
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 508 Session of
2021

INTRODUCED BY COX, CAUSER, DAVANZO, DIAMOND, ECKER, GREGORY,
HAMM, HELM, HERSHEY, IRVIN, KAUFFMAN, KLUNK, R. MACKENZIE,
MALONEY, MENTZER, MILLARD, MOUL, E. NELSON, OWLETT, RYAN,
SAYLOR AND ZIMMERMAN, MAY 19, 2021

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, MAY 19, 2021

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," establishing the Back-
16 to-Work Bonus Program; and making an appropriation.

17 WHEREAS, The COVID-19 pandemic and Federal and State efforts
18 to mitigate the pandemic resulted in extraordinary levels of
19 unemployment in this Commonwealth and across the United States
20 during 2020; and

21 WHEREAS, The Congress of the United States enacted several
22 programs to support unemployed Americans during the pandemic,
23 which provide for enhancements of weekly benefits, extensions of
24 weekly benefits and weekly unemployment benefits for claimants

1 who would not otherwise be eligible for State unemployment
2 benefits; and

3 WHEREAS, The Congress of the United States has extended the
4 duration of these programs on multiple occasions; and

5 WHEREAS, These programs, which currently extend through the
6 week ending September 4, 2021, provide claimants with an
7 incentive to remain unemployed by effectively paying them to not
8 work; and

9 WHEREAS, The Department of Health reported that, as of May 9,
10 2021, 3,871,294 vaccinations for COVID-19 have been fully
11 administered, 5,320,563 vaccinations have been partially
12 administered and more than 1 million Pennsylvanians have
13 recovered from COVID-19 with natural immunity; and

14 WHEREAS, The danger to the public from COVID-19 is rapidly
15 diminishing, and mitigation efforts and restrictions on economic
16 activity have been steadily lifted, allowing businesses to re-
17 engage in commerce; and

18 WHEREAS, Businesses of all types in this Commonwealth have
19 encountered a shortage of workers, which puts Pennsylvania's
20 economic recovery at risk; and

21 WHEREAS, Generous, long-lasting benefits from Federal
22 unemployment programs are, among other factors, a significant
23 part of the reason many workers are reluctant to seek
24 employment; and

25 WHEREAS, Legislation should be enacted to:

26 (1) Phase out Pennsylvania's participation in Federal
27 unemployment programs that incentivize workers to remain
28 unemployed.

29 (2) Utilize money from the Federal COVID-19 relief funds
30 provided to Pennsylvania to provide up to two \$300 bonus

1 payments to provide an additional incentive for unemployed
2 workers to promptly discontinue their unemployment claims and
3 seek and maintain employment.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

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

9 ARTICLE XVII

10 BACK-TO-WORK BONUS PROGRAM

11 Section 1701. Legislative intent.

12 It is the intent of the General Assembly in enacting this
13 article to:

14 (1) Phase out Pennsylvania's participation in Federal
15 unemployment programs that incentivize workers to remain
16 unemployed.

17 (2) Utilize money from the Federal COVID-19 relief funds
18 provided to Pennsylvania to provide up to two \$300 bonus
19 payments to provide an additional incentive for unemployed
20 workers to promptly discontinue their unemployment claims and
21 to seek and maintain employment.

22 Section 1702. Definitions.

23 The following words and phrases when used in this article
24 shall have the meanings given to them in this section unless the
25 context clearly indicates otherwise:

26 "Bonus." A payment authorized under section 1704.

27 "CARES Act." The Coronavirus Aid, Relief, and Economic
28 Security Act (Public Law 116-136, 134 Stat. 281).

29 "Program." The Back-to-Work Bonus Program established under
30 section 1704.

1 "Unemployment program." An unemployment compensation
2 benefits program administered by the department, which is
3 authorized under this act or Federal law, including:

4 (1) Unemployment compensation, including unemployment
5 compensation for Federal employees and unemployment
6 compensation for ex-service members.

7 (2) Pandemic emergency unemployment compensation.

8 (3) Pandemic unemployment assistance.

9 (4) Extended benefits.

10 (5) Short-time compensation under the shared -work
11 program under Article XIII.

12 (6) Trade readjustment allowances.

13 (7) Disaster unemployment assistance.

14 Section 1703. Removal of disincentives to work.

15 (a) Termination of Federal pandemic unemployment
16 compensation.--No later than one week after the effective date
17 of this subsection, the department shall provide notice to the
18 United States Secretary of Labor of the Commonwealth's election
19 to terminate participation in the program established under
20 section 2104 of the CARES Act. The program shall not make
21 payment for any weeks of unemployment that occur more than 30
22 days after the date of notice under this subsection.

23 (b) Termination of pandemic unemployment assistance.--No
24 later than three weeks after the effective date of this
25 subsection, the department shall provide notice to the United
26 States Secretary of Labor of the Commonwealth's election to
27 terminate participation in the program established under section
28 2102 of the CARES Act. The program shall not make payment for
29 any weeks of unemployment that occur more than 30 days after the
30 date of notice under this subsection.

1 (c) Termination of pandemic emergency unemployment
2 compensation.--No later than five weeks after the effective date
3 of this subsection, the department shall provide notice to the
4 United States Secretary of Labor of the Commonwealth's election
5 to terminate participation in the program established under
6 section 2107 of the CARES Act. The program shall not make
7 payment for any weeks of unemployment that occur more than 30
8 days after the date of notice under this subsection.

9 (d) Other notice.--Notice of termination under subsection
10 (a), (b) or (c) shall also be provided to any other Federal
11 official or agency required to receive notice.

12 Section 1704. Back-to-Work Bonus Program.

13 (a) Establishment and purpose.--The Back-to-Work Bonus
14 Program is established within the department to provide bonuses
15 to eligible applicants in accordance with this section.

16 (b) Bonuses.--

17 (1) A bonus shall be in the amount of \$300.

18 (2) An applicant shall be eligible to receive a second
19 bonus upon the completion of four additional consecutive full
20 weeks of employment for the same employer.

21 (3) An applicant shall not receive more than two
22 bonuses.

23 (c) Eligibility for bonus.--The department shall establish
24 eligibility criteria for an applicant regarding participation in
25 the program, which at a minimum shall provide that an applicant
26 for a bonus must:

27 (1) have resided in Pennsylvania continuously since
28 March 6, 2020;

29 (2) have had an active claim with an unemployment
30 program administered by the department as of the effective

1 date of this subsection;

2 (3) discontinue the claim with an unemployment program
3 in order to accept employment prior to September 4, 2021;

4 (4) demonstrate the following:

5 (i) for a first bonus, the completion of at least
6 four consecutive full weeks of employment immediately
7 following the last week of benefits claimed from an
8 unemployment program; and

9 (ii) for a second bonus, the completion of at least
10 eight consecutive full weeks of employment immediately
11 following the last week of benefits claimed from an
12 unemployment program;

13 (5) be employed at the time of application; and

14 (6) submit a completed and timely application to the
15 department.

16 (d) Application.--

17 (1) The department shall begin accepting applications
18 for bonuses no later than 30 days after the effective date of
19 this subsection.

20 (2) An application for a bonus shall be on a form
21 prescribed by the department.

22 (3) At a minimum, an applicant for a bonus shall be
23 required to provide the following:

24 (i) The name, address, telephone number and Social
25 Security number of the applicant.

26 (ii) Verification of the applicant's identity.

27 (iii) Documentation of continuous residency in this
28 Commonwealth since March 6, 2020.

29 (iv) Documentation of current employment.

30 (v) Documentation of the following:

1 (A) For a first bonus, the completion of at
2 least four consecutive full weeks of employment
3 immediately following the last week of benefits
4 claimed from an unemployment program.

5 (B) For a second bonus, the completion of at
6 least eight consecutive full weeks of employment
7 immediately following the last week of benefits
8 claimed from an unemployment program.

9 (e) Prioritization.--

10 (1) The department shall prioritize the processing of
11 applications and the authorization of bonuses. In the case of
12 limited program money, priority shall be given to an
13 applicant who:

14 (i) discontinued the claim with an unemployment
15 program earlier than another applicant;

16 (ii) accepted full-time work of at least 35 hours
17 per work week; or

18 (iii) has applied for a second bonus, upon the
19 completion of eight consecutive weeks of employment.

20 (2) Additional priority shall be given to an applicant
21 who satisfies more than one of the conditions specified in
22 paragraph (1).

23 (f) Notice.--The department shall make reasonable efforts to
24 advertise the program through:

25 (1) The publicly accessible Internet website of the
26 department, social media, the news media and emails to
27 claimants.

28 (2) Organizations representing employers and labor
29 organizations.

30 (g) Procedures generally.--

1 (1) Upon receipt of an application for a bonus, the
2 department shall verify that the applicant discontinued an
3 active claim with an unemployment program as required by this
4 section and review the application and supporting
5 documentation to determine whether the applicant is eligible
6 for the bonus.

7 (2) Within 30 days of the receipt of a completed
8 application, the department shall:

9 (i) pay a bonus to an eligible applicant in
10 accordance with this section; or

11 (ii) notify the applicant of the reasons for denial
12 of the payment.

13 (3) Bonuses shall be paid to eligible applicants who
14 submit a completed application prior to December 31, 2021,
15 except that the department may terminate the program at an
16 earlier date if all the money appropriated under section 1705
17 is expended prior to that date.

18 Section 1705. Funding.

19 (a) Appropriation.--In addition to any other money
20 appropriated to the department for bonuses under this article,
21 the sum of \$154,000,000 is appropriated to the department from
22 money received by the Commonwealth under Title IX, Subtitle M,
23 section 9901 of the American Rescue Plan Act of 2021 (Public Law
24 117-2, 135 Stat. 4) and deposited into the COVID-19 Response
25 Restricted Account for the purpose of supporting the program.

26 (b) Administrative expenses.--The department may not use
27 more than \$1,000,000 from the money appropriated under
28 subsection (a) for administrative expenses related to the
29 program.

30 (c) Lapse.--The appropriation under subsection (a) shall

1 lapse on March 30, 2022.

2 Section 2. This act shall take effect immediately.