

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 763 Session of 2013

INTRODUCED BY EVANKOVICH, MICOZZIE, STEPHENS, DUNBAR, BROOKS, SONNEY, MACKENZIE, O'NEILL, OBERLANDER, BAKER, METCALFE, CAUSER, MARSHALL, F. KELLER, M. K. KELLER, MOUL, CUTLER, BLOOM, MILLARD, SAYLOR, AUMENT, HESS, TALLMAN, PICKETT, V. BROWN, EMRICK, REED, HALUSKA, TRUITT, DAVIS, C. HARRIS, KAUFFMAN, KNOWLES, SIMMONS, SWANGER, CLYMER, HENNESSEY, GINGRICH, MAJOR, GABLER, HEFFLEY, HICKERNELL, BENNINGHOFF, LAWRENCE, ROCK, ROSS, GROVE, WATSON, FLECK, MARSICO, GRELL, GILLEN, QUINN, MURT AND STEVENSON, FEBRUARY 25, 2013

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, FEBRUARY 25, 2013

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 pay
 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," providing for a
 16 program to employ unemployed workers by phasing out
 17 unemployment compensation gradually after employment.

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

20 Section 1. The act of December 5, 1936 (2nd Sp.Sess., 1937
 21 P.L.2897, No.1), known as the Unemployment Compensation Law, is
 22 amended by adding an article to read:

1 ARTICLE IV-B

2 RETURN TO WORK PROGRAM

3 Section 401-B. Employment of claimants.

4 A program is established to permit certain claimants who are
5 currently receiving compensation to receive compensation on a
6 gradually reduced scale after being hired by an employer
7 participating in the program. The program shall be administered
8 by the department to provide a good faith incentive for
9 employers to hire claimants into gainful employment and for
10 claimants to return to work.

11 Section 402-B. Eligible participants.

12 A claimant who has registered for reemployment services with
13 the CareerLink system and who is eligible for at least ten weeks
14 of compensation shall be eligible to participate in the program.

15 Section 403-B. Employment.

16 (a) Advertising.--The program shall only involve the hiring
17 of a claimant for positions that have been advertised through
18 CareerLink and other means for at least 30 days.

19 (b) Hiring.--An employer participating in the program may
20 offer a claimant currently receiving compensation full-time
21 employment in an eligible position which has been advertised
22 pursuant to this section.

23 Section 404-B. Rate of wages.

24 (a) Standard for wages and compensation.--

25 (1) An employer participating in the program shall enter
26 into a written agreement with the department agreeing to pay
27 a claimant under the program wages at a rate equal to or
28 greater than that which is required under the act of January
29 17, 1968 (P.L.11, No.5), known as The Minimum Wage Act of
30 1968.

1 (2) The sum of wages plus compensation paid to the
2 claimant shall not be less than the advertised rate of the
3 position or the rate that would be paid to an individual in
4 that position not participating in the program.

5 (b) Earnings limitation.--The limitations of section 404(d)
6 (1)(i) shall not apply to employment under the program.

7 Section 405-B. Gradual phaseout of compensation.

8 (a) Duty of department.--Under the program, a claimant, once
9 employed, shall continue to receive weekly compensation on a
10 gradually reduced scale, receiving 80% of weekly compensation
11 for the first week of employment and 10% of weekly compensation
12 for the last week of eligibility. Reduced weekly compensation
13 shall be based on the number of weeks the claimant is eligible
14 to receive compensation, for a maximum of 17 weeks.

15 (b) Duty of employer.--An employer participating in the
16 program shall enter into a written agreement with the department
17 agreeing to increase the claimant's weekly wage as compensation
18 decreases in order to maintain the claimant's compensation plus
19 wages at the same level as described in section 404-B(a).

20 Section 406-B. Penalties.

21 (a) Employer default.--An employer participating in the
22 program who terminates a claimant for a reason other than
23 willful misconduct shall reimburse the Unemployment Compensation
24 Trust Fund for the compensation the recipient received while
25 employed by the employer, unless the termination occurred within
26 the first two weeks of employment.

27 (b) Claimant default.--A claimant who voluntarily leaves
28 work during the program without a cause of necessitous and
29 compelling nature or who is terminated from such employment
30 during the program for willful misconduct shall not be eligible

1 for further compensation.

2 Section 407-B. Employment limitations.

3 (a) Seasonal employment.--Eligible positions under the
4 program shall not include seasonal employment positions.

5 (b) Termination of existing employees.--An employer
6 participating in the program may not terminate or reduce the
7 working hours of existing employees to hire a claimant
8 participating in the program.

9 Section 408-B. Regulations.

10 The department may promulgate regulations to carry out the
11 provisions of this act.

12 Section 2. Regulations inconsistent with the addition of
13 Article IV-B of the act are abrogated.

14 Section 3. This act shall take effect in nine months.