

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1477 Session of 2015

INTRODUCED BY DiGIROLAMO, GAINNEY, D. MILLER, WHEELAND, KINSEY, ROZZI, DAVIS, LONGIETTI, DRISCOLL, BARRAR, D. COSTA, SCHLOSSBERG, GERGELY, FARRY, HARHAI, HANNA, DERMODY, McNEILL, HARKINS, DeLUCA AND CARROLL, AUGUST 10, 2015

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, AUGUST 10, 2015

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," in preliminary  
 16 provisions, further providing for the definitions of "base  
 17 year," "credit week" and "employer"; in contributions by  
 18 employers and employees, providing for supplemental  
 19 contributions by employees and further providing for  
 20 reciprocal agreements; and, in compensation, further  
 21 providing or qualifications required to secure compensation  
 22 and for rate and amount of compensation.

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

25 Section 1. Section 4(a), (g.1) and (j)(2.1) of the act of  
 26 December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as  
 27 the Unemployment Compensation Law, amended July 10, 1980

1 (P.L.521, No.108), June 15, 2005 (P.L.8, No.5) and June 17, 2011  
2 (P.L.16, No.6), are 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 (a) "Base year" means [the first] four of the last [five  
7 completed] six calendar quarters immediately preceding the first  
8 day of an individual's benefit year.

9 \* \* \*

10 (g.1) "Credit week" means any calendar week in an  
11 individual's base year with respect to which he was paid in  
12 employment as defined in this act, remuneration of not less  
13 than[:

14 (1) One] one hundred dollars (\$100). [This paragraph shall  
15 expire December 31, 2014.

16 (2) Sixteen (16) times the minimum hourly wage required by  
17 the act of January 17, 1968 (P.L.11, No.5), known as "The  
18 Minimum Wage Act of 1968." This paragraph shall take effect  
19 January 1, 2015.]

20 Only one credit week can be established with respect to any one  
21 calendar week with respect to work in the employ of any one  
22 employer.

23 \* \* \*

24 (j) \* \* \*

25 (2.1) An individual or entity that transfers or otherwise  
26 utilizes the services of some or all of its work force to the  
27 payroll of another individual or entity, directly or indirectly,  
28 as part of or resulting in an arrangement whereby the individual  
29 or entity shares employer functions with respect to some or all  
30 of its work force with the other individual or entity shall be

1 the employer of the employe or employes covered by the  
2 arrangement with the other individual or entity. This paragraph  
3 shall include, without limitation, an arrangement known as a  
4 professional employer arrangement or employe leasing  
5 arrangement. This paragraph does not include a temporary help  
6 arrangement in which an individual or entity utilizes one or  
7 more workers supplied by another individual or entity to  
8 supplement its work force in special, temporary work situations  
9 such as absences, skill shortages, seasonal work loads and  
10 special assignments.

11 \* \* \*

12 Section 2. The act is amended by adding a section to read:

13 Section 301.10. Supplemental Contributions by Employes.--(a)  
14 Notwithstanding any other provision of this act, each employe  
15 shall pay supplemental contributions at a rate of one cent  
16  (\$.01) per hour worked and compensated for all employment  
17  without regard to the limitation specified in section 4(x)(1).

18 (b) Each employer subject to this act shall be responsible  
19  for withholding and shall withhold, in trust, such supplemental  
20  contributions from the wages of its employes at the time such  
21  wages are paid and shall report and transmit such deductions to  
22  the department for deposit into the Unemployment Compensation  
23  Trust Fund for the sole and exclusive purpose of the payment of  
24  benefits to eligible claimants pursuant to this act and in  
25  accordance with rules and procedures established by the  
26  department.

27 (c) Any employer who is an individual, or any officer or  
28  agent of any employer, who violates the trust provision of this  
29  section or who fails to withhold, hold in trust or fails to  
30  transmit to the department all supplemental contributions

1 withheld from the wages or earnings of employes in accordance  
2 with the rules and procedures established by the department  
3 shall be subject to the provisions of sections 301(a)(2), 308,  
4 308.1, 308.2, 308.3 and 309.

5 (d) This section shall not be deemed to affect or impair the  
6 operation of any State statute, ordinance or resolution of a  
7 political subdivision that levies or collects any wage tax or  
8 similar tax. Supplemental contributions made pursuant to this  
9 section shall not limit, restrict, reduce or otherwise affect  
10 any tax on wages or similar tax or any funding requirements  
11 provided for under any other section of this act.

12 Section 3. Section 312 of the act is amended by adding a  
13 subsection to read:

14 Section 312. Reciprocal Agreements.--The department is  
15 hereby authorized to enter into reciprocal arrangements with  
16 appropriate and duly authorized agencies of other states or of  
17 the Federal Government, or both, whereby--

18 \* \* \*

19 (a.1) A claimant who is otherwise eligible for benefits  
20 under this act, and who is not domiciled in this Commonwealth,  
21 shall be eligible for benefits at either the claimant's state of  
22 domicile or in this Commonwealth, whichever rate is lower.

23 \* \* \*

24 Section 4. Section 401 introductory paragraph, (a) and (f)  
25 of the act, amended September 29, 1951 (P.L.1580, No.408), June  
26 12, 2012 (P.L.577, No.60) and October 23, 2013 (P.L.637, No.75),  
27 are amended to read:

28 Section 401. Qualifications Required to Secure  
29 Compensation.--Compensation shall be payable during the period  
30 of an eligible claimant's benefit year in an amount of not less

1 than twenty-six (26) times the claimant's determined or  
2 redetermined weekly benefit amount to any employe who is or  
3 becomes unemployed, and who--

4 (a) [Satisfies both of the following requirements:

5 (1)] Has, within his base year, been paid wages for  
6 employment as required by section 404(c) of this act.

7 (2) Except as provided in section 404(a) (3), not less than  
8 [forty-nine and one-half per centum (49.5%)] twenty-eight per  
9 centum (28%) of the employe's total base year wages have been  
10 paid in one or more quarters, other than the highest quarter in  
11 such employe's base year.

12 \* \* \*

13 (f) Has earned, subsequent to his separation from work under  
14 circumstances which are otherwise disqualifying under the  
15 provisions of subsections 402(b), 402(e), 402(e.1), 402(h) and  
16 402(k) of this act, remuneration for services in an amount equal  
17 to or in excess of six (6) times his determined or redetermined  
18 weekly benefit rate, irrespective of whether such services were  
19 in "employment" as defined in this act. The provisions of this  
20 subsection shall not apply to a suspension of work by an  
21 individual pursuant to a leave of absence [granted by his] from  
22 employment with his or her last employer, provided such  
23 individual has made a reasonable effort to return to work with  
24 such employer upon the expiration of his or her leave of  
25 absence.

26 \* \* \*

27 Section 5. Section 404(a) (3) of the act, amended June 12,  
28 2012 (P.L.577, No.60), is amended to read:

29 Section 404. Rate and Amount of Compensation.--Compensation  
30 shall be paid to each eligible employe in accordance with the

1 following provisions of this section except that compensation  
2 payable with respect to weeks ending in benefit years which  
3 begin prior to the first day of January 1989 shall be paid on  
4 the basis of the provisions of this section in effect at the  
5 beginning of such benefit years.

6 (a) \* \* \*

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

18 \* \* \*

19 Section 6. This act shall take effect in 30 days.