PRINTER'S NO.

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

No. 274

Session of 2025

INTRODUCED BY DAWKINS, GROVE, SHUSTERMAN, HARKINS, HILL-EVANS, MARCELL, KHAN, POWELL, VENKAT, DEASY, McNEILL, CARROLL, FREEMAN, SCHLOSSBERG, GIRAL, MAYES, HOWARD, CERRATO, SANCHEZ, KENYATTA, WARREN, HOHENSTEIN, BOYD, K. HARRIS, MADSEN AND GREEN, JANUARY 22, 2025

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, DECEMBER 9, 2025

## 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) selected on a civil service basis; requiring employers to 6 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 further providing for qualifications required to secure 16 compensation and for ineligibility for compensation, 17 providing for eligibility related to domestic violence and 18 19 further providing for rate and amount of compensation. 20 The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:
- 21
- 22 Section 1. Sections 401(f) and 402(a) of the act of December
- 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the 23
- 24 Unemployment Compensation Law, are amended to read:

- 1 Section 401. Qualifications Required to Secure
- 2 Compensation. -- Compensation shall be payable to any employe who
- 3 is or becomes unemployed, and who--
- 4 \* \* \*
- 5 (f) Has earned, subsequent to his separation from work under
- 6 circumstances which are disqualifying under the provisions of
- 7 subsections 402(b), 402(e), 402(e.1), 402(h) and 402(k) of this
- 8 act, remuneration for services in an amount equal to or in
- 9 excess of [six (6)] <u>ten (10) TWELVE (12)</u> times his weekly
- 10 benefit rate in "employment" as defined in this act. The
- 11 provisions of this subsection shall not apply to a suspension of

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- 12 work by an individual pursuant to a leave of absence granted by
- 13 his last employer, provided such individual has made a
- 14 reasonable effort to return to work with such employer upon the
- 15 expiration of his leave of absence.
- 16 \* \* \*
- 17 Section 402. Ineligibility for Compensation. -- An employe
- 18 shall be ineligible for compensation for any week--
- 19 (a) In which his unemployment is due to failure, without
- 20 good cause, either to apply for suitable work at such time and
- 21 in such manner as the department may prescribe, or to accept
- 22 suitable work when offered to him by the employment office or by
- 23 any employer, irrespective of whether or not such work is in
- 24 "employment" as defined in this act: Provided, That such
- 25 employer notifies the employment office of such offer within
- 26 seven (7) days after the making thereof; however this subsection
- 27 shall not cause a disqualification of a waiting week or benefits
- 28 under the following circumstances: when work is offered by his
- 29 employer and he is not required to accept the offer pursuant to
- 30 the terms of the labor-management contract or agreement, or

- 1 pursuant to an established employer plan, program or policy:
- 2 Provided further, That a claimant shall not be disqualified for
- 3 refusing suitable work when he is in training approved under
- 4 section 236(a)(1) of the Trade Act of 1974[.]: Provided further,
- 5 that the following apply:
- 6 (1) A claimant shall make a good faith effort to obtain
- 7 employment in suitable work. A claimant who has applied for a
- 8 position may not take any action to unreasonably discourage the
- 9 claimant's own hire in suitable work, including any of the
- 10 <u>following:</u>
- 11 (i) Refusing to attend or failing to participate, without
- 12 good cause, in a job interview or other applicant selection
- 13 <u>activity offered by the employer.</u>
- 14 (ii) Refusing employment, or a referral for employment,
- 15 without good cause, prior to an interview or a discussion of the
- 16 details of a job with the employer.
- 17 (2) Within ninety (90) days of the effective date of this
- 18 clause, the department shall create forms or update existing
- 19 forms to enable employers to report claimants who discourage
- 20 their own hire, as provided in this subsection. The forms shall
- 21 include notice of the provisions of section 802 of this act.
- 22 (3) A claimant who unreasonably discourages the claimant's
- 23 own hire in suitable work shall be considered to have refused an
- 24 offer of work for purposes of this subsection.
- 25 <u>(4) ANY OVERPAYMENT THAT RESULTS FROM A DISQUALIFICATION</u>
- 26 UNDER CLAUSE (1) SHALL BE SUBJECT TO SECTION 804(B).
- 27 (5) THE DEPARTMENT SHALL GRANT RELIEF FROM CHARGES UNDER
- 28 SECTION 302.1 TO BASE YEAR EMPLOYERS FOR BENEFIT CHARGES RELATED
- 29 TO A CLAIM THAT IS DISOUALIFIED UNDER CLAUSE (1). RELIEF FROM
- 30 CHARGES SHALL BE PROVIDED WITHOUT A REQUEST FROM THE EMPLOYER.

- 1 (6) IF AN EMPLOYER IS GRANTED RELIEF FROM CHARGES WITHOUT A
- 2 REQUEST UNDER CLAUSE (5), THE DEPARTMENT SHALL NOTIFY THE
- 3 EMPLOYER THAT RELIEF FROM CHARGES SHALL BE GRANTED WITHOUT THE
- 4 NEED FOR THE EMPLOYER TO SUBMIT A REQUEST. NOTICE UNDER THIS
- 5 CLAUSE MAY BE INCLUDED ON THE ELIGIBILITY DETERMINATION PROVIDED
- 6 TO THE EMPLOYER OR ON OTHER RELEVANT CLAIM DOCUMENTATION
- 7 DELIVERED TO THE EMPLOYER.
- 8 \* \* \*
- 9 Section 2. The act is amended by adding a section to read:
- 10 <u>Section 402.7. Eliqibility Related to Domestic Violence.--</u>
- 11 (a) An employe shall not be deemed to be ineligible under
- 12 <u>section 402(b) for voluntarily leaving employment or section</u>
- 13 <u>402(e)</u> for failure to attend work if, due to a domestic violence
- 14 <u>situation</u>, the individual's continued employment would
- 15 jeopardize the safety of the individual or a member of the
- 16 individual's family or household.
- 17 (b) Verification of a domestic violence situation may be
- 18 provided on the initial application for benefits through any one
- 19 of the following which documents recent domestic violence:
- 20 (1) An active or recently issued protective order or other
- 21 order, court records, a police record, medical treatment
- 22 records, social services records or child protective services
- 23 records.
- 24 (2) A statement supporting the existence of recent domestic
- 25 violence from a qualified professional from whom the individual
- 26 has sought assistance, such as a counselor, shelter worker,
- 27 member of the clergy, attorney or health care worker, or a
- 28 similar statement from a friend or relative from whom the
- 29 <u>individual has sought assistance.</u>
- 30 (3) A self-affirmation that the individual's continued

- 1 employment would jeopardize the safety of the individual or a
- 2 member of the individual's family or household due to the
- 3 <u>domestic violence situation.</u>
- 4 (4) Any other type of evidence that reasonably proves
- 5 domestic violence.
- 6 (c) The documentation of domestic violence shall remain
- 7 confidential, and the department may not disclose the existence
- 8 of a domestic violence situation in any notice provided to an
- 9 <u>employer regarding the claim for compensation.</u>
- 10 (d) If an individual who verifies domestic violence under
- 11 <u>subsection</u> (b) is otherwise eligible under section 401, the
- 12 <u>individual shall be considered eligible</u>, and the department
- 13 shall expedite a determination of eligibility under section 501.
- 14 (e) An individual who submits a self-affirmation under
- 15 subsection (b) (3) shall submit documentation of the domestic
- 16 <u>violence situation under subsection (b)(1), (2) or (4) to the</u>
- 17 department within one hundred fifty (150) days of the date of
- 18 application. The department may, for good cause, excuse the
- 19 requirements or extend the period in which documentation must be
- 20 provided.
- 21 (f) The department shall grant relief from charges under
- 22 section 302.1 to base year employers for benefit charges related
- 23 to a claim that is determined eligible in accordance with this
- 24 section. Relief from charges shall be provided without a request
- 25 from the employer.
- 26 (g) Subject to subsection (c), if an employer is granted
- 27 relief from charges without a request under subsection (f), the
- 28 department shall notify the employer that relief from charges
- 29 <u>shall be granted without the need for the employer to submit a</u>
- 30 request. Notice under this subsection may be included on the

- 1 <u>eliqibility determination provided to the employer or on other</u>
- 2 relevant claim documentation delivered to the employer.
- 3 Section 3. Section 404(e)(2)(v) of the act is amended to <--
- 4 read:
- 5 SECTION 3. SECTION 404(E)(2)(V) AND (VI) OF THE ACT ARE <--
- 6 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 (e) \* \* \*
- 16 (2) \* \* \*
- 17 (v) If, on July 1, [2025] <del>2027</del> 2028, the trigger percentage <--

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- 18 determined under section 301.7(a) is less than ftwo hundred
- 19 fifty per centum (250%) <u>one hundred per centum (100%)</u>, the <--
- 20 following shall apply:
- 21 (A) Notwithstanding the definition of "highest quarterly
- 22 wages" in subsection (b), but subject to subclause (vi),
- 23 "highest quarterly wages" for purposes of this section for
- 24 calendar years [2026] 2028 2029 and thereafter shall be the
- 25 average of the total wages (computed to the nearest dollar),
- 26 which were paid to the employe computed as follows:
- 27 (I) The wages paid to the employe in that calendar quarter
- 28 in which such total wages were highest during the base year
- 29 shall be calculated.
- 30 (II) The amount calculated under division (I) shall be added

- 1 to an amount equal to one hundred thirty per centum (130%) of
- 2 the wages paid to the employe in the calendar quarter in which
- 3 such total wages were the second highest of any calendar quarter
- 4 during the base year, provided that the amount added under this
- 5 division (II) may not be greater than the wages paid to the
- 6 employe during the highest calendar quarter under division (I).
- 7 (III) The sum calculated under division (II) shall be
- 8 divided by two.
- 9 (B) Notwithstanding section 401(a)(2), and except as
- 10 provided in subsections (a)(3) and (e)(1) and (2), section
- 11 401(a) shall require that the second entry in Part A of the
- 12 table for the determination of rate and amount of benefits, on
- 13 the line on which there appears the employe's weekly benefit
- 14 rate, does not exceed sixty-three per centum (63%) of the
- 15 employe's total base year wages.
- 16 (C) NOTWITHSTANDING THE APPLICATION OF AN ALTERNATIVE
- 17 <u>CALCULATION FOR "HIGHEST QUARTERLY WAGES" REQUIRED IN THIS</u>
- 18 SUBCLAUSE, NO EMPLOYE SHALL BE FINANCIALLY ELIGIBLE FOR
- 19 COMPENSATION IF THE EMPLOYE'S WAGES IN THE HIGHEST QUARTER OF
- 20 THE EMPLOYE'S BASE YEAR EXCEED SIXTY-THREE PER CENTUM (63%) OF
- 21 THE EMPLOYE'S TOTAL BASE YEAR WAGES.
- 22 (VI) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (B) AND
- 23 SUBCLAUSE (V) IF, ON JULY 1, [2026] 2028 2029, OR JULY 1 OF ANY <--
- 24 SUBSEQUENT YEAR, THE TRIGGER PERCENTAGE DETERMINED UNDER SECTION
- 25 301.7(A) IS AT LEAST TWO HUNDRED FIFTY PER CENTUM (250%), THE
- 26 FOLLOWING SHALL APPLY:
- 27 (A) "HIGHEST QUARTERLY WAGES" FOR THE SUBSEQUENT CALENDAR
- 28 YEAR AND THEREAFTER SHALL BE DETERMINED AS PROVIDED IN
- 29 SUBSECTION (B) AND NOT AS PROVIDED IN SUBCLAUSE (V).
- 30 (B) SECTION 401(A)(2) SHALL APPLY AND NOT SUBCLAUSE (V)(B).

- 1 \* \* \*
- 2 Section 4. The Department of Labor and Industry shall
- 3 consult with the Office of Victim Advocate and relevant advocacy
- 4 groups when implementing section 402.7 of the act, including
- 5 updates to the application for unemployment compensation,
- 6 updated notices to claimants and employers and the development
- 7 of any forms related to documentation of a domestic violence
- 8 situation.
- 9 Section 5. This act shall take effect as follows:
- 10 (1) The amendment of section 401(f) of the act shall
- 11 take effect in one year.
- 12 (2) The EXCEPT AS PROVIDED UNDER PARAGRAPH (3), THE <--

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- amendment of section 404(e)(2)(v) AND (VI) of the act shall
- 14 take effect immediately.
- 15 (3) THE ADDITION OF SECTION 404(E)(2)(V)(C) OF THE ACT  $\leftarrow$ --
- 16 SHALL TAKE EFFECT IN THREE YEARS.
- 17 (3) (4) This section shall take effect immediately. <--
- 18  $\frac{(4)}{(5)}$  The remainder of this act shall take effect in  $\leftarrow$ --
- 19 60 days.