



Pennsylvania Conference of Teamsters

Strength in Numbers 95,000

William Hamilton, President & Eastern PA Legislative Coordinator – Joseph Molinero, Sec.-Treasurer & Western PA Legislative Coordinator – Tim O'Neill, Consultant – Dan Grace, Trustee & Legislative Advisor – Robert Baptiste, Esq. Legal Advisor

LEGISLATIVE ACTION ALERT

HOUSE BILL 1475 Temporary Lockout Benefits

HB 1475 would provide temporary extended unemployment benefits for individuals who are unemployed through no fault of their own due to a lockout

House of Representatives Session of 2017 - 2018 Regular Session

MEMORANDUM

Posted: April 6, 2017 11:07 AM

From: Representative Joseph A. Petrarca

To: All House members

Subject: Lockout Compensation

In the near future, I intend to reintroduce legislation to provide temporary extended unemployment benefits for employees during a labor lockout. Last year, a lockout by Allegheny Technologies Inc. idled hundreds of western Pennsylvania steel workers for many months. While current law permitted these workers to apply for unemployment compensation, many of them exhausted their benefits while they were still barred from returning to their jobs. It was during this dispute that I partnered with Democratic Leader Frank Dermody to develop this legislation providing for temporary extended unemployment benefits.

According to The Century Foundation, *"The labor lockout—an action by the management of a company to deny workers access to their place of employment—was once a rare phenomenon compared to the strike, and there was a time when one could be fairly certain that any work stoppage was a strike. But in recent years, the federal courts and the National Labor Relations Board (NLRB) have expanded the permissible use of lockouts by management to the point that they now represent a significant portion of work stoppages."*

My legislation will provide temporary extended unemployment benefits for individuals who are unemployed through no fault of their own due to a lockout and whose regular unemployment benefits have been exhausted. The legislation would provide benefits equal to the weekly amount of an individual's most recent unemployment claim, and would apply only to those unable to perform their jobs because of a lockout. Locked out workers would receive a maximum of 26 weeks of additional benefits.

Extending temporary unemployment benefits will enable employees to provide for the basic necessities of life, such as food and shelter for themselves and their families. In addition, it will help to reduce the economic impact of the lockout on the local economy. Please join me in co-sponsoring and supporting this important legislation. **(See attached House Bill)**



THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1475 Session of 2017

INTRODUCED BY PETRARCA, DERMODY, MURT, LONGIETTI, V. BROWN, O'BRIEN AND DRISCOLL, MAY 31, 2017

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, MAY 31, 2017

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," in compensation,
 16 providing for temporary lockout benefits and further
 17 providing for rate and amount of compensation.

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

20 Section 1. The act of December 5, 1936 (2nd Sp.Sess., 1937
 21 P.L.2897, No.1), known as the Unemployment Compensation Law, is
 22 amended by adding a section to read:

23 Section 402.7. Temporary Lockout Benefits.--(a) An
 24 individual shall be eligible for temporary lockout benefits for
 25 a week if any of the following apply:

1 (1) If the week is within the individual's benefit year:

2 (i) prior to the start of the week, the individual received
3 all of the compensation to which the individual was entitled
4 under section 404(c); and

5 (ii) the individual would be eligible for compensation if
6 the individual had not received all of the compensation to which
7 the individual was entitled under section 404(c).

8 (2) If the week is beyond the end of the individual's most
9 recent benefit year:

10 (i) the individual is not eligible to establish a new
11 benefit year under section 404(c) or under sections 401(c) and
12 4(w) (2); and

13 (ii) the individual would be eligible for compensation if
14 the individual was eligible to establish a new benefit year.

15 (3) The individual is unemployed due to a stoppage of work
16 within the meaning of section 402(d).

17 (4) The department has issued a determination to the
18 individual under section 402(d) and either of the following
19 apply:

20 (i) the department's determination rules that the individual
21 is not disqualified under section 402(d); or

22 (ii) if the department's determination is appealed, a
23 decision on appeal rules that the individual is not disqualified
24 under section 402(d).

25 (5) The week is not a week in an extended benefit period
26 under Article IV-A and the individual is not eligible for
27 compensation for the week under an unemployment compensation
28 statute of the Federal Government or another state.

29 (b) An individual shall file claims for compensation under
30 this section within the time prescribed by this act and the

1 regulations of the department, or within sixty (60) days after
2 the effective date of this section, whichever is later.

3 Section 2. Section 404(c) of the act is amended to read:

4 Section 404. Rate and Amount of Compensation.--Compensation
5 shall be paid to each eligible employe in accordance with the
6 following provisions of this section except that compensation
7 payable with respect to weeks ending in benefit years which
8 begin prior to the first day of January 1989 shall be paid on
9 the basis of the provisions of this section in effect at the
10 beginning of such benefit years.

11 * * *

12 (c) The following shall apply:

13 (1) If an otherwise eligible employe has base year wages in
14 an amount equal to or in excess of the amount of qualifying
15 wages appearing in Part C of the Table Specified for the
16 Determination of Rate and Amount of Benefits on the line on
17 which in Part B there appears his weekly benefit rate, as
18 determined under subsection (a) of this section, and had
19 eighteen (18) or more credit weeks during his base year, he
20 shall be entitled [during his benefit year] to the following:

21 (i) During his benefit year, the amount appearing in Part B
22 on said line multiplied by the number of credit weeks during his
23 base year, up to a maximum of twenty-six (26).

24 (ii) For purposes of weeks for which the employe is eligible
25 for compensation under section 402.7, the amount appearing in
26 Part B on said line multiplied by the number of credit weeks
27 during the employe's base year, up to a maximum of twenty-six
28 (26).

29 (2) Notwithstanding any other provision of this act, any
30 employe with less than eighteen (18) credit weeks during the

1 employe's base year shall be ineligible to receive any amount of
2 compensation.

3 * * *

4 Section 3. If the United States Department of Labor
5 determines that this act causes the Commonwealth to be out of
6 conformity or compliance with the Federal Unemployment Tax Act
7 (Public Law 86-778, 26 U.S.C § 3301 et seq.) or the Social
8 Security Act (49 Stat. 620, 42 U.S.C § 301 et seq.), the
9 Department of Labor and Industry may permanently suspend the
10 operation of this act.

11 Section 4. The following shall apply:

12 (1) Except as otherwise provided under paragraph (2),
13 the amendment or addition of sections 402.7 and 404 of the
14 act shall apply to weeks that begin on or after the effective
15 date of this act.

16 (2) If an individual is unemployed due to a stoppage of
17 work under section 402(d) of the act on the effective date of
18 this act, the amendment or addition of sections 402.7 and 404
19 of the act shall apply retroactively to weeks that begin
20 before the effective date of this act during which the
21 individual is unemployed due to the same stoppage of work.

22 Section 5. This act shall take effect immediately.