21 SEPARATE FUND TO SUPPLEMENT THE UNEMPLOYMENT COMPENSATION
22 FUND; PROVIDING FOR THE TRANSFER OF CERTAIN INVESTMENT
23 EARNINGS IN THE STATE WORKMEN'S INSURANCE FUND; FURTHER
24 PROVIDING FOR THE RATE OF CONTRIBUTION BY EMPLOYERS AND
25 EMPLOYEES; FURTHER PROVIDING FOR THE RATE AND AMOUNT OF
26 BENEFITS; FURTHER PROVIDING FOR ADMINISTRATIVE MATTERS AND
27 FOR THE RECOUPMENT OF FAULT OVERPAYMENTS; AND MAKING REPEALS.

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

30 ~~Section 1. The following amounts, or as much thereof as may~~ <—
31 ~~be necessary, are hereby appropriated to the indicated~~
32 ~~departments for the fiscal period July 1, 1987, to June 30,~~
33 ~~1988:~~

34 ~~(1) Department of Health. The~~
35 ~~following amounts are appropriated to~~
36 ~~the Department of Health:~~

37 ~~For a State supplement to the~~
38 ~~Federal Special Supplemental Food~~
39 ~~Service Program for Women, Infants and~~
40 ~~Children.~~

41 ~~State appropriation.....~~ \$15,000,000

42 ~~(2) Department of Public~~
43 ~~Welfare. The following amounts are~~

1 ~~appropriated to the Department of~~
2 ~~Public Welfare:_____~~ ~~Federal_____State_____~~

3 ~~For the Human Services Development~~
4 ~~Fund. The total appropriation shall be~~
5 ~~allocated to counties as follows: 50%~~
6 ~~shall be allocated by per capita and~~
7 ~~50% shall be allocated by poverty.~~

8 ~~Poverty shall be defined as the~~
9 ~~average number of Aid to Families with~~
10 ~~Dependent Children, General Assistance~~
11 ~~and State Blind Pension recipients in~~
12 ~~fiscal year 1985-1986 as a proportion~~
13 ~~of the Statewide average number of Aid~~
14 ~~to Families with Dependent Children,~~
15 ~~General Assistance and State Blind~~
16 ~~Pension recipients in this~~
17 ~~Commonwealth for fiscal year 1985-~~
18 ~~1986. No county shall receive a grant~~
19 ~~of less than \$50,000 in State and~~
20 ~~Federal dollars combined.~~

21 ~~Under no circumstances shall any~~
22 ~~county receive less in State and~~
23 ~~Federal funds combined than that~~
24 ~~county received in fiscal year 1986-~~
25 ~~1987.~~

26 ~~State appropriation.....~~ 13,955,000

27 ~~The following SSBG amounts, or as~~
28 ~~much thereof as may be necessary, are~~
29 ~~hereby specifically appropriated for~~
30 ~~the Human Services Development Fund:~~

1 ~~(1) "Social Services — Human~~
2 ~~Services Development Fund." The total~~
3 ~~appropriation shall be allocated to~~
4 ~~counties as follows: 50% shall be~~
5 ~~allocated by per capita and 50% shall~~
6 ~~be allocated by poverty. Poverty shall~~
7 ~~be defined as the average number of~~
8 ~~Aid to Families with Dependent~~
9 ~~Children, General Assistance and State~~
10 ~~Blind Pension recipients in fiscal~~
11 ~~year 1985-1986 as a proportion of the~~
12 ~~Statewide average number of Aid to~~
13 ~~Families with Dependent Children,~~
14 ~~General Assistance and State Blind~~
15 ~~Pension recipients in this~~
16 ~~Commonwealth for fiscal year 1985-~~
17 ~~1986. No county shall receive a grant~~
18 ~~of less than \$50,000 in State and~~
19 ~~Federal dollars combined. Under no~~
20 ~~circumstances shall any county receive~~
21 ~~less in State and Federal funds~~
22 ~~combined than that county received in~~
23 ~~fiscal year 1986-1987.~~

24 Federal appropriation..... 14,339,000—————

25 ~~Section 2. (a) As much of section 215 of the act of July 3,~~
26 ~~1987 (P.L.459, No.9A), known as the General Appropriation Act of~~
27 ~~1987, as relates to an appropriation for a State supplement to~~
28 ~~the Federal Special Supplemental Food Service Program for Women,~~
29 ~~Infants and Children, is repealed.~~

30 ~~(b) As much of section 219 of the act of July 3, 1987~~

1 ~~(P.L.459, No.9A), known as the General Appropriations Act of~~
2 ~~1987, as relates to a State appropriation and a Federal SSBG~~
3 ~~appropriation to the Human Services Development Fund, is~~
4 ~~repealed.~~

5 ~~Section 3. This act shall take effect immediately.~~

6 ~~SECTION 1. THE SUM OF \$13,261,000, OR AS MUCH THEREOF AS MAY~~ <—
7 ~~BE NECESSARY, IS HEREBY APPROPRIATED FROM THE STATE STORES FUND~~
8 ~~TO THE PENNSYLVANIA STATE POLICE FOR THE OPERATION OF THE BUREAU~~
9 ~~OF LIQUOR CONTROL ENFORCEMENT FOR THE FISCAL YEAR BEGINNING JULY~~
10 ~~1, 1988, AND FOR THE PAYMENT OF BILLS INCURRED AND REMAINING~~
11 ~~UNPAID AT THE CLOSE OF THE FISCAL YEAR ENDING JUNE 30, 1988.~~

12 ~~SECTION 2. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.~~

13 ~~SECTION 1. SECTIONS 301.2, 301.4 AND 301.5 OF THE ACT OF~~ <—
14 ~~DECEMBER 5, 1936 (2ND SP.SESS., 1937 P.L.2897, NO.1), KNOWN AS~~
15 ~~THE UNEMPLOYMENT COMPENSATION LAW, AMENDED OR ADDED JULY 21,~~
16 ~~1983 (P.L.68, NO.30), ARE AMENDED TO READ:~~

17 ~~SECTION 301.2. ADDITIONAL CONTRIBUTIONS.--NOTWITHSTANDING~~
18 ~~ANY OTHER PROVISION OF THIS ACT, ALL EMPLOYERS REQUIRED TO PAY~~
19 ~~CONTRIBUTIONS UNDER SECTION 301 OR 301.1, EXCEPT THOSE SUBJECT~~
20 ~~TO THE PROVISIONS OF SECTION 301(A)(3) AND (4) OR 301.1(G),~~
21 ~~SHALL PAY ADDITIONAL CONTRIBUTIONS [EQUAL TO SEVEN-TENTHS OF ONE~~
22 ~~PER CENTUM (0.7%) FOR CALENDAR YEAR 1984, SIX-TENTHS OF ONE PER~~
23 ~~CENTUM (0.6%) FOR CALENDAR YEAR 1985 AND FIVE-TENTHS OF ONE PER~~
24 ~~CENTUM (0.5%) FOR CALENDAR YEAR 1986 AND THEREAFTER] AT A RATE~~
25 ~~OF ZERO PER CENTUM (0.0%) FOR CALENDAR YEAR 1989 AND AT A RATE~~
26 ~~AS SET FORTH IN SECTION 301.7 FOR EACH CALENDAR YEAR THEREAFTER~~
27 ~~ON WAGES PAID WITH REGARD TO THE LIMITATION SPECIFIED UNDER~~
28 ~~SECTION 4(X)(1) OF THIS ACT.~~

29 ~~SECTION 301.4. CONTRIBUTIONS BY EMPLOYES.--(A)~~
30 ~~NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, [FOR CALENDAR~~

1 YEAR 1984 AND EVERY CALENDAR YEAR THEREAFTER] EACH EMPLOYEE SHALL
2 CONTRIBUTE TO THE UNEMPLOYMENT COMPENSATION FUND [ONE-TENTH OF
3 ONE PER CENTUM (0.1%)] AT A RATE OF ZERO PER CENTUM (0.0%) FOR
4 CALENDAR YEAR 1989 AND AT A RATE AS SET FORTH IN SECTION 301.7
5 FOR EACH CALENDAR YEAR THEREAFTER OF ALL WAGES PAID FOR
6 "EMPLOYMENT" AS DEFINED BY THE ACT WITHOUT REGARD TO THE
7 LIMITATION SPECIFIED IN SECTION 4(X)(1) OF THIS ACT.

8 (B) EACH EMPLOYER SUBJECT TO THIS ACT SHALL BE RESPONSIBLE
9 FOR WITHHOLDING AND SHALL WITHHOLD, IN TRUST, SUCH CONTRIBUTIONS
10 FROM THE WAGES OF HIS EMPLOYEES AT THE TIME SUCH WAGES ARE PAID,
11 AND SHALL REPORT AND TRANSMIT SUCH DEDUCTIONS TO THE DEPARTMENT
12 FOR DEPOSIT INTO THE UNEMPLOYMENT COMPENSATION FUND, IN
13 ACCORDANCE WITH RULES AND PROCEDURES ESTABLISHED BY THE
14 DEPARTMENT.

15 (C) ANY EMPLOYER WHO IS AN INDIVIDUAL, OR ANY OFFICER OR
16 AGENT OF ANY EMPLOYER, WHO VIOLATES THE TRUST PROVISION OF THIS
17 SECTION, FAILS TO WITHHOLD, HOLD IN TRUST OR FAILS TO TRANSMIT
18 TO THE DEPARTMENT ALL CONTRIBUTIONS WITHHELD FROM THE WAGES OF
19 HIS EMPLOYEES IN ACCORDANCE WITH THE RULES AND PROCEDURE
20 ESTABLISHED BY THE DEPARTMENT SHALL BE SUBJECT TO THE PROVISIONS
21 OF CLAUSE (2) OF SUBSECTION (A) OF SECTION 301 AND SECTIONS 308,
22 308.1, 308.2, 308.3 AND 309 OF THIS ACT.

23 (D) THIS SECTION SHALL NOT BE DEEMED TO AFFECT OR IMPAIR THE
24 OPERATION OF ANY STATE STATUTE OR ORDINANCE OR RESOLUTION OF A
25 POLITICAL SUBDIVISION WHICH LEVIES OR COLLECTS ANY WAGE TAX OR
26 SIMILAR TAX. CONTRIBUTIONS MADE PURSUANT TO THIS SECTION ARE NOT
27 INTENDED TO REDUCE OR OTHERWISE AFFECT ANY TAX ON WAGES OR
28 SIMILAR TAX.

29 SECTION 301.5. SURCHARGE.--[(A) NOTWITHSTANDING ANY OTHER
30 PROVISIONS OF THIS ACT, ALL EMPLOYERS SUBJECT TO THIS ACT (OTHER

1 THAN EMPLOYERS WHO HAVE ELECTED, PURSUANT TO SECTION 1102 OR
2 1202.2, TO MAKE PAYMENTS IN LIEU OF CONTRIBUTIONS) SHALL BE
3 ASSESSED A SURCHARGE OF FIFTEEN PER CENTUM (15%) OF THE
4 CONTRIBUTIONS DUE FOR 1983 WITHOUT REGARD TO THE TAX CREDIT
5 GRANTED UNDER SUBSECTION (C) OF SECTION 301.3. ADDITIONAL
6 CONTRIBUTIONS DUE UNDER THIS SECTION FOR THE PERIOD OF JANUARY
7 THROUGH SEPTEMBER 1983 SHALL BE PAYABLE ON OR BEFORE OCTOBER 31,
8 1983. ADDITIONAL CONTRIBUTIONS DUE UNDER THIS SECTION FOR THE
9 PERIOD OF OCTOBER THROUGH DECEMBER 1983 SHALL BE PAYABLE ON OR
10 BEFORE JANUARY 31, 1984. SUCH ADDITIONAL CONTRIBUTIONS DUE UNDER
11 THIS SECTION SHALL BE COLLECTIBLE IN THE MANNER PROVIDED IN
12 SECTIONS 308.1, 308.2, 308.3 AND 309 OF THIS ACT.

13 (B) THIS SECTION SHALL NOT APPLY TO CONTRIBUTIONS ON WAGES
14 PAID DURING THE PERIOD JANUARY 1, 1983, THROUGH JUNE 30, 1983,
15 BY JOBBERS, MANUFACTURERS, CONTRACTORS OR SUBCONTRACTORS WITH A
16 STANDARD INDUSTRIAL CODE CLASSIFICATION OF 23 FOR WORK ON THE
17 GOODS OR PREMISES OF THE JOBBER OR MANUFACTURER OR PERFORMING
18 PARTS OF AN INTEGRATED PROCESS OF PRODUCTION IN THE APPAREL
19 INDUSTRY.] NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, ALL
20 EMPLOYERS SUBJECT TO THIS ACT (OTHER THAN EMPLOYERS WHO ARE
21 SUBJECT TO SECTION 1003 OR WHO HAVE ELECTED, PURSUANT TO SECTION
22 1102 OR 1202.2, TO MAKE PAYMENTS IN LIEU OF CONTRIBUTIONS) SHALL
23 BE ASSESSED A SURCHARGE ON CONTRIBUTIONS DUE FROM EMPLOYERS AT A
24 RATE OF ZERO PER CENTUM (0.0%) FOR CALENDAR YEAR 1989 AND AT A
25 RATE AS SET FORTH IN SECTION 301.7 FOR EACH CALENDAR YEAR
26 THEREAFTER. SUCH ADDITIONAL CONTRIBUTIONS DUE UNDER THIS SECTION
27 SHALL BE COLLECTIBLE IN THE MANNER PROVIDED IN SECTIONS 308.1,
28 308.2, 308.3 AND 309 OF THIS ACT.

29 SECTION 2. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:
30 SECTION 301.7. TRIGGER DETERMINATION.--(A) ON JULY 1 OF

1 EVERY YEAR, THE SECRETARY SHALL CALCULATE THE TRIGGER PERCENTAGE
2 TO BE USED IN SETTING SURCHARGE AND CONTRIBUTION RATES FOR THE
3 CONTRIBUTIONS REQUIRED UNDER SECTIONS 301.2, 301.4 AND 301.5 AND
4 IN SETTING THE BENEFIT REDUCTION REQUIRED UNDER SECTION
5 404(E)(4) FOR THE FOLLOWING CALENDAR YEAR. THE SECRETARY SHALL:

6 (1) DETERMINE THE NET BALANCE IN THE UNEMPLOYMENT
7 COMPENSATION TRUST FUND;

8 (2) DETERMINE THE AVERAGE OF THE UNEMPLOYMENT COMPENSATION
9 FUND BENEFIT COSTS FOR THE THREE IMMEDIATELY PRECEDING FISCAL
10 YEARS; AND

11 (3) CALCULATE THE PERCENTAGE THAT THE UNEMPLOYMENT
12 COMPENSATION TRUST FUND REPRESENTS OF THE AVERAGE OF THE BENEFIT
13 COSTS.

14 (B) SURCHARGE AND CONTRIBUTION RATES SHALL BE ANNOUNCED BY
15 THE SECRETARY ON JULY 1 OF EVERY YEAR IN ACCORDANCE WITH THE
16 FOLLOWING SCHEDULE:

17 (1) WHEN THE TRIGGER PERCENTAGE IS ONE HUNDRED AND FIFTY PER
18 CENTUM (150%) OR HIGHER, THE RATE OF THE SURCHARGE ASSESSED
19 UNDER SECTION 301.5 SHALL BE A NEGATIVE ONE AND ONE-HALF PER
20 CENTUM (1.5%).

21 (2) WHEN THE TRIGGER PERCENTAGE IS AT LEAST ONE HUNDRED AND
22 TWENTY-FIVE PER CENTUM (125%), BUT LESS THAN ONE HUNDRED AND
23 FIFTY PER CENTUM (150%), THERE SHALL BE NO SURCHARGE OR
24 CONTRIBUTION UNDER SECTION 301.2, 301.4 OR 301.5.

25 (3) WHEN THE TRIGGER PERCENTAGE IS AT LEAST ONE HUNDRED TEN
26 PER CENTUM (110%), BUT LESS THAN ONE HUNDRED TWENTY-FIVE PER
27 CENTUM (125%):

28 (I) THE RATE OF THE SURCHARGE ASSESSED UNDER SECTION 301.5
29 SHALL BE FOUR PER CENTUM (4%); AND

30 (II) THE RATE OF CONTRIBUTIONS ASSESSED UNDER SECTION 301.4

1 SHALL BE FIVE HUNDREDTHS OF ONE PER CENTUM (.05%).

2 (4) WHEN THE TRIGGER PERCENTAGE IS AT LEAST NINETY-FIVE PER
3 CENTUM (95%), BUT LESS THAN ONE HUNDRED TEN PER CENTUM (110%):

4 (I) THE RATE OF THE SURCHARGE ASSESSED UNDER SECTION 301.5
5 SHALL BE EIGHT PER CENTUM (8%); AND

6 (II) THE RATE OF CONTRIBUTIONS ASSESSED UNDER SECTION 301.4
7 SHALL BE ONE-TENTH OF ONE PER CENTUM (0.1%).

8 (5) WHEN THE TRIGGER PERCENTAGE IS AT LEAST SEVENTY-FIVE PER
9 CENTUM (75%), BUT LESS THAN NINETY-FIVE PER CENTUM (95%):

10 (I) THE RATE OF THE SURCHARGE ASSESSED UNDER SECTION 301.5
11 SHALL BE EIGHT PER CENTUM (8%);

12 (II) THE RATE OF CONTRIBUTIONS ASSESSED UNDER SECTION 301.4
13 SHALL BE FIFTEEN HUNDREDTHS OF ONE PER CENTUM (0.15%); AND

14 (III) THE RATE OF ADDITIONAL CONTRIBUTIONS ASSESSED UNDER
15 SECTION 301.2 SHALL BE TWENTY-FIVE HUNDREDTHS OF ONE PER CENTUM
16 (0.25%).

17 (6) WHEN THE TRIGGER PERCENTAGE IS AT LEAST FIFTY PER CENTUM
18 (50%), BUT LESS THAN SEVENTY-FIVE PER CENTUM (75%):

19 (I) THE RATE OF THE SURCHARGE ASSESSED UNDER SECTION 301.5
20 SHALL BE EIGHT PER CENTUM (8%);

21 (II) THE RATE OF CONTRIBUTIONS ASSESSED UNDER SECTION 301.4
22 SHALL BE TWO TENTHS OF ONE PER CENTUM (0.2%); AND

23 (III) THE RATE OF ADDITIONAL CONTRIBUTION ASSESSED UNDER
24 SECTION 301.2 SHALL BE FIVE TENTHS OF ONE PER CENTUM (0.5%).

25 (7) WHEN THE TRIGGER PERCENTAGE IS LESS THAN FIFTY PER
26 CENTUM (50%):

27 (I) THE RATE OF THE SURCHARGE ASSESSED UNDER SECTION 301.5
28 SHALL BE EIGHT PER CENTUM (8%);

29 (II) THE RATE OF ADDITIONAL CONTRIBUTION ASSESSED UNDER
30 SECTION 301.2 SHALL BE SEVENTY-FIVE HUNDREDTHS OF ONE PER CENTUM

1 (0.75%); AND

2 (III) THE RATE OF CONTRIBUTIONS ASSESSED UNDER SECTION 301.4
3 SHALL BE TWO TENTHS OF ONE PER CENTUM (0.2%).

4 (C) WHENEVER THE TRIGGER PERCENTAGE DETERMINED UNDER
5 SUBSECTION (A) IS LESS THAN FIFTY PER CENTUM (50%), THE
6 SECRETARY SHALL ANNOUNCE A REDUCTION IN THE WEEKLY BENEFIT RATE
7 UNDER SECTION 404(E)(4).

8 (D) WHENEVER THE TRIGGER PERCENTAGE IS LESS THAN TWENTY-FIVE
9 PER CENTUM (25%), ANY BALANCE REMAINING IN THE UNEMPLOYMENT
10 COMPENSATION TRIGGER RESERVE ACCOUNT SHALL BE TRANSFERRED TO THE
11 UNEMPLOYMENT COMPENSATION TRUST FUND.

12 SECTION 301.8. TRIGGER RATE REDETERMINATIONS.--(A)
13 BEGINNING IN 1992 AND EACH FIFTH YEAR THEREAFTER, THE SECRETARY
14 SHALL REDETERMINE THE RATES OF THE SURCHARGE, EMPLOYE TAX,
15 ADDITIONAL CONTRIBUTIONS AND BENEFIT REDUCTION OTHERWISE
16 APPLICABLE UNDER SECTIONS 301.7 AND 404(E)(4). THE SECRETARY
17 SHALL REDETERMINE THE RATES SO THAT THE UNROUNDED RATES YIELD
18 CONTRIBUTION INCREASES AND BENEFIT REDUCTIONS, ON A CALENDAR
19 YEAR BASIS, APPROXIMATELY EQUAL TO THE DOLLAR AMOUNTS SPECIFIED
20 IN SUBSECTION (B). THE RATES AS REDETERMINED SHALL TAKE EFFECT
21 ON JANUARY 1 OF THE FOLLOWING CALENDAR YEAR AND SHALL REMAIN IN
22 EFFECT FOR FIVE YEARS.

23 (B) THE RATES SHALL BE ADJUSTED TO YIELD THE AMOUNTS
24 INDICATED AT THE FOLLOWING TRIGGER PERCENTAGES:

25 (1) AT LEAST ONE HUNDRED FIFTY PER CENTUM (150%), THE
26 NEGATIVE SURCHARGE ASSESSED UNDER SECTION 301.5 SHALL RESULT IN
27 AN EMPLOYER CONTRIBUTION REDUCTION OF EIGHTEEN MILLION DOLLARS
28 (\$18,000,000);

29 (2) AT LEAST ONE HUNDRED TEN PER CENTUM (110%) BUT LESS THAN
30 ONE HUNDRED TWENTY-FIVE PER CENTUM (125%), THE SURCHARGE

1 ASSESSED UNDER SECTION 301.5 SHALL YIELD FIFTY MILLION DOLLARS
2 (\$50,000,000) AND THE EMPLOYE TAX UNDER SECTION 301.4 SHALL
3 YIELD THIRTY-THREE MILLION THREE HUNDRED THIRTY-THREE THOUSAND
4 THREE HUNDRED THIRTY-THREE DOLLARS (\$33,333,333);

5 (3) AT LEAST NINETY-FIVE PER CENTUM (95%) BUT LESS THAN ONE
6 HUNDRED TEN PER CENTUM (110%), THE SURCHARGE ASSESSED UNDER
7 SECTION 301.5 SHALL YIELD ONE HUNDRED MILLION DOLLARS
8 (\$100,000,000) AND THE EMPLOYE TAX UNDER SECTION 301.4 SHALL
9 YIELD SIXTY-SIX MILLION SIX HUNDRED SIXTY-SIX THOUSAND SIX
10 HUNDRED SIXTY-SIX DOLLARS (\$66,666,666);

11 (4) AT LEAST SEVENTY-FIVE PER CENTUM (75%) BUT LESS THAN
12 NINETY-FIVE PER CENTUM (95%), THE SURCHARGE ASSESSED UNDER
13 SECTION 301.5 SHALL YIELD ONE HUNDRED MILLION DOLLARS
14 (\$100,000,000), THE ADDITIONAL CONTRIBUTIONS UNDER SECTION 301.2
15 SHALL YIELD SEVENTY-FIVE MILLION DOLLARS (\$75,000,000), AND THE
16 EMPLOYE TAX UNDER SECTION 301.4 SHALL YIELD ONE HUNDRED SIXTEEN
17 MILLION SIX HUNDRED SIXTY-SIX THOUSAND SIX HUNDRED SIXTY-SIX
18 DOLLARS (\$116,666,666);

19 (5) AT LEAST FIFTY PER CENTUM (50%) BUT LESS THAN SEVENTY-
20 FIVE PER CENTUM (75%), THE SURCHARGE ASSESSED UNDER SECTION
21 301.5 SHALL YIELD ONE HUNDRED MILLION DOLLARS (\$100,000,000),
22 THE ADDITIONAL CONTRIBUTION UNDER SECTION 301.2 SHALL YIELD ONE
23 HUNDRED FIFTY MILLION DOLLARS (\$150,000,000), AND THE EMPLOYE
24 TAX UNDER SECTION 301.4 SHALL YIELD ONE HUNDRED SIXTY-SIX
25 MILLION SIX HUNDRED SIXTY-SIX THOUSAND SIX HUNDRED SIXTY-SIX
26 DOLLARS (\$166,666,666);

27 (6) LESS THAN FIFTY PER CENTUM (50%), THE SURCHARGE ASSESSED
28 UNDER SECTION 301.5 SHALL YIELD ONE HUNDRED MILLION DOLLARS
29 (\$100,000,000), THE ADDITIONAL CONTRIBUTION UNDER SECTION 301.2
30 SHALL YIELD TWO HUNDRED TWENTY-FIVE MILLION DOLLARS

(\$225,000,000), THE EMPLOYE TAX UNDER SECTION 301.4 SHALL YIELD ONE HUNDRED SIXTY-SIX MILLION SIX HUNDRED SIXTY-SIX THOUSAND SIX HUNDRED SIXTY-SIX DOLLARS (\$166,666,666), AND THE BENEFIT REDUCTION UNDER SECTION 404(E)(4) SHALL YIELD FIFTY-TWO MILLION DOLLARS (\$52,000,000).

(C) FOR THE PURPOSE OF REDETERMINING THE RATES UNDER THIS SECTION, THE SECRETARY SHALL UTILIZE THE NECESSARY CONTRIBUTION AND BENEFIT ACTIVITY DATA FROM THE CALENDAR YEAR IMMEDIATELY PRECEDING THE YEAR IN WHICH THE REDETERMINATION IS TO BE DONE.

(D) THE FIRST REDETERMINATION SHALL BE DONE BY JUNE 30, 1992, AND THE RATES SHALL BE REDETERMINED EACH FIFTH SUCCEEDING JUNE 30 AND THE APPLICABLE REDETERMINED RATES SHALL TAKE EFFECT THE NEXT JANUARY 1.

(E) THE REDETERMINED RATES SHALL BE ROUNDED IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

(1) IF THE RATE FOR THE SURCHARGE ASSESSED UNDER SECTION 301.5 IS NOT A MULTIPLE OF ONE TENTH OF ONE PER CENTUM (0.1%), IT SHALL BE ROUNDED TO THE NEXT HIGHER MULTIPLE OF ONE TENTH OF ONE PER CENTUM (0.1%);

(2) IF THE RATE FOR THE EMPLOYE TAX UNDER SECTION 301.4 IS NOT A MULTIPLE OF ONE HUNDREDTH OF ONE PER CENTUM (0.01%) IT SHALL BE ROUNDED TO THE NEXT HIGHER MULTIPLE OF ONE HUNDREDTH OF ONE PER CENTUM (0.01%);

(3) IF THE RATE FOR THE ADDITIONAL CONTRIBUTION UNDER SECTION 301.2 IS NOT A MULTIPLE OF FIVE HUNDREDTHS OF ONE PER CENTUM (0.05%), IT SHALL BE ROUNDED TO THE NEXT HIGHER MULTIPLE OF FIVE HUNDREDTHS OF ONE PER CENTUM (0.05%);

(4) IF THE RATE FOR THE BENEFIT REDUCTION UNDER SECTION 404(E)(4) IS NOT A MULTIPLE OF ONE TENTH OF ONE PER CENTUM (0.1%), IT SHALL BE ROUNDED TO THE NEXT HIGHER MULTIPLE OF ONE

1 TENTH OF ONE PER CENTUM (0.1%).

2 SECTION 3. SECTION 314 OF THE ACT IS REPEALED.

3 SECTION 4. THE INTRODUCTORY PARAGRAPH AND SUBSECTIONS (D)
4 AND (E)(2) AND (4) OF SECTION 404 OF THE ACT, AMENDED OR ADDED
5 DECEMBER 5, 1974 (P.L.771, NO.262) AND JULY 21, 1983 (P.L.68,
6 NO.30), ARE AMENDED TO READ:

7 SECTION 404. RATE AND AMOUNT OF COMPENSATION.--COMPENSATION
8 SHALL BE PAID TO EACH ELIGIBLE EMPLOYE IN ACCORDANCE WITH THE
9 FOLLOWING PROVISIONS OF THIS SECTION EXCEPT THAT COMPENSATION
10 PAYABLE WITH RESPECT TO WEEKS ENDING IN BENEFIT YEARS WHICH
11 BEGIN PRIOR TO THE FIRST DAY OF [JANUARY 1984] JANUARY 1989
12 SHALL BE PAID ON THE BASIS OF THE PROVISIONS OF THIS SECTION IN
13 EFFECT AT THE BEGINNING OF SUCH BENEFIT YEARS.

14 * * *

15 (D) (1) NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS
16 SECTION EACH ELIGIBLE EMPLOYE WHO IS UNEMPLOYED WITH RESPECT TO
17 ANY WEEK ENDING SUBSEQUENT TO JULY 1, 1980 SHALL BE PAID, WITH
18 RESPECT TO SUCH WEEK, COMPENSATION IN AN AMOUNT EQUAL TO HIS
19 WEEKLY BENEFIT RATE LESS THE TOTAL OF (I) THE REMUNERATION, IF
20 ANY, PAID OR PAYABLE TO HIM WITH RESPECT TO SUCH WEEK FOR
21 SERVICES PERFORMED WHICH IS IN EXCESS OF HIS PARTIAL BENEFIT
22 CREDIT[;] AND (II) VACATION PAY, IF ANY, WHICH IS IN EXCESS OF
23 HIS PARTIAL BENEFIT CREDIT, EXCEPT WHEN PAID TO AN EMPLOYE WHO
24 IS PERMANENTLY OR INDEFINITELY SEPARATED FROM HIS EMPLOYMENT
25 [AND (III) AN AMOUNT EQUAL TO THE AMOUNT OF A GOVERNMENTAL OR
26 OTHER PENSION, RETIREMENT OR RETIRED PAY, ANNUITY, OR ANY OTHER
27 SIMILAR PERIODIC PAYMENT WHICH IS BASED ON THE PREVIOUS WORK OF
28 SUCH INDIVIDUAL, WHICH IS REASONABLY ATTRIBUTABLE TO SUCH WEEK,
29 IN ACCORDANCE WITH THIS SUBSECTION. THE PROVISIONS OF THIS
30 SUBSECTION SHALL BE APPLICABLE WHETHER OR NOT SUCH VACATION PAY,

1 RETIREMENT PENSION OR ANNUITIES, OR WAGES ARE LEGALLY REQUIRED
2 TO BE PAID. IF SUCH RETIREMENT PENSION OR ANNUITY PAYMENTS
3 DEDUCTIBLE UNDER THE PROVISIONS OF THIS SUBSECTION ARE RECEIVED
4 ON OTHER THAN A WEEKLY BASIS, THE AMOUNT THEREOF SHALL BE
5 ALLOCATED AND PRO-RATED IN ACCORDANCE WITH THE RULES AND
6 REGULATIONS OF THE DEPARTMENT. VACATION PAY, OR OTHER
7 REMUNERATION DEDUCTIBLE UNDER THE PROVISIONS OF THIS SUBSECTION
8 SHALL BE PRO-RATED ON THE BASIS OF THE EMPLOYEE'S NORMAL FULL-
9 TIME WEEKLY WAGE AND AS SO PRO-RATED SHALL BE ALLOCATED TO SUCH
10 PERIOD OR PERIODS OF UNEMPLOYMENT AS SHALL BE DETERMINED BY
11 RULES AND REGULATIONS OF THE DEPARTMENT. SUCH COMPENSATION, IF
12 NOT A MULTIPLE OF ONE DOLLAR (\$1), SHALL BE COMPUTED TO THE NEXT
13 LOWER MULTIPLE OF ONE DOLLAR (\$1)].

14 (2) (I) IN ADDITION TO THE DEDUCTIONS PROVIDED FOR IN
15 CLAUSE (1), FOR ANY WEEK WITH RESPECT TO WHICH AN INDIVIDUAL IS
16 RECEIVING A PENSION, INCLUDING A GOVERNMENTAL OR OTHER PENSION,
17 RETIREMENT OR RETIRED PAY, ANNUITY OR ANY OTHER SIMILAR PERIODIC
18 PAYMENT, UNDER A PLAN MAINTAINED OR CONTRIBUTED TO BY A BASE
19 PERIOD OR CHARGEABLE EMPLOYER, THE WEEKLY BENEFIT AMOUNT PAYABLE
20 TO SUCH INDIVIDUAL FOR SUCH WEEK SHALL BE REDUCED, BUT NOT BELOW
21 ZERO, BY THE PRO-RATED WEEKLY AMOUNT OF THE PENSION AS
22 DETERMINED UNDER SUBCLAUSE (II).

23 (II) IF THE PENSION IS ENTIRELY CONTRIBUTED TO BY THE
24 EMPLOYER, THEN ONE HUNDRED PER CENTUM (100%) OF THE PRO-RATED
25 WEEKLY AMOUNT OF THE PENSION SHALL BE DEDUCTED. IF THE PENSION
26 IS CONTRIBUTED TO BY THE INDIVIDUAL, IN ANY AMOUNT, THEN FIFTY
27 PER CENTUM (50%) OF THE PRO-RATED WEEKLY AMOUNT OF THE PENSION
28 SHALL BE DEDUCTED.

29 (III) NO DEDUCTION SHALL BE MADE UNDER THIS CLAUSE BY REASON
30 OF THE RECEIPT OF A PENSION IF THE SERVICES PERFORMED BY THE

1 INDIVIDUAL DURING THE BASE PERIOD OR REMUNERATION RECEIVED FOR
2 SUCH SERVICES FOR SUCH EMPLOYER DID NOT AFFECT THE INDIVIDUAL'S
3 ELIGIBILITY FOR, OR INCREASE THE AMOUNT OF, SUCH PENSION,
4 RETIREMENT OR RETIRED PAY, ANNUITY OR SIMILAR PAYMENT. THIS
5 SUBCLAUSE SHALL NOT APPLY TO PENSIONS PAID UNDER THE SOCIAL
6 SECURITY ACT (PUBLIC LAW 74-271, 42 U.S.C. § 301 ET SEQ.), OR
7 THE RAILROAD RETIREMENT ACT OF 1974 (PUBLIC LAW 93-445, 88 STAT.
8 1305), OR THE CORRESPONDING PROVISIONS OF PRIOR LAW. PAYMENTS
9 MADE UNDER SUCH ACTS SHALL BE TREATED SOLELY IN THE MANNER
10 SPECIFIED BY SUBCLAUSE (I) OF THIS CLAUSE.

11 (3) THE PROVISIONS OF THIS SUBSECTION SHALL BE APPLICABLE
12 WHETHER OR NOT SUCH VACATION PAY, RETIREMENT PENSION OR
13 ANNUITIES OR WAGES ARE LEGALLY REQUIRED TO BE PAID. IF SUCH
14 RETIREMENT PENSION OR ANNUITY PAYMENTS DEDUCTIBLE UNDER THE
15 PROVISIONS OF THIS SUBSECTION ARE RECEIVED ON OTHER THAN A
16 WEEKLY BASIS, THE AMOUNT THEREOF SHALL BE ALLOCATED AND PRO-
17 RATED IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE
18 DEPARTMENT. VACATION PAY OR OTHER REMUNERATION DEDUCTIBLE UNDER
19 THE PROVISIONS OF THIS SUBSECTION SHALL BE PRO-RATED ON THE
20 BASIS OF THE EMPLOYEE'S NORMAL FULL-TIME WEEKLY WAGE AND AS SO
21 PRO-RATED SHALL BE ALLOCATED TO SUCH PERIOD OR PERIODS OF
22 UNEMPLOYMENT AS SHALL BE DETERMINED BY RULES AND REGULATIONS OF
23 THE DEPARTMENT. SUCH COMPENSATION, IF NOT A MULTIPLE OF ONE
24 DOLLAR (\$1), SHALL BE COMPUTED TO THE NEXT LOWER MULTIPLE OF ONE
25 DOLLAR (\$1).

26 * * *

27 (E) * * *

28 (2) THE TABLE SPECIFIED FOR THE DETERMINATION OF RATE AND
29 AMOUNT OF BENEFITS SHALL BE EXTENDED OR CONTRACTED ANNUALLY,
30 AUTOMATICALLY BY REGULATIONS PROMULGATED BY THE SECRETARY IN

1 ACCORDANCE WITH THE FOLLOWING PROCEDURE: FOR CALENDAR YEAR ONE
2 THOUSAND NINE HUNDRED SEVENTY-TWO AND FOR ALL SUBSEQUENT
3 CALENDAR YEARS, TO A POINT WHERE THE MAXIMUM WEEKLY BENEFIT RATE
4 EQUALS SIXTY-SIX AND TWO-THIRDS PER CENTUM OF THE AVERAGE WEEKLY
5 WAGE FOR THE TWELVE-MONTH PERIOD ENDING JUNE 30 PRECEDING EACH
6 CALENDAR YEAR. IF THE MAXIMUM WEEKLY BENEFIT RATE IS NOT A
7 MULTIPLE OF ONE DOLLAR (\$1), IT SHALL BE INCREASED BY ONE DOLLAR
8 (\$1) AND THEN ROUNDED TO THE NEXT [HIGHER] LOWER MULTIPLE OF ONE
9 DOLLAR (\$1): PROVIDED, HOWEVER, THAT EFFECTIVE WITH BENEFIT
10 YEARS BEGINNING THE FIRST SUNDAY AT LEAST THIRTY DAYS AFTER THE
11 EFFECTIVE DATE OF THIS AMENDATORY ACT, THE PER CENTUM STATED IN
12 THIS PARAGRAPH FOR ESTABLISHING THE MAXIMUM WEEKLY BENEFIT RATE
13 SHALL BE SIXTY-TWO AND TWO-THIRDS PER CENTUM FOR THE REMAINDER
14 OF CALENDAR YEAR ONE THOUSAND NINE HUNDRED SEVENTY-FOUR, SIXTY-
15 FOUR AND TWO-THIRDS PER CENTUM FOR THE CALENDAR YEAR ONE
16 THOUSAND NINE HUNDRED SEVENTY-FIVE, AND SIXTY-SIX AND TWO-THIRDS
17 PER CENTUM FOR THE CALENDAR YEAR ONE THOUSAND NINE HUNDRED
18 SEVENTY-SIX AND FOR ALL SUBSEQUENT CALENDAR YEARS.

19 THE TABLE SPECIFIED FOR THE DETERMINATION OF RATE AND AMOUNT
20 OF BENEFITS AS SO EXTENDED OR CONTRACTED SHALL BE EFFECTIVE ONLY
21 FOR THOSE CLAIMANTS WHOSE BENEFIT YEARS BEGIN ON OR AFTER THE
22 FIRST DAY OF JANUARY OF SUCH CALENDAR YEAR.

23 FOR THE PURPOSE OF DETERMINING THE MAXIMUM WEEKLY BENEFIT
24 RATE, THE PENNSYLVANIA AVERAGE WEEKLY WAGE IN COVERED EMPLOYMENT
25 SHALL BE COMPUTED ON THE BASIS OF THE TOTAL WAGES REPORTED
26 (IRRESPECTIVE OF THE LIMIT ON THE AMOUNT OF WAGES SUBJECT TO
27 CONTRIBUTIONS) FOR THE TWELVE-MONTH PERIOD ENDING JUNE 30 AND
28 THIS AMOUNT SHALL BE DIVIDED BY THE AVERAGE MONTHLY NUMBER OF
29 COVERED WORKERS (DETERMINED BY DIVIDING THE TOTAL COVERED
30 EMPLOYMENT REPORTED FOR THE SAME FISCAL YEAR BY TWELVE) TO

1 DETERMINE THE AVERAGE ANNUAL WAGE. THE AVERAGE ANNUAL WAGE THUS
2 OBTAINED SHALL BE DIVIDED BY FIFTY-TWO AND THE AVERAGE WEEKLY
3 WAGE THUS DETERMINED ROUNDED TO THE NEAREST CENT.

4 * * *

5 (4) (I) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT,
6 EACH CLAIMANT ELIGIBLE FOR A WEEKLY BENEFIT RATE OF SEVENTY-FIVE
7 DOLLARS (\$75) OR MORE SHALL HAVE HIS WEEKLY COMPENSATION AS
8 DETERMINED BY APPLICATION OF SUBSECTIONS (A) THROUGH (E) REDUCED
9 BY FIVE PER CENTUM (5%)[, OR MORE IF AND WHEN THE PROVISIONS OF
10 SECTION 314(C)(1)(III) APPLY]. IF SUCH REDUCED WEEKLY
11 COMPENSATION IS NOT AN EVEN MULTIPLE OF ONE DOLLAR (\$1), IT
12 SHALL BE ROUNDED TO THE NEXT LOWER MULTIPLE OF ONE DOLLAR (\$1):
13 PROVIDED, THAT NO CLAIMANT WHOSE WEEKLY BENEFIT RATE, DETERMINED
14 IN ACCORDANCE WITH SUBSECTION (A), IS IN EXCESS OF SEVENTY-FOUR
15 DOLLARS (\$74) SHALL HAVE HIS WEEKLY COMPENSATION REDUCED BELOW
16 SEVENTY-FIVE DOLLARS (\$75) EXCEPT THROUGH THE COMBINED
17 APPLICATION OF THIS PARAGRAPH AND SUBSECTION (D). THE BALANCE IN
18 THE CLAIMANT'S COMPENSATION ACCOUNT AS INDICATED IN PART D OR E
19 OF THE TABLE CONTAINED IN SUBSECTION (E)(1) OF THIS SECTION
20 SHALL BE REDUCED BY HIS WEEKLY BENEFIT AMOUNT WITHOUT REGARD TO
21 THE REDUCTION PROVIDED HEREIN. THIS CLAUSE SHALL BE OF NO EFFECT
22 BEGINNING WITH THE COMPENSABLE WEEK WHICH ENDS ON OR AFTER THE
23 FIRST DAY OF JANUARY 1989.

24 (II) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, EACH
25 CLAIMANT SHALL HAVE HIS WEEKLY COMPENSATION AS DETERMINED BY
26 APPLICATIONS OF SUBSECTIONS (A) THROUGH (E) REDUCED BY FIVE PER
27 CENTUM (5%) IF AND WHEN THE PROVISIONS OF SECTION 301.7(C)
28 APPLY, OR BY THE PER CENTUM REDETERMINED UNDER SECTION 301.8, IF
29 AND WHEN APPLICABLE. IF SUCH REDUCED WEEKLY COMPENSATION IS NOT
30 AN EVEN MULTIPLE OF ONE DOLLAR (\$1), IT SHALL BE ROUNDED TO THE

1 NEXT LOWER MULTIPLE OF ONE DOLLAR (\$1): PROVIDED, THAT NO
2 CLAIMANT WHOSE WEEKLY BENEFIT RATE, DETERMINED IN ACCORDANCE
3 WITH SUBSECTION (A), IS IN EXCESS OF THE WEEKLY BENEFIT RATE
4 IMMEDIATELY BELOW THE WEEKLY BENEFIT RATE THAT IS ONE-HALF OF
5 THE MAXIMUM WEEKLY BENEFIT RATE DETERMINED IN CLAUSE (2) OF THIS
6 SUBSECTION SHALL HAVE HIS WEEKLY COMPENSATION REDUCED BELOW ONE-
7 HALF OF THE MAXIMUM WEEKLY BENEFIT RATE EXCEPT THROUGH THE
8 COMBINED APPLICATION OF THIS CLAUSE AND SUBSECTION (D). THE
9 BALANCE IN THE CLAIMANT'S COMPENSATION ACCOUNT AS INDICATED IN
10 PART D OR E OF THE TABLE CONTAINED IN SUBSECTION (E)(1) OF THIS
11 SECTION SHALL BE REDUCED BY HIS WEEKLY BENEFIT AMOUNT WITHOUT
12 REGARD TO THE REDUCTION PROVIDED HEREIN. THIS CLAUSE SHALL BE IN
13 EFFECT AS OF THE FIRST COMPENSABLE WEEK THAT ENDS ON OR AFTER
14 THE FIRST DAY OF JANUARY 1990.

15 (III) FOR PURPOSES OF THIS SUBSECTION ONLY, IF ONE-HALF OF
16 THE MAXIMUM WEEKLY BENEFIT RATE IS NOT A MULTIPLE OF ONE DOLLAR
17 (\$1), SUCH AMOUNT SHALL BE ROUNDED DOWN TO THE NEXT LOWER
18 MULTIPLE OF ONE DOLLAR (\$1) AND THEN APPLIED AS REQUIRED BY THIS
19 SUBSECTION.

20 * * *

21 SECTION 5. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

22 SECTION 601.3. UNEMPLOYMENT COMPENSATION TRIGGER RESERVE
23 ACCOUNT.--(A) THERE IS HEREBY ESTABLISHED WITHIN THE GENERAL
24 FUND OF THE STATE TREASURY A SPECIAL ACCOUNT, WHICH SHALL BE
25 KNOWN AS THE UNEMPLOYMENT COMPENSATION TRIGGER RESERVE ACCOUNT,
26 FOR THE PURPOSE OF SUPPLEMENTING THE UNEMPLOYMENT COMPENSATION
27 FUND ESTABLISHED UNDER SECTION 601. THERE SHALL BE DEPOSITED IN
28 THIS SPECIAL ACCOUNT SUCH MONEYS AS ARE TRANSFERRED FROM THE
29 STATE WORKMEN'S INSURANCE FUND PURSUANT TO SUBSECTION (B). ANY
30 AMOUNTS IN THE UNEMPLOYMENT COMPENSATION TRIGGER RESERVE ACCOUNT

1 SHALL BE MAINTAINED SEPARATE AND APART FROM THE UNEMPLOYMENT
2 COMPENSATION FUND UNLESS AND UNTIL TRANSFERRED TO THE
3 UNEMPLOYMENT COMPENSATION FUND IN ACCORDANCE WITH SECTION
4 301.7(D). ANY INTEREST EARNED ON THE PRINCIPAL OF THE
5 UNEMPLOYMENT COMPENSATION TRIGGER RESERVE ACCOUNT SHALL BE
6 DEPOSITED INTO THE GENERAL FUND. ANY AMOUNTS TRANSFERRED FROM
7 THE UNEMPLOYMENT COMPENSATION TRIGGER RESERVE ACCOUNT TO THE
8 UNEMPLOYMENT COMPENSATION FUND SHALL BECOME AVAILABLE FOR ANY
9 PURPOSE PERMITTED UNDER SECTION 601.

10 (B) FOR THE FISCAL YEAR BEGINNING JULY 1, 1988, THE STATE
11 WORKMEN'S INSURANCE BOARD IS HEREBY AUTHORIZED AND EMPOWERED TO
12 TRANSFER TO THE UNEMPLOYMENT COMPENSATION TRIGGER RESERVE
13 ACCOUNT, MONEYS WHICH WERE RECEIVED BY THE STATE WORKMEN'S
14 INSURANCE FUND IN ANY PRIOR YEAR AS EARNINGS ON INVESTMENTS HELD
15 BY THAT FUND. THE MAXIMUM AMOUNT WHICH MAY BE TRANSFERRED TO THE
16 UNEMPLOYMENT COMPENSATION TRIGGER RESERVE ACCOUNT SHALL BE ONE
17 HUNDRED FIFTY MILLION DOLLARS (\$150,000,000).

18 SECTION 6. SECTION 804(A) OF THE ACT, AMENDED JULY 21, 1983
19 (P.L.68, NO.30), IS AMENDED TO READ:

20 SECTION 804. RECOVERY AND RECOUPMENT OF COMPENSATION.--(A)
21 ANY PERSON WHO BY REASON OF HIS FAULT HAS RECEIVED ANY SUM AS
22 COMPENSATION UNDER THIS ACT TO WHICH HE WAS NOT ENTITLED, SHALL
23 BE LIABLE TO REPAY TO THE UNEMPLOYMENT COMPENSATION FUND TO THE
24 CREDIT OF THE COMPENSATION ACCOUNT A SUM EQUAL TO THE AMOUNT SO
25 RECEIVED BY HIM AND INTEREST AT THE RATE DETERMINED BY THE
26 SECRETARY OF REVENUE AS PROVIDED BY SECTION 806 OF THE ACT OF
27 APRIL 9, 1929 (P.L.343, NO.176), KNOWN AS "THE FISCAL CODE," PER
28 MONTH OR FRACTION OF A MONTH FROM FIFTEEN (15) DAYS AFTER THE
29 NOTICE OF OVERPAYMENT WAS ISSUED UNTIL PAID. SUCH SUM SHALL BE
30 COLLECTIBLE (1) IN THE MANNER PROVIDED IN SECTION 308.1 OR

1 SECTION 309 OF THIS ACT, FOR THE COLLECTION OF PAST DUE
2 CONTRIBUTIONS, OR (2) BY DEDUCTION FROM ANY FUTURE COMPENSATION
3 PAYABLE TO THE CLAIMANT UNDER THIS ACT: PROVIDED, THAT INTEREST
4 ASSESSED UNDER THIS SECTION CANNOT BE RECOUPED BY DEDUCTION FROM
5 ANY FUTURE COMPENSATION PAYABLE TO THE CLAIMANT UNDER THIS ACT:
6 PROVIDED FURTHER, THAT NO ADMINISTRATIVE OR LEGAL PROCEEDINGS
7 FOR THE COLLECTION OF SUCH SUM SHALL BE INSTITUTED AFTER THE
8 EXPIRATION OF SIX YEARS FOLLOWING THE END OF THE BENEFIT YEAR
9 WITH RESPECT TO WHICH SUCH SUM WAS PAID.

10 * * *

11 SECTION 7. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

12 (1) THE AMENDMENTS TO SECTION 404(D) SHALL TAKE EFFECT
13 BEGINNING WITH THE FIRST COMPENSABLE WEEK THAT ENDS ON OR
14 AFTER JANUARY 1, 1989.

15 (2) THE AMENDMENTS TO SECTIONS 301.2, 301.4, 301.5,
16 301.7, 301.8 AND 404(E) SHALL TAKE EFFECT ON THE FIRST DAY OF
17 JANUARY 1989.

18 (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT
19 IMMEDIATELY.