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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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# SENATE BILL

No. **194** Session of  
1961

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INTRODUCED BY MESSRS. WEINER AND RIPP,  
FEBRUARY 13, 1961.

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REFERRED TO COMMITTEE ON LABOR AND INDUSTRY,  
FEBRUARY 13, 1961.

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## 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 determina-

EXPLANATION—CAPITAL LETTERS indicate new matter added to bill. Matter stricken through is to be omitted from bill. Underscoring indicates new matter added to existing law. [Brackets] indicate matter stricken from existing law.

tion 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" providing for the inclusion of additional employes and the method of making payments into the fund

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

1 Section 1 The act of December 5 1936 (1937 P. L. 2897) known  
2 as the "Unemployment Compensation Law" is amended by adding after  
3 Article II two new articles to read

4 Article II-A

5 Persons in the Employ of the Commonwealth and

6 Its Instrumentalities

7 Section 225-A State Employes Notwithstanding any inconsistent  
8 provisions of this act the Commonwealth of Pennsylvania and all its  
9 departments bureaus boards agencies commissions and authorities shall  
10 be deemed to be an employer and services performed in the employ  
11 of the Commonwealth and all its departments bureaus boards agencies  
12 commissions and authorities shall on or after January 1 1962 be deemed

1 to constitute State employment subject to this act with the exceptions  
2 hereinbelow set forth Except as herein provided all other provisions of  
3 this act shall continue to be applicable in connection herewith

4 Section 226-A Services Exempt from "Employment" Definition

5 For the purposes of this article the term "employment" shall not in-  
6 clude services performed by

7 (1) Elected officials

8 (2) Officials paid on a fee

9 (3) Physicians dentists and student nurses in institutions or at-  
10 tached to departments of the government who are employed part time  
11 or any other professional specialists employed on the same basis

12 (4) Inmates of institutions who receive compensation for services  
13 rendered therein

14 (5) All department heads and members of boards and commissions  
15 approved by the Governor with or without the consent of one or both  
16 branches of the General Assembly

17 (6) All judges of the courts

18 (7) Individuals employed on any work-relief project undertaken  
19 by the Commonwealth or its instrumentalities

1 (8) Individuals in the military service or under the military control  
2 of the government

3 Section 227-A Contributions (a) In lieu of contributions required  
4 by employers under this act the Commonwealth of Pennsylvania shall  
5 pay into the Unemployment Compensation Fund an amount equivalent  
6 to the amount of benefits paid to individuals based on base-period  
7 wages paid by the Commonwealth or its instrumentalities

8 (b) If benefits paid to an individual are based on wages paid under  
9 employment covered in this section and on wages paid under employ-  
10 ment covered otherwise under this law then the amount payable by  
11 the Commonwealth to the Unemployment Compensation Fund in lieu  
12 of contributions shall be the proportionate amount of the benefits paid  
13 such individual as wages paid such individual under employment cov-  
14 ered in this section are proportionate to all other base-period wages  
15 paid such individual under employment covered otherwise

16 (c) The amount which the Commonwealth shall pay into the Un-  
17 employment Compensation Fund as hereinabove set forth shall be com-  
18 puted by the department and reported yearly to the State Treasurer  
19 and shall thereupon be paid from the General Fund of the Common-  
20 wealth upon approval thereof in accordance with the law in effect ex-

1 cept that to the extent that benefits are paid on the basis of wages paid  
2 by authorities of the Commonwealth from their funds the payment by  
3 the authority into the Unemployment Compensation Fund shall be made  
4 from their own funds

5 Section 223-A Annual or Vacation Leave Any individual who at the  
6 time of his separation from employment by the Commonwealth or its  
7 instrumentalities receives or is entitled to receive payment for or of  
8 accumulated or current annual or vacation leave or similar leave under  
9 the laws of the Commonwealth and the regulations adopted pursuant  
10 thereto shall be considered as continuing subsequent to such separa-  
11 tion in employment until such period terminates and shall not be con-  
12 sidered eligible either for waiting period or benefit credits until after  
13 such termination date

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Article II-B

15 Persons in the Employ of Political Subdivisions and Instrumentalities

16

Thereof in the Commonwealth

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18 Section 250-B Political Subdivisions Employees Notwithstanding any  
19 inconsistent provisions of this act any political subdivision of the Com-  
20 monwealth on and after January 1 1962 may for itself or any in-  
strumentality thereof elect that all services performed by individuals

1 or specific classes of individuals in its employ be deemed to constitute  
2 employment subject to this act with the exceptions hereinbelow set  
3 forth Upon the approval of such election as provided in section 251  
4 hereof such political subdivision or instrumentality thereof shall for  
5 the purposes of this act be deemed to be an employer of the individuals  
6 or classes of individuals for whom such election is approved Except as  
7 herein otherwise provided all other provisions of this act shall continue  
8 to be applicable in connection herewith

9 Section 251-B Method of Election and Duration Such election shall  
10 be made by submitting notice thereof in writing to the department  
11 signed by the authority or authorities legally entitled to give notice of  
12 such election Upon written approval of such election by the department  
13 such services shall be deemed to constitute employment subject to this  
14 act for all the purposes thereof from and after the date specified in  
15 such approval and for not less than two calendar years following the  
16 year in which such approval is given Thereafter such services shall  
17 cease to be deemed employment as of the first day of January of any  
18 calendar year subsequent to such two calendar years only if at least  
19 thirty days prior to such first day of January notice in writing to that

1 effect is received by the department of withdrawal of such election  
2 signed by the authority or authorities legally entitled to give such notice

3 Section 252-B Services Exempt from "Employment" Definition

4 For the purposes of this article the term "employment" shall not in-  
5 clude services performed by

6 (1) Elected officials

7 (2) Officials paid on a fee

8 (3) Individuals on any work-relief project undertaken by such  
9 political subdivision or its instrumentalities

10 Section 253-B Contributions (a) In lieu of contributions required  
11 of employers under this act any political subdivision or instrumentality  
12 thereof which has elected to become subject to this act as hereinabove  
13 set forth shall pay into the Unemployment Compensation Fund an  
14 amount equivalent to the amount of benefits paid to individuals based  
15 on base-period wages paid by such political subdivision or its instru-  
16 mentality

17 (b) If benefits paid to an individual are based on wages paid under  
18 employment covered in this section and on wages paid under employ-  
19 ment covered otherwise under this law then the amount payable by the  
20 political subdivision or instrumentality thereof to the Unemployment

1 Compensation Fund in lieu of contributions shall be the proportionate  
2 amount of the benefits paid such individual as the base-period wages  
3 paid such individual under employment covered in this section are  
4 proportionate to all other base-period wages paid such individual under  
5 employment covered otherwise

6 (e) The amount of which any such political subdivision or any in-  
7 strumentality thereof as hereinabove set forth shall pay into the Un-  
8 employment Compensation Fund shall be computed by the department  
9 and shall be reported quarterly to the financial authorities thereof who  
10 shall pay the required amount into the Unemployment Compensation  
11 Fund in accordance with regulations adopted as herein prescribed

12 Section 254-B Annual or Vacation Leave Any individual who at  
13 the time of his separation from employment by any political subdivi-  
14 sion or instrumentality thereof receives or is entitled to receive pay-  
15 ment for or of accumulated or current annual or vacation leave or  
16 similar leave under any ordinance or regulation shall be considered as  
17 continuing subsequent to such separation in employment until such  
18 period terminates and shall not be considered eligible either for wait-  
19 ing period or benefit credits until after such termination date

1 Section 2 Clause (6) subdivision (4) subsection (1) of section 4  
2 of the act amended May 23 1949 (P I, 1738) is repealed

We certify that this bill has passed the Senate and the House of  
Representatives.

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Chief Clerk, Senate

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President pro tempore, Senate

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Speaker, House of Representatives

Approved The .....day of .....A. D. 1961.

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Governor