

twenty-two dollars and fifty cents (\$22.50) per week for total disability and not less than twelve dollars and fifty cents (\$12.50) for partial disability.

APPROVED—The 17th day of May, A. D. 1957.

GEORGE M. LEADER

No. 72

AN ACT

Amending the act of December 5, 1936 (1937 P. L. 2897), entitled "An act establishing a system of unemployment compensation to be administered by the Department of Labor and Industry and its existing and newly created agencies with personnel (with certain exceptions) selected on a civil service basis; requiring employers to keep records and make reports, and certain employers to pay contributions based on payrolls to provide moneys for the payment of compensation to certain unemployed persons; providing procedure and administrative details for the determination, payment and collection of such contributions and the payment of such compensation; providing for cooperation with the Federal Government and its agencies; creating certain special funds in the custody of the State Treasurer; and prescribing penalties," establishing a monetary limit to the amount of funds in the Special Administration Fund and discontinuing authorization to erect buildings.

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

Unemployment
Compensation
Law.

Section 1. Subsection (b) of section 201, act of December 5, 1936 (1937 P. L. 2897), known as the "Unemployment Compensation Law," added June 20, 1947 (P. L. 721), and amended May 23, 1949 (P. L. 1711), is amended to read:

Subsection (b),
section 201, act
of December 5,
1936, 1937 P. L.
2897, added
June 20, 1947,
P. L. 721, and
amended May
23, 1949, P. L.
1711, further
amended.

Section 201. General Powers and Duties of Department.—

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(b) The department and the Department of Property and Supplies are hereby authorized to acquire land and buildings or to use land in or in the immediate vicinity of the City of Harrisburg, now owned by the Commonwealth, deemed necessary by the Secretary of Labor and Industry, with the approval of the Governor, and in the case of the use of land now owned by the Commonwealth, the approval of the board or other agency of the Commonwealth having jurisdiction over the same, for the administration of this act [in accordance with the following provisions of this subsection:

(1) The department through the Secretary of Property and Supplies, with the approval of the Governor, is hereby authorized to acquire, by purchase or condemnation, land with or without buildings; to erect buildings

thereon, or on land in or in the immediate vicinity of the City of Harrisburg, now owned by the Commonwealth; to purchase fixtures, equipment and facilities, including such necessary appurtenances as cafeterias and parking accommodations, and to make necessary alterations and improvements thereof.

(2) The Secretary of Property and Supplies, with the approval of the Governor, is authorized to enter into contracts with any person, firm or corporation which shall agree to erect on land owned, or to be acquired, by such person, firm or corporation, suitable buildings within the Commonwealth, at locations acceptable to the Governor and to the department, and to agree on behalf of the Commonwealth to lease such land and buildings for a period of not more than fifteen (15) years from the time of the completion of said buildings, at such rentals and subject to such terms and conditions as may be agreed upon. No such contract shall be entered into until the plans and specifications for the proposed building shall have been approved by the department and the Department of Property and Supplies. Each such contract and lease shall provide that upon the termination of said lease, or upon the sooner payment in full of the total amount specified therein, the lessor shall convey to the Commonwealth title in fee simple by general warranty deed to the land and buildings covered under said lease.

(3) The Secretary of Property and Supplies, with the approval of the Governor, is authorized to enter into contracts with any person, firm or corporation which provide (i) for the conveyance or lease by the Commonwealth to such person, firm or corporation of land acquired under the provisions of this subsection or of land in or in the immediate vicinity of the City of Harrisburg, now owned by the Commonwealth: Provided, That such property shall be reconveyed to the Commonwealth or such lease shall terminate upon payment in full of the total amount specified in the lease executed by said person, firm or corporation as lessor, as provided under clause (iii) of this paragraph, (ii) for the erection on such land, by such person, firm or corporation, of buildings, the plans and specifications for which have been approved by the department, and the Department of Property and Supplies, and (iii) for the leasing by said person, firm or corporation to the Commonwealth for a period of not more than fifteen years from the time of completion of said buildings, the terms of such lease to provide that upon the termination of said lease, or upon the sooner payment in full of the total amount

specified therein, the lessor shall convey to the Commonwealth all its right, title and interest in and to the land and buildings covered under said lease.

The Secretary of Property and Supplies, with the approval of the Governor, is hereby authorized, on behalf of the Commonwealth, to sell and convey or to lease any property covered by such agreement for such consideration to be paid by the department as may be agreed upon, and to make and execute a deed or lease conveying or leasing the same to the person, firm or corporation with which the agreement was made. Such property shall be for the use of the Department of Labor and Industry. All deeds and leases shall be approved by the Department of Justice.

(4) The term building, as used in this subsection, shall include fixtures, equipment and facilities, including such necessary appurtenances as cafeterias and parking accommodations.

(5) In carrying out the provisions of this subsection the department shall reimburse the Department of Property and Supplies for all services performed in an amount mutually agreed upon by the department and the Secretary of Property and Supplies, as representing the actual cost to the Department of Property and Supplies of performing such services.

(6) Space in such buildings shall be primarily utilized by the Bureau of Employment and Unemployment Compensation, but any space in excess of the requirements of said bureau, as determined by the department, may be allocated to other departments, boards and commissions of the Commonwealth, or other bureaus of the department under agreements entered into by the department with the Department of Property and Supplies. All such agreements shall provide for payment from moneys appropriated, or otherwise available for such purposes, to such departments, boards, commissions and bureaus to which such space may be allocated, into the Special Administration Fund of amounts which shall approximate the fair rental value of such space as mutually agreed upon between the department and the Department of Property and Supplies.

(7) Under a similar agreement entered into by the department with the Department of Property and Supplies, the fair rental value of all space in such buildings utilized by the Bureau of Employment and Unemployment Compensation shall be determined and transfer of amounts equal to such rental value from the Administration Fund to the Special Administration Fund are hereby authorized.

(8) In carrying out the provisions of this subsection any moneys, and only such moneys as are or may be placed in the Special Administration Fund, may be used.

(9) Any contract for the erection of buildings entered into under the provisions of this subsection shall provide on the face thereof that such contract is made under the provisions of this act; that the Commonwealth under such contract shall incur no general liability; that such contract shall never become a lien on or secured by any property, real, personal or mixed of the Commonwealth, except to the extent herein expressly authorized, and that any obligation incurred under such contract shall be payable solely from funds authorized for such purposes by this act].

[(10)] As all property acquired under the provisions of this subsection shall be used exclusively for the performance of essential governmental functions, no taxes shall be required to be paid or assessments made upon any such property from the time that the Commonwealth actually takes title to such property in the event of outright purchase, or from the time that the Commonwealth takes possession of such property under a lease-purchase agreement as provided herein.

Section 601 of
the act, amended
May 23, 1949,
P. L. 1738, fur-
ther amended.

Section 2. Section 601 of the act, amended May 23, 1949 (P. L. 1738), is amended to read:

Section 601. Unemployment Compensation Fund.—
(a) There is hereby created a special fund separate and apart from all public moneys or funds of this Commonwealth to be known as the Unemployment Compensation Fund. All contributions, together with penalties and interest thereon, received or collected by the department from employers under the provisions of this act, except such penalties and interest which are to be paid into the Special Administration Fund as provided in section six hundred one point one, shall be paid into the Unemployment Compensation Fund, and shall be credited by the department to a ledger account to be known as the Employers' Contribution Account. Interest and penalties which are to be credited to the Special Administration Fund may be temporarily held in the Employers' Contribution Account solely for clearance purposes prior to transfer to the Special Administration Fund and while so held in the Employers' Contribution Account shall not be deemed a part of the Unemployment Compensation Fund. All moneys from time to time received and credited to the Employers' Contribution Account (exclusive of refunds made under section three hundred eleven and interest and penalties transferred as herein provided to the Special Administration Fund) shall be

paid promptly by the department into the Unemployment Trust Fund, except as otherwise provided in section six hundred five of this act.

(b) As often as may be necessary, the department shall requisition from the Unemployment Trust Fund such amounts as shall be necessary to provide adequate funds for the payment of compensation as provided in this act. Upon receipt of such requisitioned funds, the department shall deposit them into the Unemployment Compensation Fund to the credit of a ledger account, to be known as the Compensation Account, and shall expend such moneys solely for the payment of compensation, as provided by this act. All moneys to the credit of the Compensation Account shall be mingled and undivided. The department shall pay all compensation authorized by this act out of moneys standing to the credit of the Compensation Account.

Section 3. Section 601.1 of the act, amended September 29, 1951 (P. L. 1580), is amended to read:

Section 601.1 of the act, amended September 29, 1951, P. L. 1580, further amended.

Section 601.1. Special Administration Fund.—(a) There is hereby created a special fund, separate and apart from all public moneys or funds of this Commonwealth, to be known as the Special Administration Fund. Under rules and regulations adopted by the department, interest and penalties collected from employers under the provisions of this act may be paid into the Special Administration Fund. Such rules and regulations may provide for determining in any manner which payments of interest and penalties are to be paid into the Special Administration Fund and which payments of interest and penalties are to be paid into the Unemployment Compensation Fund [there shall also be deposited in the special administration fund moneys as provided in subsection (b) of section two hundred one of this act.] The moneys in this fund shall be used for the payment of costs of administration which are found not to have been properly and validly chargeable against Federal grants or other funds received for or in the Administration Fund [and also for the purposes authorized in subsection (b) of section two hundred one of this act]. Said moneys shall not be expended or available for expenditure in any manner which would permit their substitution for, or a corresponding reduction in, Federal funds which would in the absence of said moneys be available to finance expenditures for the administration of this act. Nothing in this section shall prevent said moneys from being used as a revolving fund to cover expenditures necessary and proper under the law for which Federal Funds have been duly requested but not yet received, subject to the charging of such expenditures

against such funds when received. The State Treasurer shall make payment of obligations from the Special Administration Fund as herein provided, upon requisition of the secretary and certification by him that no other funds are available or can properly be used to finance such expenditures. The moneys in this fund are hereby specifically made available to replace any moneys received pursuant to section three hundred and two of the Federal Social Security Act, as amended, which, because of any action or contingency, have been lost or have been expended for purposes other than, or in amounts in excess of, those necessary for the proper administration of this act and are available for such replacement, whether or not such moneys were expended or the obligations covering such expenditures were incurred prior or subsequent to the enactment of this amendment. The moneys in this fund shall be continuously available for expenditure in accordance with the provisions of this section, and shall not lapse at any time or be transferred to any other fund except as herein provided and as provided under section three hundred eleven, wherein an amount equal to any refund or credit of interest or penalties shall be transferred from the Special Administration Fund to the Unemployment Compensation Fund.

(b) Any other provision of this act notwithstanding, no more than seventy-five thousand dollars (\$75,000.00) shall be expended from the moneys in the Special Administration Fund in any fiscal year; and at the close of each fiscal year all moneys in the fund in excess of seventy-five thousand dollars (\$75,000.00) shall be transferred to the Unemployment Compensation Fund and credited to the Employers' Contribution Account as specified in section six hundred one.

(c) All moneys in excess of seventy-five thousand dollars (\$75,000.00) in the Special Administration Fund on the effective date of these amendments shall be paid into the Unemployment Compensation Fund and credited to the Employers' Contribution Account as specified in section six hundred one.

Sections 602.1 and 603 of the act, amended May 29, 1945, P. L. 1145, further amended.

Section 4. Sections 602.1 and 603 of the act, amended May 29, 1945 (P. L. 1145), are amended to read:

Section 602.1. Reimbursement of Funds.—The Commonwealth of Pennsylvania hereby recognizes its obligation to replace and hereby pledges the faith of the Commonwealth that funds will be provided in the future and applied to the replacement of any moneys received after July one, one thousand nine hundred forty-one, from the Social Security Board under Title III of the Social Security Act, any unencumbered balance in the Administration Fund as of that date, any moneys there-

after granted to the Commonwealth pursuant to the provisions of the Wagner-Peyser Act, and any moneys made available by the Commonwealth or its political subdivisions and matched by such moneys granted to the Commonwealth pursuant to the provisions of the Wagner-Peyser Act, which the Social Security Board finds have, because of any action or contingency, been lost or have been expended for purposes other than or in amounts in excess of those found necessary by the Social Security Board for the proper administration of this act. Such moneys shall be promptly replaced by moneys transferred from the Special Administration Fund, or by moneys appropriated for such purpose from the general funds of the Commonwealth to the Administration Fund, for expenditure as provided in section six hundred and two of this act. This section shall not be construed to relieve the Commonwealth of its obligation with respect to funds received prior to July one, one thousand nine hundred forty-one, pursuant to the provisions of Title III of the Social Security Act.

Section 603. State Treasurer as Custodian.—The State Treasurer shall be the custodian of the Unemployment Compensation Fund, the Administration Fund and the Special Administration Fund. He shall give a bond, or bonds, with corporate sureties, conditioned upon the faithful performance of his duties as custodian of such funds in such amount or amounts as shall be determined and fixed by the Executive Board of this Commonwealth. Premiums for such bond or bonds shall be paid by the department out of the moneys in the Administration Fund. All moneys belonging to such funds (exclusive of moneys on deposit in the Unemployment Trust Fund as provided in section six hundred one) shall be deposited by the State Treasurer in any banks or public depositories in which general funds of the Commonwealth may be deposited, but no public deposit insurance charge or premium shall be paid out of moneys in the Unemployment Compensation Fund. Any law to the contrary notwithstanding, all payments from such funds shall be made under such systems of requisitioning and accounting as the Governor, the State Treasurer, and Secretary shall determine.

Section 6. This act shall take effect immediately.

Act effective
immediately.

APPROVED—The 17th day of May, A. D. 1957.

GEORGE M. LEADER