

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2577 Session of 2010

INTRODUCED BY PERRY, BOYD, COX, O'NEILL, BAKER, CHRISTIANA, CREIGHTON, CUTLER, EVERETT, FLECK, GINGRICH, GROVE, HARRIS, HESS, KAUFFMAN, M. KELLER, KRIEGER, MAJOR, MOUL, OBERLANDER, PETRI, PICKETT, PYLE, RAPP, ROCK, SAYLOR, STERN, STEVENSON, SWANGER AND TURZAI, JUNE 15, 2010

REFERRED TO COMMITTEE ON LABOR RELATIONS, JUNE 15, 2010

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 definitions and for establishment and maintenance of  
17 employer's reserve accounts; providing for relief from  
18 charges; further providing for qualifications required to  
19 secure compensation, for ineligibility for compensation and  
20 for rate and amount of compensation; providing for effect of  
21 severance pay on benefits; further providing for rules of  
22 procedure; and providing for applicability.

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

25 Section 1. Section 4(g.1) of the act of December 5, 1936  
26 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment

1 Compensation Law, added July 10, 1980 (P.L.521, No.108), is  
2 amended to read:

3 Section 4. Definitions.--The following words and phrases, as  
4 used in this act, shall have the following meanings, unless the  
5 context clearly requires otherwise.

6 \* \* \*

7 (g.1) "Credit week" means any calendar week in an  
8 individual's base year with respect to which he was paid in  
9 employment as defined in this act, remuneration of not less than  
10 [fifty dollars (\$50)] one hundred and twenty-five dollars  
11 (\$125). Only one credit week can be established with respect to  
12 any one calendar week.

13 \* \* \*

14 Section 2. Section 302 of the act, amended or added March  
15 24, 1964 (Sp.Sess., P.L.53, No.1), July 6, 1977 (P.L.41, No.22),  
16 July 21, 1983 (P.L.68, No.30), December 19, 1996 (P.L.1476,  
17 No.189) and December 9, 2002 (P.L.1330, No.156), is amended to  
18 read:

19 Section 302. Establishment and Maintenance of Employer's  
20 Reserve Accounts.--The department shall establish and maintain  
21 for each employer a separate employer's reserve account in the  
22 following manner:

23 (a) [(1) Such account shall be credited with all  
24 contributions paid by such employer for periods subsequent to  
25 June thirtieth, one thousand nine hundred forty-eight. Such  
26 account shall be charged with an amount determined by  
27 multiplying the wages of compensated employes of such employer  
28 for the twelve month period ended June thirtieth, one thousand  
29 nine hundred forty-nine, by the state experience heretofore used  
30 in determining rates of contributions for the year one thousand

1 nine hundred forty-nine. Subsequent to January 1, 1984, such] An  
2 employer's account shall be charged with all compensation,  
3 including dependents' allowances, paid to each individual who  
4 received from such employer wage credits constituting the base  
5 of such compensation, in the proportion that such wage credits  
6 with such employer bears to the total wage credits received by  
7 such individual from all employers[: Provided, That if the  
8 department finds that such individual was separated from his  
9 most recent work for such employer due to being discharged for  
10 willful misconduct connected with such work, or due to his  
11 leaving such work without good cause attributable to his  
12 employment, or due to his being separated from such work under  
13 conditions which would result in disqualification for benefits  
14 under the provisions of section 3 or section 402(e.1),  
15 thereafter no compensation paid to such individual with respect  
16 to any week of unemployment occurring subsequent to such  
17 separation, which is based upon wages paid by such employer with  
18 respect to employment prior to such separation, shall be charged  
19 to such employer's account under the provisions of this  
20 subsection (a); provided, such employer has filed a notice with  
21 the department in accordance with its rules and regulations and  
22 within the time limits prescribed therein; and provided if the  
23 department finds that such individual's unemployment is directly  
24 caused by a major natural disaster declared by the President  
25 pursuant to section 102(1) of the Disaster Relief Act of 1970  
26 (P.L.91-606) and such individual would have been eligible for  
27 disaster unemployment assistance as provided in section 240 of  
28 that act with respect to such unemployment but for the receipt  
29 of unemployment compensation, no compensation paid to such  
30 individual with respect to any week of unemployment occurring

1 due to such natural disaster, to a maximum of the eight weeks  
2 immediately following the President's declaration of emergency,  
3 shall be charged to the employer's account under the provisions  
4 of this subsection.

5 (2) Notwithstanding the provisions of paragraph (1) of this  
6 subsection, if the department finds that an individual  
7 subsequent to separation from his work is engaged in part-time  
8 work for a base year employer, other than a base year employer  
9 from whom he has separated, compensation paid to such individual  
10 with respect to any week of unemployment occurring subsequent to  
11 such separation and while such part-time work continues without  
12 material change, shall not be charged to the account of such  
13 part-time employer; provided, such part-time employer has filed  
14 a notice with the department in accordance with its rules and  
15 regulations and within the time limits prescribed therein.

16 (2.1) Notwithstanding the provisions of paragraph (1) of  
17 this subsection, if the department finds that an individual was  
18 separated from his most recent work for such employer due to a  
19 cessation of business of eighteen months or less caused by a  
20 disaster, compensation paid to such individual with respect to  
21 any week of unemployment occurring subsequent to such separation  
22 shall not be charged to the account of such employer; provided,  
23 such employer has filed a notice with the department in  
24 accordance with its rules and regulations and within the time  
25 limits prescribed therein.

26 (3) The findings and determinations of the department under  
27 this subsection (a) shall be subject to appeal in the manner  
28 provided in this act for appeals from determinations of  
29 compensation: Provided, That where the individual's eligibility  
30 for compensation has been finally determined under the

provisions of Article V of this act, such determination shall not be subject to attack in proceedings under this section.

(4) The reserve account of any employer who pays contributions under this section shall not be charged with respect to benefits paid to any individual whose base period wages include wages for previously uncovered services as defined in section 401(g) to the extent that the unemployment insurance fund is reimbursed for such benefits pursuant to section 121 of Public Law 94-566].

(b) Any employer, at any time, may voluntarily pay into the Unemployment Compensation Fund an amount in excess of the contributions required to be paid under the provisions of this act, and such amount shall be forthwith credited to his reserve account. His rate of contribution shall be computed or recomputed, as the case may be, with such amount included in the calculation. To affect such employer's rate of contribution for any year, such amount shall be paid not later than thirty days following the mailing of notice of his rate of contribution for such year: Provided, That for good cause, such time may be extended by the department: And provided further, That such amount, when paid as aforesaid, shall not be refunded or used as a credit in the payment of contributions in whole or in part. In no event shall any such amount be included in the computation or recomputation for any year unless it is paid within one hundred twenty days after the beginning of such year.

(c) (1) For the purpose of determining any employer's rate of contribution for any year, the phrase "balance in an employer's reserve account" as used in sections 301, 301.1 and 301.2 of this act shall mean the amount ascertained as of the computation date by subtracting the amounts charged to his

1 reserve account from the amounts credited thereto including  
2 voluntary contributions. If, as of the computation date, the  
3 amounts charged to his reserve account exceed the amounts  
4 credited by an amount equivalent to more than twenty per centum  
5 (20%) of his average annual payroll, the employer may elect,  
6 subject to the provisions of section 301.1(f) of this act to  
7 have his reserve account balance adjusted to a negative balance  
8 equal to twenty per centum (20%) of his average annual payroll.  
9 This subsection as amended shall apply to elections made after  
10 December 31, 1986.

11 (2) Notwithstanding the provisions of section 301.1(f) and  
12 paragraph (1) of this subsection, for elections made on or after  
13 January 1, 1984 and before May 1, 1986, if the amounts charged  
14 to the employer's reserve account exceed the amounts credited by  
15 an amount equivalent to more than ten per centum (10%) of his  
16 average annual payroll, the department, after determining his  
17 Reserve Ratio Factor shall, upon the election of the employer,  
18 adjust his reserve account balance to a negative balance equal  
19 to ten per centum (10%) of his average annual payroll. With  
20 respect to future adjustments of negative balance accounts, the  
21 secretary shall, upon the election of the employer, make  
22 adjustments as follows:

23 (i) In relation to adjustments made for the second time  
24 after January 1, 1984 and before May 1, 1986, if the amounts  
25 charged to his reserve account exceed the amounts credited by an  
26 amount equivalent to more than fifteen per centum (15%) of his  
27 average annual payroll, the department shall, upon the election  
28 of the employer, adjust the reserve account balance to a  
29 negative balance equal to fifteen per centum (15%) of his  
30 average annual payroll.

1 (ii) In relation to adjustments made for the third time  
2 after January 1, 1984 and before May 1, 1986, if the amounts  
3 charged to his reserve account exceed the amounts credited by an  
4 amount equivalent to more than twenty per centum (20%) of his  
5 average annual payroll, the department shall, upon the election  
6 of the employer, adjust his reserve account balance to a  
7 negative balance equal to twenty per centum (20%) of his average  
8 annual payroll.

9 (d) The department shall terminate the reserve account of  
10 any employer who has not paid contributions for a period of four  
11 consecutive twelve month periods, ending June thirtieth in any  
12 year.

13 (e) Nothing contained in this act shall be construed to  
14 grant to any employer any claim or right of withdrawal with  
15 respect to any amount allocated to him from, or paid by him  
16 into, the Unemployment Compensation Fund, except as provided in  
17 section three hundred eleven hereof.

18 Section 3. The act is amended by adding a section to read:

19 Section 302.1. Relief from Charges.--Notwithstanding any  
20 other provisions of this act assigning charges for compensation  
21 paid to employes, the department will relieve an employer of  
22 charges for compensation in accordance with this section and  
23 section 213 of this act.

24 (a) Circumstances allowing relief:

25 (1) If an individual was separated from his most recent work  
26 for an employer due to being discharged for willful misconduct  
27 connected with that work, or due to his leaving that work  
28 without good cause attributable to his employment, or due to his  
29 being separated from such work under conditions which would  
30 result in disqualification for benefits under the provisions of

section 3 or section 402(e.1), the employer may be relieved of charges for compensation paid to the individual with respect to any week of unemployment occurring subsequent to such separation. Relief from charges under this paragraph terminates if the employee returns to work for the employer.

(2) If an individual's unemployment is directly caused by a major natural disaster declared by the President of the United States pursuant to section 102(1) of the Disaster Relief Act of 1970 (P.L.91-606) and the individual would have been eligible for disaster unemployment assistance as provided in section 240 of the Disaster Relief Act of 1970 with respect to that unemployment but for the receipt of unemployment compensation, an employer may be relieved of charges for compensation paid to such individual with respect to any week of unemployment occurring due to the natural disaster, to a maximum of the eight weeks immediately following the declaration of emergency by the President of the United States.

(3) If an individual subsequent to separation from his work is engaged in part-time work for a base year employer, other than a base year employer from whom he has separated, the part-time employer may be relieved of charges for compensation paid to the individual with respect to any week of unemployment occurring subsequent to the separation and while such part-time work continues without material change.

(4) If the department finds that an individual was separated from his most recent work for an employer due to a cessation of business of eighteen months or less caused by a disaster, the employer may be relieved of charges for compensation paid to such individual with respect to any week of unemployment occurring subsequent to that separation. Relief from charges



under this paragraph terminates if the employee returns to work for the employer.

(b) Requests for relief from charges:

(1) Except as provided in subsection (c), in order to be granted relief from charges for compensation an employer must file a request with the department in the manner provided, and containing all information required, by the department's regulations.

(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) days after the date of the earliest notice issued by the department under section 501(a) indicating that the claimant is eligible under section 401(a) and relief is granted, relief will begin with the earliest week for which the claimant is eligible for benefits pursuant to the claimant's application for benefits.

(ii) If the request is not filed within the time period provided in subparagraph (i), relief, if granted by the department, will begin with the earliest week ending fifteen (15) or more days subsequent to the date the request is filed.

(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) 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 will begin with the earliest week for which the claimant is eligible for benefits

following the last day worked.

(ii) If the request is not filed within the time period provided in subparagraph (i), relief, if granted by the department, will begin with the earliest week ending fifteen (15) or more days subsequent to the date the request is filed.

(c) Relief from charges without a request:

(1) If a claimant is determined ineligible for benefits under section 3 or section 402(b), (e) or (e.1) pursuant to a notice of determination that has become final, the department will grant relief from charges in accordance with subsection (a)(1) to the employer from whom the claimant was separated, beginning with the earliest week for which the claimant is eligible for benefits following the week or weeks governed by the notice of determination.

(2) If a claimant is determined eligible for benefits under section 402(b) pursuant to a notice of determination that has become final, the department will grant or deny relief from charges in accordance with subsection (a)(1) to the employer from whom the claimant was separated, beginning with the earliest week governed by the notice of determination, in accordance with the following:

(i) The department will grant relief from charges if the claimant left work for the employer without good cause attributable to the claimant's employment.

(ii) The department will deny relief from charges if the claimant left work for the employer with good cause attributable to the claimant's employment.

(3) Relief from charges granted to an employer remains in effect for the purpose of benefits paid to the claimant pursuant to a subsequent application for benefits if the relief has not

1 terminated in accordance with the provisions of this section.

2 (d) Employer information:

3 (1) An employer that is granted relief from charges on the  
4 basis of a claimant's separation from employment shall notify  
5 the department within fifteen (15) days if the claimant returns  
6 to work for the employer. The employer shall include with the  
7 notification the claimant's name and Social Security number, the  
8 employer's name and account number and the date when  
9 reemployment commenced.

10 (2) An employer that is granted relief from charges on the  
11 basis of continuing part-time work shall notify the department  
12 within fifteen (15) days if the employment situation of the  
13 claimant changes. The employer shall include with the  
14 notification the claimant's name and Social Security number and  
15 the employer's name and account number.

16 (e) General provisions:

17 (1) Where the individual's eligibility for compensation has  
18 been finally determined under the provisions of Article V, such  
19 determination shall not be subject to attack in proceedings  
20 under this section.

21 (2) The findings and determinations of the department under  
22 this section shall be subject to appeal in the manner provided  
23 in this act for appeals from determinations of compensation.

24 Section 4. Section 401(b) and (f) of the act, amended July  
25 9, 1976 (P.L.842, No.147) and December 9, 2002 (P.L.1330,  
26 No.156), are amended to read:

27 Section 401. Qualifications Required to Secure  
28 Compensation.--Compensation shall be payable to any employe who  
29 is or becomes unemployed, and who--

30 \* \* \*

1 (b) [Has registered for work at, and thereafter continued to  
2 report to an employment office in accordance with such  
3 regulations as the secretary may prescribe, except that the  
4 secretary may by regulation waive or alter either or both of the  
5 requirements of this clause as to individuals attached to  
6 regular jobs and as to such other types of cases or situations  
7 with respect to which he finds that compliance with such  
8 requirements would be oppressive or would be inconsistent with  
9 the purposes of the act: Provided, however, That no such  
10 regulation shall conflict with section four hundred and one (c)  
11 of this act;] Is making an active search for suitable  
12 employment. For the term "active search" the department shall  
13 require, at minimum, registration for employment search services  
14 offered by Pennsylvania CareerLink system within thirty (30)  
15 days of the initial application for benefits, posting a resume  
16 on the system's database and applying for positions listed on  
17 the system's database which offer employment and wages similar  
18 to those the claimant had prior to his unemployment and which  
19 are with a forty-five (45) minute commuting distance. The  
20 secretary may establish additional criteria to define the term  
21 "active search" through regulation. The Pennsylvania CareerLink  
22 system will provide documentation, as the secretary deems  
23 appropriate, to the Pennsylvania Unemployment Compensation  
24 Service Center system so they can conduct the necessary cross  
25 reference checks;

26 \* \* \*

27 (f) Has earned, subsequent to his separation from work under  
28 circumstances which are disqualifying under the provisions of  
29 subsections 402(b), 402(e), 402(e.1) and 402(h) of this act,  
30 remuneration for services in an amount equal to or in excess of

1 [six (6)] ten (10) times his weekly benefit rate [irrespective  
2 of whether or not such services were] in "employment" as defined  
3 in this act[.] and earned wages for "employment" as defined in  
4 this act, in ten (10) separate "weeks." The provisions of this  
5 subsection shall not apply to a suspension of work by an  
6 individual pursuant to a leave of absence granted by his last  
7 employer, provided such individual has made a reasonable effort  
8 to return to work with such employer upon the expiration of his  
9 leave of absence.

10 \* \* \*

11 Section 5. Section 402(b) and (e) of the act, amended August  
12 24, 1953 (P.L.1397, No.396) and October 22, 1981 (P.L.301,  
13 No.106), are amended to read:

14 Section 402. Ineligibility for Compensation.--An employe  
15 shall be ineligible for compensation for any week--

16 \* \* \*

17 (b) In which his unemployment is due to voluntarily leaving  
18 work without cause of a necessitous and compelling nature  
19 attributable to his employment, irrespective of whether or not  
20 such work is in "employment" as defined in this act: Provided,  
21 That a voluntary leaving work because of a work-related  
22 disability if the employer is able to provide other suitable  
23 work, shall be deemed not a cause of a necessitous and  
24 compelling nature attributable to his employment: And provided  
25 further, That no employe shall be deemed to be ineligible under  
26 this subsection where as a condition of continuing in employment  
27 such employe would be required to join or remain a member of a  
28 company union or to resign from or refrain from joining any bona  
29 fide labor organization, or to accept wages, hours or conditions  
30 of employment not desired by a majority of the employes in the

1 establishment or the occupation, or would be denied the right of  
2 collective bargaining under generally prevailing conditions, and  
3 that in determining whether or not an employe has left his work  
4 voluntarily without cause of a necessitous and compelling nature  
5 attributable to his employment, the department shall give  
6 consideration to the same factors, insofar as they are  
7 applicable, provided, with respect to the determination of  
8 suitable work under section four (t): And provided further, That  
9 the provisions of this subsection shall not apply in the event  
10 of a stoppage of work which exists because of a labor dispute  
11 within the meaning of subsection (d). Provided further, That no  
12 otherwise eligible claimant shall be denied benefits for any  
13 week in which his unemployment is due to exercising the option  
14 of accepting a layoff, from an available position pursuant to a  
15 labor-management contract agreement, or pursuant to an  
16 established employer plan, program or policy: Provided further,  
17 That a claimant shall not be disqualified for voluntarily  
18 leaving work, which is not suitable employment to enter training  
19 approved under section 236(a)(1) of the Trade Act of 1974. For  
20 purposes of this subsection the term "suitable employment" means  
21 with respect to a claimant, work of a substantially equal or  
22 higher skill level than the claimant's past "adversely affected  
23 employment" (as defined in section 247 of the Trade Act of  
24 1974), and wages for such work at not less than eighty per  
25 centum of the worker's "average weekly wage" (as defined in  
26 section 247 of the Trade Act of 1974).

27 \* \* \*

28 (e) In which his unemployment is due to his discharge or  
29 temporary suspension from work for willful misconduct connected  
30 with his work, irrespective of whether or not such work is

1 "employment" as defined in this act[; and]. For purposes of this  
2 subsection, the term "willful misconduct" shall include the  
3 violation of any reasonable workplace rule or work-related  
4 government regulation or law of which the employe was aware;  
5 failure to maintain a valid license or certificate that has been  
6 issued by a Federal or Commonwealth agency or political  
7 subdivision and which is a requirement of employment; the  
8 deliberate damage to property of the employer or another employe  
9 or the theft of an employer's or another employe's property;  
10 reporting to work in possession of or under the influence of  
11 drugs or alcohol; threatening a coworker or supervisor with  
12 physical harm or threatening to harm the interests of the  
13 employer; disregard of supervisor's reasonable directives or  
14 orders and acts of negligence or an act of negligence which  
15 indicates substantial disregard for employer's interests.

16 \* \* \*

17 Section 6. Section 404 introductory paragraph, (a), (c) and  
18 (e) (2), amended or added March 24, 1964 (Sp.Sess., P.L.53,  
19 No.1), January 17, 1968 (P.L.21, No.6), July 10, 1980 (P.L.521,  
20 No.108), July 21, 1983 (P.L.68, No.30), October 19, 1988  
21 (P.L.818, No.109), are amended to read:

22 Section 404. Rate and Amount of Compensation.--Compensation  
23 shall be paid to each eligible employe in accordance with the  
24 following provisions of this section except that compensation  
25 payable with respect to weeks ending in benefit years which  
26 begin prior to the first day of January [1989] 2012 shall be  
27 paid on the basis of the provisions of this section in effect at  
28 the beginning of such benefit years.

29 (a) (1) The employe's weekly benefit rate shall be computed  
30 as (1) the amount appearing in Part B of the Table Specified for

1 the Determination of Rate and Amount of Benefits on the line on  
2 which in Part A there appears the average of the two quarters  
3 during his base year period in which he earned his "highest  
4 quarterly wage," or (2) fifty per centum (50%) of his full-time  
5 weekly wage, whichever is greater, provided the employee's base  
6 year wages are sufficient to qualify for the minimum weekly  
7 benefit rate of seventy dollars (\$70). If the employee's weekly  
8 benefit rate is not a multiple of one dollar (\$1), it shall be  
9 rounded to the next lower multiple of one dollar (\$1).

10 (2) If the base year wages of an employee whose weekly  
11 benefit rate has been determined under clause (2) of paragraph  
12 (1) of this subsection are insufficient to qualify him under  
13 subsection (c) of this section, his weekly benefit rate shall be  
14 redetermined under clause (1) of paragraph (1) of this  
15 subsection.

16 (3) If the base year wages of an employee whose weekly  
17 benefit rate has been determined under clause (1) of paragraph  
18 (1) of this subsection, or redetermined under paragraph (2) of  
19 this subsection, as the case may be, are insufficient to qualify  
20 him under subsection (c) of this section but are sufficient to  
21 qualify him for any one of the next three lower weekly benefit  
22 rates, his weekly benefit rate shall be redetermined at the  
23 highest of such next lower rates.

24 \* \* \*

25 (c) [Any] The total amount of benefits to which an otherwise  
26 eligible employee who has base year wages in an amount equal to,  
27 or in excess, of the amount of qualifying wages appearing in  
28 Part C of the Table Specified for the Determination of Rate and  
29 Amount of Benefits on the line on which in Part B there appears  
30 his weekly benefit rate, as determined under subsection (a) of



1 this section, shall be entitled during his benefit year to the  
2 amount appearing in Part D on said line multiplied by the number  
3 of qualifying credit weeks during his base year, up to a maximum  
4 of twenty-six (26): Provided he had eighteen (18) or more  
5 "credit weeks" during his base year [or Part E provided he had  
6 sixteen (16) or seventeen (17) "credit weeks" during his base  
7 year]. Notwithstanding any other provision of this act, any  
8 employe with less than [sixteen (16)] eighteen (18) "credit  
9 weeks" during the employe's base year shall be ineligible to  
10 receive any amount of compensation.

11 \* \* \*

12 (e) \* \* \*

13 (2) (i) The Table Specified for the Determination of Rate  
14 and Amount of Benefits shall be extended or contracted annually,  
15 automatically by regulations promulgated by the secretary in  
16 accordance with the following procedure: for calendar year one  
17 thousand nine hundred seventy-two and for all subsequent  
18 calendar years, to a point where the maximum weekly benefit rate  
19 [equals] shall equal sixty-six and two-thirds per centum of the  
20 average weekly wage for the [twelve-month] thirty-six-month  
21 period ending June 30 preceding each calendar year. If the  
22 maximum weekly benefit rate is not a multiple of one dollar  
23 (\$1), it shall be [increased by one dollar (\$1) and then]  
24 rounded to the next lower multiple of one dollar (\$1): Provided,  
25 however, That effective with benefit years beginning the first  
26 Sunday at least thirty days after the effective date of this  
27 amendatory act, the per centum stated in this paragraph for  
28 establishing the maximum weekly benefit rate shall be sixty-two  
29 and two-thirds per centum for the remainder of calendar year one  
30 thousand nine hundred seventy-four, sixty-four and two-thirds

1 per centum for the calendar year one thousand nine hundred  
2 seventy-five, and sixty-six and two-thirds per centum for the  
3 calendar year one thousand nine hundred seventy-six and for all  
4 subsequent calendar years.

5 The Table Specified for the Determination of Rate and Amount  
6 of Benefits as so extended or contracted shall be effective only  
7 for those claimants whose benefit years begin on or after the  
8 first day of January of such calendar year.

9 (ii) For the purpose of determining the maximum weekly  
10 benefit rate, the Pennsylvania average weekly wage in covered  
11 employment shall be computed on the basis of the total wages  
12 reported (irrespective of the limit on the amount of wages  
13 subject to contributions) for the [twelve-month] thirty-six-  
14 month period ending June 30 and this amount shall be divided by  
15 the average monthly number of covered workers (determined by  
16 dividing the total covered employment reported for the same  
17 [fiscal year by twelve] thirty-six-month period by thirty-six)  
18 to determine the average annual wage. The average annual wage  
19 thus obtained shall be divided by fifty-two and the average  
20 weekly wage thus determined rounded to the nearest cent. If the  
21 maximum weekly benefit rate as determined under subparagraph (i)  
22 is less than the maximum weekly benefit rate established for  
23 calendar year 2010, the maximum weekly benefit rate will be  
24 frozen until the calendar year in which the new maximum weekly  
25 benefit rate as determined under subparagraph (i) exceeds the  
26 maximum weekly benefit rate for calendar year 2010.

27 \* \* \*

28 Section 7. The act is amended by adding a section to read:

29 Section 404.2. Effect of Severance Pay on Benefits.--(a) An  
30 employee who has been determined to be eligible for benefits and

1 who receives severance pay upon termination from his employer  
2 shall have the benefit year adjusted to start of the date of  
3 expiration of the period when fifty per centum (50%) of  
4 severance pay ends. Severance pay shall be attributed to the  
5 day, days, week or weeks immediately following the employee's  
6 termination.

7 (b) The number of days or weeks to which severance pay is  
8 attributed is determined by dividing the total amount of  
9 severance pay by the regular full-time daily or weekly wage of  
10 the claimant.

11 (c) The amount of severance pay attributed to each day or  
12 week equals the regular full-time daily or weekly wage of the  
13 claimant.

14 (d) When the attribution of severance pay is made on the  
15 basis of the number of days, the pay shall be attributed to the  
16 customary working days in the calendar week.

17 (e) An employee shall not be subject to the requirements of  
18 section 401(b) and (d)(1) during the period the benefit year  
19 starts.

20 (f) For the purposes of this section, the term "severance  
21 pay" shall mean one or more payments made by an employer to an  
22 employee on account of separation from the service of the  
23 employer, regardless of whether the employer is legally bound by  
24 contract, statute or otherwise to make such payments. The term  
25 does not include payments for pension, retirement or accrued  
26 leave or payments of supplemental unemployment benefits.

27 Section 8. Section 505 of the act, amended April 23, 1942  
28 (Sp. Sess., P.L.60, No.23), is amended to read:

29 Section 505. Rules of Procedure.--The manner in which  
30 appeals shall be taken, the reports thereon required from the

1 department, the claimant and employers, and the conduct of  
2 hearings and appeals, shall be in accordance with rules of  
3 procedure prescribed by the board whether or not such rules  
4 conform to common law or statutory rules of evidence and other  
5 technical rules of procedure. Rules established by the board  
6 shall permit either party to a hearing to testify via telephone,  
7 without regard to distance of hearing location from either  
8 party.

9 When the same or substantially similar evidence is relevant  
10 and material to the matter in issue in applications and claims  
11 filed by more than one individual or in multiple applications  
12 and claims filed by a single individual the same time and place  
13 for considering each such application and claim may be fixed,  
14 hearings thereon jointly conducted, a single record of the  
15 proceedings made and evidence introduced with respect to any  
16 application or claim considered as introduced with respect to  
17 all of such applications or claims: Provided, That in the  
18 judgment of the board or referee having jurisdiction of the  
19 proceeding such consideration will not be prejudicial to any  
20 party.

21 Section 9. This act shall apply as follows:

22 (1) The amendment of sections 4(g.1) and 401(f) and (c)  
23 shall apply to initial claims filed on or after January 1,  
24 2012.

25 (2) The amendment of sections 302, 401(b) and 402(b) and  
26 (e) are applicable to initial claims filed on or after July  
27 1, 2011.

28 (3) The addition of section 302.1 shall apply to initial  
29 claims filed on or after July 1, 2011.

30 (4) The addition of section 404.2 shall apply to claims

1 filed on or after January 1, 2012.

2 Section 10. This act shall take effect as follows:

3 (1) This section shall take effect immediately.

4 (2) The amendment of section 404 introductory paragraph  
5 and (a)(1) shall take effect January 1, 2012.

6 (3) The remainder of this act shall take effect in 60  
7 days.