

No. 2009-30

AN ACT

HB 1770

Amending the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), 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," further defining "State 'on' indicator" and "State 'off' indicator"; and further providing for total extended benefit amount.

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

Section 1. Sections 401-A(b) and (c) and 405-A of the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment Compensation Law, amended October 22, 1981 (P.L.301, No.106), are amended to read:

Section 401-A. Definitions.—As used in this article:

* * *

(b) *(1)* There is a "State 'on' indicator" for this State for a week if the Secretary of Labor and Industry determines in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of such week and the immediately preceding twelve weeks, the rate of insured unemployment (not seasonally adjusted) under this act:

[(1)] *(i)* equaled or exceeded one hundred twenty per centum of the average of such rates for the corresponding thirteen-week period ending in each of the preceding two calendar years, and

[(2)] *(ii)* equaled or exceeded five per centum: Provided, That with respect to benefits for weeks of unemployment beginning with the passage of this amendment but no earlier than April 3, 1977, the determination of whether there has been a State "on" or "off" indicator beginning or ending any extended benefit period shall be made under this **[subsection as if (i) this subsection] paragraph as if (A) this paragraph** did not contain subparagraph [(1)] *(i)* thereof, and [(ii)] *(B)* the per centum rate indicated in this **[subparagraph] paragraph** were six, except that, notwithstanding any such provision of this **[subsection] paragraph**, any week for which there would otherwise be a State "on" indicator shall continue to be such a week and shall not be determined to be a week for which there is a State "off" indicator.

[(c)] (2) There is a “State ‘off’ indicator” for this State for a week if the Secretary of Labor and Industry determines in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of such week and the immediately preceding twelve weeks, the rate of insured unemployment (not seasonally adjusted) under this act:

[(1)] (i) was less than one hundred twenty per centum of the average of such rates for the corresponding thirteen-week period ending in each of the preceding two calendar years, or

[(2)] (ii) was less than five per centum.

(3) *Notwithstanding the provisions of this subsection, any week for which there would otherwise be a State “on” indicator shall continue to be such a week and shall not be determined to be a week for which there is a State “off” indicator.*

(c) (1) *There is a “State ‘on’ indicator.” for this State for a week if:*

(i) *the average rate of total unemployment in this State, seasonally adjusted, for the period consisting of the most recent three months for which data for all states are published before the close of such week equals or exceeds six and one-half per centum; and*

(ii) *the average rate of total unemployment in this State, seasonally adjusted, for the three-month period referred to in subparagraph (i) equals or exceeds one hundred ten per centum of such average rate for either, or both, of the corresponding three-month periods ending in the two preceding calendar years.*

(2) *There is a State “off” indicator for this State for a week if the requirements of paragraph (1)(i) or (ii) are not satisfied.*

(3) *This subsection shall be applicable only with respect to weeks of unemployment for which one hundred per centum Federal sharing of extended benefits is available under section 2005(a) of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5, 123 Stat. 115), without regard to the extension of Federal sharing for certain claims as provided under section 2005(c) of the American Recovery and Reinvestment Act of 2009, or under a subsequently enacted provision of Federal law.*

(4) *Notwithstanding the provisions of this subsection, any week for which there would otherwise be a State “on” indicator shall continue to be such a week and shall not be determined to be a week for which there is a State “off” indicator.*

(5) *For purposes of this subsection, determinations of the rate of total unemployment for any period, and of any seasonal adjustment, shall be made by the United States Secretary of Labor.*

Section 405-A. Total Extended Benefit Amount.—(a) [The] *Except as provided in subsection (a.1), the total extended benefit amount payable to any eligible individual with respect to his applicable benefit year shall be the*

least of the amounts determined under clauses (1), (2) or (3) and then such amount shall be reduced by subsection (b):

(1) fifty per centum of the total amount of regular benefits (plus dependents' allowances) which were payable to him under this act in his applicable benefit year;

(2) thirteen times his weekly benefit amount which was payable to him under this act for a week of total unemployment in the applicable benefit year; or

(3) thirty-nine times his weekly benefit amount (plus dependents' allowances) which was payable to him under this act for a week of total unemployment in the applicable benefit year, reduced by the total amount of regular benefits which were paid (or deemed paid) to him under this act with respect to the benefit year.

(a.1) (1) Effective with respect to weeks in a high unemployment period, subsection (a) shall be applied by substituting:

(i) "eighty per centum" for "fifty per centum" in subsection (a)(1);

(ii) "twenty" for "thirteen" in subsection (a)(2); and

(iii) "forty-six" for "thirty-nine" in subsection (a)(3).

(2) For purposes of paragraph (1), the term "high unemployment period" means any period during which an extended benefit period would be in effect if section 401-A(c)(1)(i) were applied by substituting "eight per centum" for "six and one-half per centum."

(b) Notwithstanding any other provisions of this article, if the benefit year of any individual ends within an extended benefit period, the remaining balance of extended benefits that such individual would, but for this section, be entitled to receive in that extended benefit period, with respect to weeks of unemployment beginning after the end of the benefit year, shall be reduced (but not below zero) by the product of the number of weeks for which the individual received trade readjustment allowances within that benefit year, multiplied by the individual's weekly benefit amount for extended benefits.

Section 2. The amendment of sections 401-A(b) and (c) and 405-A of the act shall apply retroactively to July 1, 2009.

Section 3. This act shall take effect immediately.

APPROVED—The 4th day of August, A.D. 2009.

EDWARD G. RENDELL