
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 916 Session of
2011

INTRODUCED BY PERRY, AUMENT, BAKER, BLOOM, BOYD, CLYMER, COX,
CREIGHTON, CUTLER, EVANKOVICH, EVERETT, FLECK, GABLER,
GILLEN, GRELL, GROVE, HESS, HICKERNELL, KAUFFMAN, KNOWLES,
METCALFE, MILLER, MOUL, PICKETT, ROCK AND STERN,
MARCH 3, 2011

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, MARCH 3, 2011

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)] sixteen (16) times the minimum hourly wage
11 required by the act of January 17, 1968 (P.L.11, No.5), known as
12 The Minimum Wage Act of 1968. Only one credit week can be
13 established with respect to any one calendar week.

14 * * *

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

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

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

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

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

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

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

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

1 for compensation has been finally determined under the
2 provisions of Article V of this act, such determination shall
3 not be subject to attack in proceedings under this section.

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

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

27 (c) (1) For the purpose of determining any employer's rate
28 of contribution for any year, the phrase "balance in an
29 employer's reserve account" as used in sections 301, 301.1 and
30 301.2 of this act shall mean the amount ascertained as of the

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

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

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

1 average annual payroll.

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

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

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

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

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

25 (a) Circumstances allowing relief:

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

1 disqualification for benefits under the provisions of section 3
2 or section 402(e.1), the employer shall be relieved of charges
3 for compensation paid to the individual with respect to any week
4 of unemployment occurring subsequent to such separation. Relief
5 from charges under this paragraph terminates if the employe
6 returns to work for the employer.

7 (2) If an individual's unemployment is directly caused by a
8 major natural disaster declared by the President of the United
9 States pursuant to section 102(1) of the Disaster Relief Act of
10 1970 (Public Law 91-606, 42 U.S.C. § 4401 et seq.) and the
11 individual would have been eligible for disaster unemployment
12 assistance as provided in section 240 of the Disaster Relief Act
13 of 1970 with respect to that unemployment but for the receipt of
14 unemployment compensation, an employer shall be relieved of
15 charges for compensation paid to such individual with respect to
16 any week of unemployment occurring due to the natural disaster,
17 to a maximum of the eight weeks immediately following the
18 declaration of emergency by the President of the United States.

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

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

1 occurring subsequent to that separation. Relief from charges
2 under this paragraph terminates if the employe returns to work
3 for the employer.

4 (b) Requests for relief from charges:

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

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

14 (i) If the request is filed within thirty (30) days after
15 the date of the earliest notice issued by the department under
16 section 501(a) indicating that the claimant is eligible under
17 section 401(a) and relief is granted, relief will begin with the
18 earliest week for which the claimant is eligible for benefits
19 pursuant to the claimant's application for benefits.

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

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

27 (i) If the request is filed within thirty (30) days after
28 the date of the earliest notice issued by the department
29 indicating that the claimant is claiming benefits subsequent to
30 the separation and relief is granted, relief will begin with the

1 earliest week for which the claimant is eligible for benefits
2 following the last day worked.

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

7 (c) Relief from charges without a request:

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

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

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

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

29 (3) Relief from charges granted to an employer remains in
30 effect for the purpose of benefits paid to the claimant pursuant

1 to a subsequent application for benefits if the relief has not
2 terminated in accordance with the provisions of this section.

3 (d) Employer information:

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

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

17 (e) General provisions:

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

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

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

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

1 * * *

2 (b) [Has registered for work at, and thereafter continued to
3 report to an employment office in accordance with such
4 regulations as the secretary may prescribe, except that the
5 secretary may by regulation waive or alter either or both of the
6 requirements of this clause as to individuals attached to
7 regular jobs and as to such other types of cases or situations
8 with respect to which he finds that compliance with such
9 requirements would be oppressive or would be inconsistent with
10 the purposes of the act: Provided, however, That no such

11 regulation shall conflict with section four hundred and one (c)
12 of this act;] (1) Is making an active search for suitable
13 employment. The requirements for "active search" shall be
14 established by the department, and shall include, at a minimum,
15 all the following:

16 (i) Registration by a claimant for employment search
17 services offered by the Pennsylvania CareerLink system within
18 thirty (30) days after initial application for benefits.

19 (ii) Posting a resume on the system's data base, unless the
20 claimant is seeking work in an employment sector in which
21 resumes are not commonly used.

22 (iii) Applying for positions that offer employment and wages
23 similar to those the claimant had prior to his unemployment and
24 which are within a forty-five (45) minute commuting distance.

25 (2) The PA CareerLink system shall provide documentation, as
26 the secretary deems appropriate, to the Pennsylvania
27 Unemployment Compensation Service Center system so the system
28 can conduct the necessary cross reference checks.

29 (3) For the purposes of paragraph (1), the department may
30 determine that a claimant has made an active search for suitable

1 work if the claimant's efforts include actions comparable to
2 those traditional actions in their trade or occupation by which
3 jobs have been found by others in the community and labor market
4 in which the claimant is seeking employment.

5 (4) The requirements of this subsection do not apply to any
6 week in which the claimant is in training approved under section
7 236(a) (1) of the Trade Act of 1974 (Public Law 93-618, 19 U.S.C.
8 § 2101 et. seq.) or any week in which the claimant is required
9 to participate in reemployment services under section 402(j).

10 (5) The requirements of this subsection shall not apply to a
11 claimant who is laid off for lack of work and advised by the
12 employer of the date on which the claimant will return to work.

13 (6) The department may waive or alter the requirements of
14 this subsection in cases or situations with respect to which the
15 secretary finds that compliance with such requirements would be
16 oppressive or which would be inconsistent with the purposes of
17 the act.

18 * * *

19 (f) Has earned, subsequent to his separation from work under
20 circumstances which are disqualifying under the provisions of
21 subsections 402(b), 402(e), 402(e.1) and 402(h) of this act,
22 remuneration for services in an amount equal to or in excess of
23 [six (6)] ten (10) times his weekly benefit rate [irrespective
24 of whether or not such services were] in "employment" as defined
25 in this act[.] and earned wages for "employment" as defined in
26 this act, in ten (10) separate "weeks." The provisions of this
27 subsection shall not apply to a suspension of work by an
28 individual pursuant to a leave of absence granted by his last
29 employer, provided such individual has made a reasonable effort
30 to return to work with such employer upon the expiration of his

1 leave of absence.

2 * * *

3 Section 5. Section 402(b) and (e) of the act, amended August
4 24, 1953 (P.L.1397, No.396) and October 22, 1981 (P.L.301,
5 No.106), are amended to read:

6 Section 402. Ineligibility for Compensation.--An employe
7 shall be ineligible for compensation for any week--

8 * * *

9 (b) In which his unemployment is due to voluntarily leaving
10 work without cause of a necessitous and compelling nature
11 attributable to his employment, irrespective of whether or not
12 such work is in "employment" as defined in this act: Provided,
13 That a voluntary leaving work because of a work-related
14 disability if the employer is able to provide other suitable
15 work, shall be deemed not a cause of a necessitous and
16 compelling nature attributable to his employment: And provided
17 further, That no employe shall be deemed to be ineligible under
18 this subsection where as a condition of continuing in employment
19 such employe would be required to join or remain a member of a
20 company union or to resign from or refrain from joining any bona
21 fide labor organization, or to accept wages, hours or conditions
22 of employment not desired by a majority of the employes in the
23 establishment or the occupation, or would be denied the right of
24 collective bargaining under generally prevailing conditions, and
25 that in determining whether or not an employe has left his work
26 voluntarily without cause of a necessitous and compelling nature
27 attributable to his employment, the department shall give
28 consideration to the same factors, insofar as they are
29 applicable, provided, with respect to the determination of
30 suitable work under section four (t): And provided further, That

1 the provisions of this subsection shall not apply in the event
2 of a stoppage of work which exists because of a labor dispute
3 within the meaning of subsection (d). Provided further, That no
4 otherwise eligible claimant shall be denied benefits for any
5 week in which his unemployment is due to exercising the option
6 of accepting a layoff, from an available position pursuant to a
7 labor-management contract agreement, or pursuant to an
8 established employer plan, program or policy: Provided further,
9 That a claimant shall not be disqualified for voluntarily
10 leaving work, which is not suitable employment to enter training
11 approved under section 236(a)(1) of the Trade Act of 1974. For
12 purposes of this subsection the term "suitable employment" means
13 with respect to a claimant, work of a substantially equal or
14 higher skill level than the claimant's past "adversely affected
15 employment" (as defined in section 247 of the Trade Act of
16 1974), and wages for such work at not less than eighty per
17 centum of the worker's "average weekly wage" (as defined in
18 section 247 of the Trade Act of 1974).

19 * * *

20 (e) In which his unemployment is due to his discharge or
21 temporary suspension from work for [willful] misconduct
22 connected with his work, irrespective of whether or not such
23 work is "employment" as defined in this act[; and]. For purposes
24 of this subsection, the term "misconduct" shall include the
25 violation of any reasonable workplace rule or work-related
26 government regulation or law of which the employe was aware;
27 failure to maintain a valid license or certificate that has been
28 issued by a Federal or Commonwealth agency or political
29 subdivision and which is a requirement of employment; the
30 deliberate damage to property of the employer or another employe

1 or the theft of an employer's or another employe's property;
2 reporting to work in possession of or under the influence of
3 drugs or alcohol; threatening a coworker or supervisor with
4 physical harm or threatening to harm the interests of the
5 employer; disregard of supervisor's reasonable directives or
6 orders and acts of negligence or an act of negligence which
7 indicates substantial disregard for employer's interests.

8 * * *

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

14 Section 404. Rate and Amount of Compensation.--Compensation
15 shall be paid to each eligible employe in accordance with the
16 following provisions of this section except that compensation
17 payable with respect to weeks ending in benefit years which
18 begin prior to the first day of January [1989] 2012 shall be
19 paid on the basis of the provisions of this section in effect at
20 the beginning of such benefit years.

21 (a) (1) The employe's weekly benefit rate shall be computed
22 as (1) the amount appearing in Part B of the Table Specified for
23 the Determination of Rate and Amount of Benefits on the line on
24 which in Part A there appears the average of the two quarters
25 during his base year period in which he earned his "highest
26 quarterly wage," or (2) fifty per centum (50%) of his full-time
27 weekly wage, whichever is greater, provided the employe's base
28 year wages are sufficient to qualify for the minimum weekly
29 benefit rate of seventy dollars (\$70). If the employe's weekly
30 benefit rate is not a multiple of one dollar (\$1), it shall be

1 rounded to the next lower multiple of one dollar (\$1).

2 (2) If the base year wages of an employe whose weekly
3 benefit rate has been determined under clause (2) of paragraph
4 (1) of this subsection are insufficient to qualify him under
5 subsection (c) of this section, his weekly benefit rate shall be
6 redetermined under clause (1) of paragraph (1) of this
7 subsection.

8 (3) If the base year wages of an employe whose weekly
9 benefit rate has been determined under clause (1) of paragraph
10 (1) of this subsection, or redetermined under paragraph (2) of
11 this subsection, as the case may be, are insufficient to qualify
12 him under subsection (c) of this section but are sufficient to
13 qualify him for any one of the next three lower weekly benefit
14 rates, his weekly benefit rate shall be redetermined at the
15 highest of such next lower rates.

16 * * *

17 (c) [Any] The total amount of benefits to which an otherwise
18 eligible employe who has base year wages in an amount equal to,
19 or in excess, of the amount of qualifying wages appearing in
20 Part C of the Table Specified for the Determination of Rate and
21 Amount of Benefits on the line on which in Part B there appears
22 his weekly benefit rate, as determined under subsection (a) of
23 this section, shall be entitled during his benefit year to the
24 amount appearing in Part D on said line multiplied by the number
25 of qualifying credit weeks during his base year, up to a maximum
26 of twenty-six (26): Provided he had eighteen (18) or more
27 "credit weeks" during his base year [or Part E provided he had
28 sixteen (16) or seventeen (17) "credit weeks" during his base
29 year]. Notwithstanding any other provision of this act, any
30 employe with less than [sixteen (16)] eighteen (18) "credit

1 weeks" during the employe's base year shall be ineligible to
2 receive any amount of compensation.

3 * * *

4 (e) * * *

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

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

1 (ii) For the purpose of determining the maximum weekly
2 benefit rate, the Pennsylvania average weekly wage in covered
3 employment shall be computed on the basis of the total wages
4 reported (irrespective of the limit on the amount of wages
5 subject to contributions) for the [twelve-month] thirty-six-
6 month period ending June 30 and this amount shall be divided by
7 the average monthly number of covered workers (determined by
8 dividing the total covered employment reported for the same
9 [fiscal year by twelve] thirty-six-month period by thirty-six)
10 to determine the average annual wage. The average annual wage
11 thus obtained shall be divided by fifty-two and the average
12 weekly wage thus determined rounded to the nearest cent. If the
13 maximum weekly benefit rate as determined under subparagraph (i)
14 is less than the maximum weekly benefit rate established for
15 calendar year 2011, the maximum weekly benefit rate will be
16 frozen until the calendar year in which the new maximum weekly
17 benefit rate as determined under subparagraph (i) exceeds the
18 maximum weekly benefit rate for calendar year 2011.

19 * * *

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

21 Section 404.2. Effect of Severance Pay on Wages.--(a)
22 Severance pay that is paid to an employe who has been determined
23 to be eligible for benefits shall be treated in the same manner
24 as remuneration received while working is treated under section
25 404(d)(1) of this act.

26 (b) The number of days or weeks to which severance pay is
27 attributed is determined by dividing the total amount of
28 severance pay by the regular full-time daily or weekly wage of
29 the claimant.

30 (c) The amount of severance pay attributed to each day or

1 week equals the regular full-time daily or weekly wage of the
2 claimant.

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

6 (e) For the purposes of this section, the term "severance
7 pay" shall mean one or more payments made by an employer to an
8 employee on account of separation from the service of the
9 employer, regardless of whether the employer is legally bound by
10 contract, statute or otherwise to make such payments. The term
11 does not include payments for pension, retirement or accrued
12 leave or payments of supplemental unemployment benefits.

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

15 Section 505. Rules of Procedure.--The manner in which
16 appeals shall be taken, the reports thereon required from the
17 department, the claimant and employers, and the conduct of
18 hearings and appeals, shall be in accordance with rules of
19 procedure prescribed by the board whether or not such rules
20 conform to common law or statutory rules of evidence and other
21 technical rules of procedure. Rules established by the board
22 shall permit either party to a hearing to testify via telephone,
23 without regard to distance of hearing location from either
24 party.

25 When the same or substantially similar evidence is relevant
26 and material to the matter in issue in applications and claims
27 filed by more than one individual or in multiple applications
28 and claims filed by a single individual the same time and place
29 for considering each such application and claim may be fixed,
30 hearings thereon jointly conducted, a single record of the

1 proceedings made and evidence introduced with respect to any
2 application or claim considered as introduced with respect to
3 all of such applications or claims: Provided, That in the
4 judgment of the board or referee having jurisdiction of the
5 proceeding such consideration will not be prejudicial to any
6 party.

7 Section 9. This act shall apply as follows:

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

10 (2) The amendment of sections 302, 401(b) and 402(b) and
11 (e) are applicable to initial claims filed on or after
12 January 1, 2012.

13 (3) The addition of section 302.1 shall apply to initial
14 claims filed on or after January 1, 2012.

15 (4) The addition of section 404.2 shall apply to claims
16 filed on or after January 1, 2013.

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

18 (1) This section shall take effect immediately.

19 (2) The amendment of section 404 introductory paragraph
20 and (a)(1) shall take effect January 1, 2013.

21 (3) The remainder of this act shall take effect in 60
22 days.