THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1375 Session of 2012

INTRODUCED BY GORDNER, PILEGGI, ERICKSON, BRUBAKER AND BLAKE, JANUARY 13, 2012

REFERRED TO LABOR AND INDUSTRY, JANUARY 13, 2012

AN ACT

Amending the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), entitled "An act establishing a system of 2 unemployment compensation to be administered by the 3 Department of Labor and Industry and its existing and newly 4 created agencies with personnel (with certain exceptions) 5 selected on a civil service basis; requiring employers to keep records and make reports, and certain employers to pay 7 contributions based on payrolls to provide moneys for the 8 payment of compensation to certain unemployed persons; 9 providing procedure and administrative details for the 10 determination, payment and collection of such contributions 11 and the payment of such compensation; providing for 12 cooperation with the Federal Government and its agencies; 13 creating certain special funds in the custody of the State 14 Treasurer; and prescribing penalties," further providing for 15 16 definitions. 17 The General Assembly of the Commonwealth of Pennsylvania 18 hereby enacts as follows: 19 Section 1. Section 401-A(a), (b) and (c) of the act of 20 December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as 21 the Unemployment Compensation Law, amended October 22, 1981 22 (P.L.301, No.106) and June 17, 2011 (P.L.16, No.6), are amended 23 and the section is amended by adding a subsection to read: 24 Section 401-A. Definitions. -- As used in this article:

"Extended benefit period" means a period which

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- 1 (1) Begins with the third week after the week for which
- 2 there is a State "on" indicator.
- 3 (2) Ends with either of the following weeks, whichever
- 4 occurs later:
- 5 (A) the third week after the first week for which there is a
- 6 State "off" indicator; or
- 7 (B) the thirteenth consecutive week of such period:
- 8 Provided, That no extended benefit period may begin by reason
- 9 of
- 10 <u>(i)</u> a State "on" indicator before the fourteenth week
- 11 following the end of a prior extended benefit period which was
- 12 in effect with respect to this State, or
- (ii) a State "on" indicator under subsection (c) (1) later_
- 14 than the twelfth week before the last week to which subsection
- 15 <u>(c.1)(3) applies</u>.
- 16 (b) (1) There is a "State 'on' indicator" for this State
- 17 for a week if the Secretary of Labor and Industry determines in
- 18 accordance with the regulations of the United States Secretary
- 19 of Labor, that for the period consisting of such week and the
- 20 immediately preceding twelve weeks, the rate of insured
- 21 unemployment (not seasonally adjusted) under this act:
- (i) (A) equaled or exceeded one hundred twenty per centum
- 23 of the average of such rates for the corresponding thirteen-week
- 24 period ending in each of the preceding two calendar years, or
- 25 (B) with respect to [compensation for] weeks [of
- 26 unemployment beginning after December 17, 2010, and ending on or
- 27 before December 31, 2011] specified in subsection (c.1)(1),
- 28 equaled or exceeded one hundred twenty per centum (120%) of the
- 29 average of such rates for the corresponding thirteen-week period
- 30 ending in each of the preceding three calendar years, and

- 1 (ii) equaled or exceeded five per centum: Provided, That
- 2 with respect to benefits for weeks of unemployment beginning
- 3 with the passage of this amendment but no earlier than April 3,
- 4 1977, the determination of whether there has been a State "on"
- 5 or "off" indicator beginning or ending any extended benefit
- 6 period shall be made under this paragraph as if (A) this
- 7 paragraph did not contain subparagraph (i) thereof, and (B) the
- 8 per centum rate indicated in this paragraph were six, except
- 9 that, notwithstanding any such provision of this paragraph, any
- 10 week for which there would otherwise be a State "on" indicator
- 11 shall continue to be such a week and shall not be determined to
- 12 be a week for which there is a State "off" indicator.
- 13 (2) There is a "State 'off' indicator" for this State for a
- 14 week if the Secretary of Labor and Industry determines in
- 15 accordance with the regulations of the United States Secretary
- 16 of Labor, that for the period consisting of such week and the
- 17 immediately preceding twelve weeks, the rate of insured
- 18 unemployment (not seasonally adjusted) under this act:
- (i) was less than one hundred twenty per centum of the
- 20 average of such rates for the corresponding thirteen-week period
- 21 ending in each of the preceding two calendar years, if paragraph
- 22 (1)(i)(A) applies or, the preceding three calendar years, if
- 23 paragraph (1)(i)(B) applies, or
- 24 (ii) was less than five per centum.
- 25 (3) Notwithstanding the provisions of this subsection, any
- 26 week for which there would otherwise be a State "on" indicator
- 27 shall continue to be such a week and shall not be determined to
- 28 be a week for which there is a State "off" indicator.
- 29 (c) (1) There is a "State 'on' indicator" for this State
- 30 for a week specified in subsection (c.1)(2) if:

- 1 (i) the average rate of total unemployment in this State,
- 2 seasonally adjusted, for the period consisting of the most
- 3 recent three months for which data for all states are published
- 4 before the close of such week equals or exceeds six and one-half
- 5 per centum; and
- 6 (ii) (A) the average rate of total unemployment in this
- 7 State, seasonally adjusted, for the three-month period referred
- 8 to in subparagraph (i) equals or exceeds one hundred ten per
- 9 centum of such average rate for either, or both, of the
- 10 corresponding three-month periods ending in the two preceding
- 11 calendar years, or
- 12 (B) with respect to [compensation for] weeks [of
- 13 unemployment beginning after December 17, 2010, and ending on or
- 14 before December 31, 2011] specified in subsection (c.1)(1), the
- 15 average rate of total unemployment in this State, seasonally
- 16 adjusted, for the three-month period referred to in subparagraph
- 17 (i) equals or exceeds one hundred ten per centum (110%) of such
- 18 average rate for any, or all, of the corresponding three-month
- 19 periods ending in the three preceding calendar years.
- 20 (2) There is a State "off" indicator for this State for a
- 21 week if the requirements of paragraph (1)(i) or (ii) are not
- 22 satisfied.
- [(3) This subsection shall be applicable only with respect
- 24 to weeks of unemployment for which one hundred per centum
- 25 Federal sharing of extended benefits is available under section
- 26 2005(a) of the American Recovery and Reinvestment Act of 2009
- 27 (Public Law 111-5, 123 Stat. 115), without regard to the
- 28 extension of Federal sharing for certain claims as provided
- 29 under section 2005(c) of the American Recovery and Reinvestment
- 30 Act of 2009, or under a subsequently enacted provision of

- 1 Federal law.]
- 2 (4) Notwithstanding the provisions of this subsection, any
- 3 week for which there would otherwise be a State "on" indicator
- 4 shall continue to be such a week and shall not be determined to
- 5 be a week for which there is a State "off" indicator.
- 6 (5) For purposes of this subsection, determinations of the
- 7 rate of total unemployment for any period, and of any seasonal
- 8 adjustment, shall be made by the United States Secretary of
- 9 Labor.
- 10 (c.1) (1) Subsections (b) (1) (i) (B) and (c) (1) (ii) (B) apply
- 11 to weeks that meet both of the following criteria:
- 12 <u>(i) The week is a week for which the provisions of those</u>
- 13 <u>subsections are authorized by Federal law.</u>
- 14 (ii) The week ends not later than April 30, 2012, and not
- 15 less than twenty-eight (28) days before the last day of the last
- 16 week to which paragraph (3) applies.
- 17 (2) Except as provided in paragraph (1), subsection (c)(1)
- 18 applies to weeks that meet both of the following criteria:
- 19 (i) The week ends not more than twenty-one (21) days before
- 20 the last day of the first week to which paragraph (3) applies.
- 21 (ii) The week ends not later than April 30, 2012, and not
- 22 <u>less than twenty-eight (28) days before the last day of the last</u>
- 23 week to which paragraph (3) applies.
- 24 (3) This paragraph applies to weeks of unemployment for
- 25 which one hundred per centum (100%) Federal sharing of extended
- 26 benefits is available under section 2005(a) of the American
- 27 Recovery and Reinvestment Act of 2009 (Public Law 111-5, 123
- 28 Stat. 115), without regard to the extension of Federal sharing
- 29 for certain claims as provided under section 2005(c) of the
- 30 American Recovery and Reinvestment Act of 2009, or under a

1 <u>subsequently enacted provision of Federal law.</u>

- 2 * * *
- 3 Section 2. The amendment or addition of section 401-A(a),
- 4 (b), (c) and (c.1) shall apply retroactively to December 31,
- 5 2011.
- 6 Section 3. This act shall take effect immediately.