
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1537 Session of
2019

INTRODUCED BY HARKINS, COX, SCHLOSSBERG, BIZZARRO, GROVE,
MILLARD, HILL-EVANS, MARKOSEK, DeLUCA, FREEMAN AND GALLOWAY,
MAY 30, 2019

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, MAY 30, 2019

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 contributions by
16 employers and employees, further providing for contributions
17 by employees.

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

20 Section 1. Section 301.4(h) (1), (2) and (3) of the act of
21 December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as
22 the Unemployment Compensation Law, are amended and the
23 subsection is amended by adding a clause to read:

24 Section 301.4. Contributions by Employes.--* * *

25 (h) In addition to the amounts allowed under subsection (e),

1 an amount determined by the secretary, with the approval of the
2 Governor, shall be deposited into the Service and Infrastructure
3 Improvement Fund for costs related to the procurement and
4 implementation of technological upgrades to the delivery system
5 for unemployment compensation benefits, consistent with costs
6 reported to the General Assembly under section 301.9(i)(3). The
7 following shall apply:

8 (1) For [costs incurred in] calendar year 2017, the amount
9 determined under this subsection may not exceed five million
10 dollars (\$5,000,000). For [costs incurred in] calendar year
11 2018, the amount determined under this subsection may not exceed
12 seven million two hundred thousand dollars (\$7,200,000). [For
13 costs incurred in calendar year 2019, the amount determined
14 under this subsection may not exceed twelve million one hundred
15 thousand dollars (\$12,100,000). For costs incurred in calendar
16 year 2020, the amount determined under this subsection may not
17 exceed five million nine hundred thousand dollars (\$5,900,000).]
18 For calendar years 2019 and 2020, the combined total amount
19 determined under this subsection for both years may not exceed
20 eighteen million dollars (\$18,000,000).

21 (2) [Beginning January 1, 2018, the department may deposit
22 into the Service and Infrastructure Improvement Fund an amount
23 authorized by this subsection for actual costs incurred during
24 calendar year 2017. Each quarter thereafter, the department may
25 deposit an amount equal to actual costs incurred in the prior
26 quarter, subject to the annual limits in clause (1).] Subject to
27 the limitation under clause (1), the secretary may deposit funds
28 into the Service and Infrastructure Improvement Fund in
29 accordance with the following:

30 (i) Within thirty (30) days after the effective date of this

1 subclause, an amount authorized by this subsection for actual
2 costs incurred prior to the effective date of this subclause,
3 for which deposits had not been made, including the amount of
4 funds withheld to ensure the performance of the contractor
5 responsible for the implementation of the technological
6 upgrades.

7 (ii) Each quarter after the period under subclause (i), an
8 amount authorized by this subsection for actual costs incurred
9 in the prior quarter, including the amount of funds withheld to
10 ensure the performance of the contractor responsible for the
11 implementation of the technological upgrades.

12 (iii) No later than December 31, 2020, an amount authorized
13 by this subsection for future costs that the department
14 anticipates it will incur for implementation of the
15 technological upgrades to the delivery system.

16 (2.1) Funds authorized by this subsection shall only be
17 disbursed to the contractor when the department determines that
18 the appropriate contract benchmarks have been met.

19 (3) Prior to each deposit of funds under this subsection the
20 secretary shall certify to the Governor [that]:

21 (i) that the progress of the implementation and deployment
22 of technological upgrades to the delivery system for
23 unemployment compensation benefits is consistent with the
24 progress benchmarks provided in each relevant contract;

25 (ii) that the total cost of the technological upgrades will
26 not exceed the total amount of contract costs reported to the
27 General Assembly under section 301.9(i)(3); [and]

28 (iii) that the Benefit Modernization Advisory Committee
29 established under clause (6) has been regularly consulted with
30 regard to the implementation and deployment of the technological

1 upgrades[.]; and

2 (iv) the amount of funds withheld, if any, to ensure the
3 performance of the contractor responsible for the implementation
4 of the technological upgrades, the anticipated timeline for
5 disbursal of these funds and the anticipated date of the
6 completion of the implementation and deployment of the
7 technological upgrades.

8 * * *

9 Section 2. This act shall take effect immediately.