

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**HOUSE BILL**

**No. 1313** Session of  
2005

INTRODUCED BY BOYD, HARRIS, CAPPELLI, GRELL, THOMAS, TURZAI,  
R. MILLER, WILT, CLYMER, HERSHEY, TRUE, FAIRCHILD, DENLINGER,  
CREIGHTON, HICKERNELL, HUTCHINSON, ROHRER AND ARMSTRONG,  
APRIL 11, 2005

REFERRED TO COMMITTEE ON LABOR RELATIONS, APRIL 11, 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 State Unemployment Compensation Advisory Council.

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

19 Section 1. Section 204.1(k) of the act of December 5, 1936  
20 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment  
21 Compensation Law, added July 1, 1985 (P.L.96, No.30), is amended  
22 to read:

23 Section 204.1. State Unemployment Compensation Advisory  
24 Council.--\* \* \*

1 (k) The department shall also prepare and present to the  
2 Governor and the General Assembly, on or before the first day of  
3 March of each year, an evaluation of the financial operations of  
4 the unemployment compensation program, together with its  
5 findings and recommendations for developing and improving  
6 solvency of the fund and adjusting and regulating income and  
7 disbursements in the fields of contributions and benefits. Such  
8 report shall include the presentation of the current economic  
9 trends, statistics and analyses on which the evaluation is  
10 based. This evaluation shall include all of the following:

11 (1) Statistics relating to population, labor force and  
12 covered labor force.

13 (2) Claims data.

14 (3) Payment data.

15 (4) Minimum, maximum, average weekly benefit amount and  
16 minimum earnings requirement.

17 (5) Federal-State extended benefits program.

18 (6) Number of nonmonetary determinations for unemployment  
19 benefits.

20 (7) Experience of reimbursable and contributory employers.

21 (8) Tax rates by industry, taxable payroll, total payroll  
22 and number of employers.

23 (9) Disbursements from the unemployment fund.

24 (10) Income of the unemployment fund.

25 (11) Difference between income and disbursements of the  
26 unemployment fund.

27 (12) Status of the unemployment fund.

28 (13) Experience rating factors of insured employers.

29 (14) Net reserve or deficit of active employer accounts.

30 (15) Reserve ratio contributions received.

1 (16) Benefit ratio contributions received.

2 (17) Number of claimants who, in the most recent full fiscal  
3 year and in the previous year, filed a claim.

4 (18) Average annual claim duration during the past ten  
5 fiscal years.

6 (19) Number of claimants who were:

7 (i) reviewed for failure to be available for work; and

8 (ii) denied further eligibility:

9 (20) Degree to which new hire reports are utilized in  
10 detecting and preventing improper payments.

11 (21) Number of improper payments identified in the previous  
12 fiscal year, including faulty overpayments and nonfault-  
13 recoupable and nonfault-nonrecoupable overpayments.

14 (22) Number of appeals filed each fiscal year during the  
15 past ten fiscal years.

16 (23) Breakdown of how appeals were decided each fiscal year  
17 during the past ten fiscal years.

18 (24) Number of appeals overturned each fiscal year during  
19 the past ten fiscal years.

20 (25) Amount spent by the Commonwealth on employment services  
21 in the previous fiscal year, including Workforce Investment Act  
22 funds and the Trade Readjustment Act/Trade Adjustment Assistance  
23 as in the Trade Act of 1974 (Public Law 93-618, 19 U.S.C. § 2101  
24 et seq.).

25 (26) All of the following:

26 (i) Number of Workforce Investment Act of 1998 (Public Law  
27 105-220, 112 Stat. 936) claimants referred to CareerLink the  
28 previous fiscal year.

29 (ii) Percentages of those referred who ultimately utilized  
30 the CareerLink services and types of services utilized.

1       (27) Number of new hires who were reported in this  
2 Commonwealth in the previous fiscal year.

3       (28) All of the following:

4       (i) Number of available positions posted with the  
5 CareerLink.

6       (ii) Number of positions filled through the CareerLink.

7       (iii) Average time to fill the positions.

8       (29) All of the following:

9       (i) Number of job referrals made by the CareerLink.

10       (ii) Average length of time it took to refer a claimant to a  
11 potential job.

12       (30) Number of employers who came to CareerLink asking for  
13 potential job referrals and interviews with candidates.

14       (31) All of the following:

15       (i) Number of audits of employers completed during the past  
16 ten fiscal years, as a percentage of all employers.

17       (ii) Number of audits during the past ten fiscal years which  
18 found error or intentional misreporting by the employer.

19       (iii) Number of employes found during the past ten fiscal  
20 years to be misclassified in the audits.

21       (iv) Information on audits of specific industries which have  
22 shown a high rate of misclassification or other form of  
23 underreporting.

24       (32) Total amount of outstanding back unemployment  
25 compensation taxes owed to the Commonwealth by employers at the  
26 commencement of fiscal year 2005-2006.

27       (33) Number of claims filed during the past ten fiscal years  
28 in which a field investigation found that an employer failed to  
29 report wages and the amount of benefits paid in the claim.

30       (34) All of the following:

1     (i) Average number of months required to complete a field  
2 investigation into the reporting of wages.

3     (ii) Number and total amount of fraud charges filed against  
4 employers during the past ten fiscal years.

5     (ii) Number of claims during the past ten fiscal years in  
6 which the claimant's primary language is other than English,  
7 broken down by languages and number of claimants.

8     (35) All of the following:

9     (i) Procedures established and used to identify unlawful  
10 business transfers and other unlawful practices which avoid  
11 payment of unemployment insurance contributions.

12     (ii) Number of new accounts established during the past ten  
13 fiscal years and number which were audited to determine whether  
14 accounts were established to lower a tax rate.

15     (36) Number of workers denied benefits during the past ten  
16 fiscal years for:

17     (i) monetary eligibility reasons; and

18     (ii) separation reasons, both voluntary quit and willful  
19 misconduct.

20     (37) Information for the past ten fiscal years indicating  
21 the party (employer, agency or claimant) responsible for  
22 improper denials.

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