THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1857 Session of 2015

INTRODUCED BY DERMODY, PETRARCA, THOMAS, J. HARRIS, READSHAW, V. BROWN, CALTAGIRONE, FREEMAN, GERGELY, SCHREIBER, COHEN, YOUNGBLOOD, ROZZI, McNEILL, MURT, SCHWEYER, DRISCOLL, O'BRIEN, NEILSON, MAHONEY, GAINEY, CONKLIN, DAVIS, D. COSTA, KINSEY, SCHLOSSBERG, PYLE, BULLOCK, D. MILLER, GIBBONS AND MARSHALL, FEBRUARY 18, 2016

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, FEBRUARY 18, 2016

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," in compensation, 15 providing for temporary lockout benefits and further 16 providing for rate and amount of compensation. 17 18 The General Assembly of the Commonwealth of Pennsylvania 19 hereby enacts as follows: 2.0 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 a section to read: 23 Section 402.7. Temporary Lockout Benefits.--(a) An

- 1 individual shall be eliqible for temporary lockout benefits for
- 2 <u>a week if any of the following apply:</u>
- 3 (1) If the week is within the individual's benefit year:
- 4 (i) prior to such week, the individual received all of the
- 5 compensation to which he was entitled under section 404(c)(1);
- 6 <u>and</u>
- 7 (ii) the individual would be eligible for compensation if he
- 8 had not received all of the compensation to which he was
- 9 <u>entitled under section 404(c)(1).</u>
- 10 (2) If the week is beyond the end of the individual's most
- 11 <u>recent benefit year:</u>
- 12 (i) the individual is not eligible to establish a new
- 13 benefit year under section 404(c) or under sections 401(c) and
- $14 \quad 4(w)(2); \text{ and}$
- 15 (ii) the individual would be eligible for compensation if he
- 16 was eligible to establish a new benefit year.
- 17 (3) The individual is unemployed due to a stoppage of work
- 18 within the meaning of section 402(d).
- 19 (4) The department has issued a determination to the
- 20 individual under section 402(d) and either of the following
- 21 apply:
- 22 (i) the department's determination rules that the individual
- 23 is not disqualified under section 402(d); or
- 24 (ii) if the department's determination is appealed, a
- 25 decision on appeal rules that the individual is not disqualified
- 26 under section 402(d).
- 27 <u>(5) The week is not a week in an extended benefit period</u>
- 28 under Article IV-A and the individual is not eligible for
- 29 compensation for the week under an unemployment compensation
- 30 statute of the Federal Government or another state.

- 1 (b) An individual shall file claims for compensation under
- 2 this section within the time prescribed by this act and the
- 3 regulations of the department, or within 60 days after the
- 4 <u>effective date of this section</u>, <u>whichever is later</u>.
- 5 Section 2. Section 404(c) of the act, amended June 12, 2012
- 6 (P.L.577, No.60), is amended to read:
- 7 Section 404. Rate and Amount of Compensation. -- Compensation
- 8 shall be paid to each eligible employe in accordance with the
- 9 following provisions of this section except that compensation
- 10 payable with respect to weeks ending in benefit years which
- 11 begin prior to the first day of January 1989 shall be paid on
- 12 the basis of the provisions of this section in effect at the
- 13 beginning of such benefit years.
- 14 * * *
- 15 (c) The following shall apply:
- 16 <u>(1)</u> If an otherwise eligible employe has base year wages in
- 17 an amount equal to or in excess of the amount of qualifying
- 18 wages appearing in Part C of the Table Specified for the
- 19 Determination of Rate and Amount of Benefits on the line on
- 20 which in Part B there appears his weekly benefit rate, as
- 21 determined under subsection (a) of this section, and had
- 22 eighteen (18) or more credit weeks during his base year, he
- 23 shall be entitled [during his benefit year] to the <u>following:</u>
- 24 (i) During his benefit year, the amount appearing in Part B
- 25 on said line multiplied by the number of credit weeks during his
- 26 base year, up to a maximum of twenty-six (26).
- 27 <u>(ii) For purposes of weeks for which he is eligible for</u>
- 28 compensation under section 402.7, the amount appearing in Part B
- 29 on said line multiplied by the number of credit weeks during his
- 30 base year, up to a maximum of twenty-six (26).

- 1 (2) Notwithstanding any other provision of this act, any
- 2 employe with less than eighteen (18) credit weeks during the
- 3 employe's base year shall be ineligible to receive any amount of
- 4 compensation.
- 5 Section 3. If the United States Department of Labor
- 6 determines that this act causes the Commonwealth to be out of
- 7 conformity or compliance with the Federal Unemployment Tax Act
- 8 or the Social Security Act, the Department of Labor and Industry
- 9 may permanently suspend the operation of this act.
- 10 Section 4. The following shall apply:
- 11 (1) Except as otherwise provided under paragraph (2),
- the amendment or addition of sections 402.7 and 404 of the
- act shall apply to weeks that begin on or after the effective
- 14 date of this act.
- 15 (2) If an individual is unemployed due to a stoppage of
- 16 work under section 402(d) of the act on the effective date of
- 17 this act, the amendment or addition of sections 402.7 and 404
- of the act shall apply retroactively to weeks that begin
- 19 before the effective date of this act during which the
- individual is unemployed due to the same stoppage of work.
- 21 Section 5. This act shall take effect immediately.