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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 789 Session of  
2011

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INTRODUCED BY FOLMER, WAUGH, YAW, ALLOWAY AND MENSCH,  
MARCH 9, 2011

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REFERRED TO LABOR AND INDUSTRY, MARCH 9, 2011

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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; and further providing for rules of  
22 procedure.

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

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

4 \* \* \*

5 (g.1) "Credit week" means any calendar week in an  
6 individual's base year with respect to which he was paid in  
7 employment as defined in this act, remuneration of not less than  
8 [fifty dollars (\$50)] 16 times the minimum hourly wage required  
9 by the act of January 17, 1968 (P.L.11, No.5), known as The  
10 Minimum Wage Act of 1968. Only one credit week can be  
11 established with respect to any one calendar week.

12 \* \* \*

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

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

22 (a) [(1) Such account shall be credited with all  
23 contributions paid by such employer for periods subsequent to  
24 June thirtieth, one thousand nine hundred forty-eight. Such  
25 account shall be charged with an amount determined by  
26 multiplying the wages of compensated employes of such employer  
27 for the twelve month period ended June thirtieth, one thousand  
28 nine hundred forty-nine, by the state experience heretofore used  
29 in determining rates of contributions for the year one thousand  
30 nine hundred forty-nine. Subsequent to January 1, 1984, such] An

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

1 immediately following the President's declaration of emergency,  
2 shall be charged to the employer's account under the provisions  
3 of this subsection.

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

15 (2.1) Notwithstanding the provisions of paragraph (1) of  
16 this subsection, if the department finds that an individual was  
17 separated from his most recent work for such employer due to a  
18 cessation of business of eighteen months or less caused by a  
19 disaster, compensation paid to such individual with respect to  
20 any week of unemployment occurring subsequent to such separation  
21 shall not be charged to the account of such employer; provided,  
22 such employer has filed a notice with the department in  
23 accordance with its rules and regulations and within the time  
24 limits prescribed therein.

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

1 not be subject to attack in proceedings under this section.

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

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

25 (c) (1) For the purpose of determining any employer's rate  
26 of contribution for any year, the phrase "balance in an  
27 employer's reserve account" as used in sections 301, 301.1 and  
28 301.2 of this act shall mean the amount ascertained as of the  
29 computation date by subtracting the amounts charged to his  
30 reserve account from the amounts credited thereto including

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

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

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

30 (ii) In relation to adjustments made for the third time

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

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

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

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

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

23 (a) Circumstances allowing relief:

24 (1) If an individual was separated from his most recent work  
25 for an employer due to being discharged for misconduct connected  
26 with that work, or due to his leaving that work without good  
27 cause attributable to his employment, or due to his being  
28 separated from such work under conditions which would result in  
29 disqualification for benefits under the provisions of section 3  
30 or section 402(e.1), the employer shall be relieved of charges

1 for compensation paid to the individual with respect to any week  
2 of unemployment occurring subsequent to such separation. Relief  
3 from charges under this paragraph terminates if the employe  
4 returns to work for the employer.

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

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

24 (4) If the department finds that an individual was separated  
25 from his most recent work for an employer due to a cessation of  
26 business of eighteen months or less caused by a disaster, the  
27 employer may be relieved of charges for compensation paid to  
28 such individual with respect to any week of unemployment  
29 occurring subsequent to that separation. Relief from charges  
30 under this paragraph terminates if the employe returns to work



1 for the employer.

2 (b) Requests for relief from charges:

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

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

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

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

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

25 (i) If the request is filed within thirty (30) days after  
26 the date of the earliest notice issued by the department  
27 indicating that the claimant is claiming benefits subsequent to  
28 the separation and relief is granted, relief will begin with the  
29 earliest week for which the claimant is eligible for benefits  
30 following the last day worked.

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

5 (c) Relief from charges without a request:

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

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

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

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

27 (3) Relief from charges granted to an employer remains in  
28 effect for the purpose of benefits paid to the claimant pursuant  
29 to a subsequent application for benefits if the relief has not  
30 terminated in accordance with the provisions of this section.

1     (d) Employer information:

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

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

15     (e) General provisions:

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

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

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

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

29     \* \* \*

30     (b) [Has registered for work at, and thereafter continued to

1 report to an employment office in accordance with such  
2 regulations as the secretary may prescribe, except that the  
3 secretary may by regulation waive or alter either or both of the  
4 requirements of this clause as to individuals attached to  
5 regular jobs and as to such other types of cases or situations  
6 with respect to which he finds that compliance with such  
7 requirements would be oppressive or would be inconsistent with  
8 the purposes of the act: Provided, however, That no such  
9 regulation shall conflict with section four hundred and one (c)  
10 of this act;] Is:

11 (1) Actively engaged in a systematic and sustained effort to  
12 obtain work. An individual shall be treated as actively engaged  
13 in a systematic and sustained effort to obtain work only if the  
14 individual provides tangible evidence to the secretary that the  
15 individual has engaged in such effort in each week for which the  
16 individual claimed unemployment compensation. The requirements  
17 for active search shall be established by the department and  
18 shall include, at a minimum, the following:

19 (i) Registration by a claimant for employment search  
20 services offered by the Pennsylvania CareerLink system within  
21 fourteen days after initial application for benefits.

22 (ii) Posting a resume on the system's database, unless the  
23 claimant is seeking work for an occupation determined by the  
24 secretary to be one for which resumes are not commonly used.

25 (iii) Applying for positions similar to positions previously  
26 held by the claimant that offer wages that are comparable to  
27 wages for such positions in the local labor market and which are  
28 within a forty-five minute commuting distance from the  
29 individual's place of residence.

30 (2) Available for suitable work. For purposes of this

1 paragraph:

2 (i) Except as provided in subparagraph (ii), "suitable work"  
3 means work which is within the individual's capabilities, except  
4 that:

5 (A) If the individual furnishes evidence satisfactory to the  
6 secretary that the individual has been notified by an  
7 individual's base period or most recent separating employer of a  
8 return to work date within forty-five days after the last date  
9 worked, the individual may meet the requirement that he or she  
10 be available for work by checking in with the employer for work  
11 as prescribed by the employer during the forty-five-day period.

12 (B) If the individual's prospects for obtaining work in the  
13 individual's customary occupation within a reasonably short  
14 period are good and the individual is obligated under the terms  
15 of an agreement with an employer or group of employers to be  
16 available for work with that employer or employers, the  
17 secretary may permit the individual to meet availability  
18 requirements for work by complying with the requirements  
19 prescribed under such agreement and submitting supporting  
20 documentation to the secretary.

21 (ii) No individual otherwise qualified to receive  
22 unemployment compensation shall lose the right to compensation  
23 by reason of a refusal to accept new work if:

24 (A) as a condition of being so employed the individual would  
25 be required to join a company union, or to resign from or  
26 refrain from joining any bona fide labor organization;

27 (B) the position offered is vacant due directly to strike,  
28 lockout or other labor dispute; or

29 (C) the wages, hours or other conditions of the work offered  
30 are substantially less favorable to the individual than those

1 prevailing for similar work in the locality.

2 (iii) If the secretary determines that an individual has  
3 failed to be actively engaged in a systematic and sustained  
4 effort to obtain work, failed to be available for suitable work  
5 or refused an offer of suitable work under this subsection, the  
6 secretary shall determine that the individual shall be  
7 ineligible to receive unemployment compensation for any week  
8 beginning with the week following the week in which the failure  
9 occurred and until such individual has been employed during four  
10 weeks which begin after such failure and the total remuneration  
11 earned by the individual for being so employed is not less than  
12 four times the individual's average weekly benefit amount. The  
13 Pennsylvania CareerLink system shall provide documentation, as  
14 the secretary deems appropriate, to the Pennsylvania  
15 Unemployment Compensation Service Center system so the system  
16 can conduct the necessary cross reference checks. The  
17 requirements of this paragraph do not apply to any week in which  
18 the claimant is in training approved under the Trade Act of 1974  
19 (Public Law 93-618, 19 U.S.C. § 2101 et seq.) or any week in  
20 which the claimant is required to participate in reemployment  
21 services under section 402(j).

22 \* \* \*

23 (f) Has earned, subsequent to his separation from work under  
24 circumstances which are disqualifying under the provisions of  
25 subsections 402(b), 402(e), 402(e.1) and 402(h) of this act,  
26 remuneration for services in an amount equal to or in excess of  
27 [six (6)] ten (10) times his weekly benefit rate [irrespective  
28 of whether or not such services were] in "employment" as defined  
29 in this act[.] and earned wages for "employment" as defined in  
30 this act, in ten (10) separate "weeks." The provisions of this

1 subsection shall not apply to a suspension of work by an  
2 individual pursuant to a leave of absence granted by his last  
3 employer, provided such individual has made a reasonable effort  
4 to return to work with such employer upon the expiration of his  
5 leave of absence.

6 \* \* \*

7 Section 5. Section 402(b) and (e) of the act, amended August  
8 24, 1953 (P.L.1397, No.396) and October 22, 1981 (P.L.301,  
9 No.106), are amended to read:

10 Section 402. Ineligibility for Compensation.--An employe  
11 shall be ineligible for compensation for any week--

12 \* \* \*

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

1 attributable to his employment, the department shall give  
2 consideration to the same factors, insofar as they are  
3 applicable, provided, with respect to the determination of  
4 suitable work under section four (t): And provided further, That  
5 the provisions of this subsection shall not apply in the event  
6 of a stoppage of work which exists because of a labor dispute  
7 within the meaning of subsection (d). Provided further, That no  
8 otherwise eligible claimant shall be denied benefits for any  
9 week in which his unemployment is due to exercising the option  
10 of accepting a layoff, from an available position pursuant to a  
11 labor-management contract agreement, or pursuant to an  
12 established employer plan, program or policy: Provided further,  
13 That a claimant shall not be disqualified for voluntarily  
14 leaving work, which is not suitable employment to enter training  
15 approved under section 236(a) (1) of the Trade Act of 1974. For  
16 purposes of this subsection the term "suitable employment" means  
17 with respect to a claimant, work of a substantially equal or  
18 higher skill level than the claimant's past "adversely affected  
19 employment" (as defined in section 247 of the Trade Act of  
20 1974), and wages for such work at not less than eighty per  
21 centum of the worker's "average weekly wage" (as defined in  
22 section 247 of the Trade Act of 1974).

23 \* \* \*

24 (e) In which his unemployment is due to his discharge or  
25 temporary suspension from work for [willful] misconduct  
26 connected with his work, irrespective of whether or not such  
27 work is "employment" as defined in this act[; and]. For purposes  
28 of this subsection, the term "misconduct" shall include the  
29 violation of any reasonable workplace rule or work-related  
30 government regulation or law of which the employe was aware;



1 failure to maintain a valid license or certificate that has been  
2 issued by a Federal or Commonwealth agency or political  
3 subdivision and which is a requirement of employment; the  
4 deliberate damage to property of the employer or another employe  
5 or the theft of an employer's or another employe's property;  
6 reporting to work in possession of or under the influence of  
7 drugs or alcohol; threatening a coworker or supervisor with  
8 physical harm or threatening to harm the interests of the  
9 employer; disregard of supervisor's reasonable directives or  
10 orders and acts of negligence or an act of negligence which  
11 indicates substantial disregard for employer's interests.

12 \* \* \*

13 Section 6. Section 404 introductory paragraph, (c) and (e)  
14 (2), amended July 21, 1983 (P.L.68, No.30) and October 19, 1988  
15 (P.L.818, No.109), are amended to read:

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

23 \* \* \*

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

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

10 \* \* \*

11 (e) \* \* \*

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

1 per centum for the calendar year one thousand nine hundred  
2 seventy-six and for all subsequent calendar years.

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

7 (ii) For the purpose of determining the maximum weekly  
8 benefit rate, the Pennsylvania average weekly wage in covered  
9 employment shall be computed on the basis of the total wages  
10 reported (irrespective of the limit on the amount of wages  
11 subject to contributions) for the twelve-month period ending  
12 June 30 and this amount shall be divided by the average monthly  
13 number of covered workers (determined by dividing the total  
14 covered employment reported for the same fiscal year by twelve)  
15 to determine the average annual wage. The average annual wage  
16 thus obtained shall be divided by fifty-two and the average  
17 weekly wage thus determined rounded to the nearest cent.

18 \* \* \*

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

20 Section 404.2. Effect of Severance Pay on Benefits.--(a) An  
21 employe who has been determined to be eligible for benefits and  
22 who receives severance pay upon termination from his employer  
23 shall have the benefit year adjusted to start of the date of  
24 expiration of the period when fifty per centum (50%) of  
25 severance pay ends. Severance pay shall be attributed to the  
26 day, days, week or weeks immediately following the employe's  
27 termination.

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

1 the claimant.

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

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

8 (e) An employe shall not be subject to the requirements of  
9 section 401(b) and (d)(1) during the period the benefit year  
10 starts.

11 (f) For the purposes of this section, the term "severance  
12 pay" shall mean one or more payments made by an employer to an  
13 employe on account of separation from the service of the  
14 employer, regardless of whether the employer is legally bound by  
15 contract, statute or otherwise to make such payments. The term  
16 does not include payments for pension, retirement or accrued  
17 leave or payments of supplemental unemployment benefits.

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

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

30 When the same or substantially similar evidence is relevant

1 and material to the matter in issue in applications and claims  
2 filed by more than one individual or in multiple applications  
3 and claims filed by a single individual the same time and place  
4 for considering each such application and claim may be fixed,  
5 hearings thereon jointly conducted, a single record of the  
6 proceedings made and evidence introduced with respect to any  
7 application or claim considered as introduced with respect to  
8 all of such applications or claims: Provided, That in the  
9 judgment of the board or referee having jurisdiction of the  
10 proceeding such consideration will not be prejudicial to any  
11 party.

12 Section 9. This act shall apply as follows:

13 (1) The amendment of section 401(b) of the act shall  
14 apply to initial claims filed on or after July 1, 2011.

15 (2) The amendment of sections 4(g.1) and 401(f) of the  
16 act shall apply to initial claims filed on or after January  
17 1, 2012.

18 (3) The amendment of sections 302 and 402(b) and (e) of  
19 the act are applicable to initial claims filed on or after  
20 January 1, 2012.

21 (4) The addition of section 302.1 of the act shall apply  
22 to initial claims filed on or after January 1, 2012.

23 (5) The addition of section 404.2 of the act shall apply  
24 to claims filed on or after January 1, 2013.

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

26 (1) This section shall take effect immediately.

27 (2) The amendment of section 404 introductory paragraph  
28 of the act shall take effect January 1, 2013.

29 (3) The remainder of this act shall take effect in 60  
30 days.