

● UNEMPLOYMENT COMPENSATION LAW

STATUTORY CITATION: 43 Pa. Stat. §§ 751 – 919.10

GENERAL SUMMARY: The Unemployment Compensation Law compels both employers and employees in most lines of work in Pennsylvania to pay contributions to the state unemployment compensation fund, in rough proportion to the amount of wages they pay or receive, as the case may be. Individuals who are temporarily out of work, who have sufficient wage credits from covered employment, and who meet other eligibility requirements are entitled under the law to weekly cash payments from the state fund.

With some exceptions, employers are required to pay unemployment contributions if they pay wages to even one employee during the calendar year. Likewise, most workers employed by an employer who is not otherwise exempt from paying UI taxes must themselves contribute to the fund.

PROVISIONS APPLICABLE TO AGRICULTURE

EMPLOYER CONTRIBUTIONS — Every farm operator or other agricultural establishment that (1) paid cash wages of \$20,000 or more for agricultural labor during any calendar quarter of the current or preceding calendar year, or (2) employed 10 or more workers in agricultural labor for some portion of a day in each of 20 different calendar weeks in the current or preceding calendar year, must pay contributions to the state unemployment compensation fund. The amount of contributions for which an employer is liable is generally equal to the total amount of wages paid during the calendar year (up to a 2017 wage limit of \$9,750 per worker) multiplied by the employer's unemployment insurance tax rate, which is determined annually by the state administering agency on the basis of the employer's UI claims experience and other factors.

WORKER CONTRIBUTIONS — Each employee of a subject employer is currently required to contribute 0.07 percent of his or her wages to the unemployment compensation fund, without regard to the annual wage limit applicable to employers. Workers' contributions must be withheld from earnings by the employer, who is responsible for reporting and forwarding withheld amounts to the state.

ELIGIBILITY FOR BENEFITS — Unemployment compensation is generally payable to any worker who (1) has registered for job search services and conducts a weekly job search, (2) has made a valid application for benefits and a claim for compensation, (3) is able to work and available for suitable work, (4) has been unemployed for a waiting period of one week, (5) has earned at least 16 times the state hourly minimum wage (\$116 at the current minimum wage of \$7.25) from UI-covered employment in each of 18 or more weeks during the first four of the last five completed calendar quarters immediately preceding application for benefits, and (6) earned at least 37 percent of total wages outside the one quarter when wages were highest.

AMOUNT OF BENEFITS — An eligible claimant's weekly benefit amount is defined as either (1) 50 percent of the claimant's full-time weekly wage, or (2) the compensation rate corresponding to the claimant's high-quarter earnings, as specified in the statutorily prescribed benefit tables, whichever of the two sums is greater. With respect to a week of only partial unemployment, the amount of the UI payment is generally equal to the weekly benefit amount, minus that portion of the week's part-time earnings in excess of (1) \$6, or (2) 30 percent of the weekly benefit amount, whichever is greater.

DEPENDENTS' ALLOWANCE — In addition to the worker's regular benefits, for each week of unemployment a claimant is also entitled to \$5 for a dependent spouse or child, plus \$3 for a second dependent.

SEASONAL WORKER PROVISIONS — Wages paid to a worker by certain employers engaged in seasonal operations in a seasonal industry generally may not be counted in computing the worker's eligibility for unemployment compensation, or the amount of such benefits, for any week of unemployment occurring outside the normal seasonal period of operation for that industry. The special rules of eligibility apply only to workers performing seasonal services in connection with commercial canning or commercial freezing of fruits and vegetables, and may be applied only to wages paid by an employer formally determined by the state agency to have a seasonal canning or freezing operation. Each such employer must conspicuously display notices at the workplace advising employees of the seasonal determination and of the estimated beginning and ending dates of its normal seasonal period.

SPECIAL NOTES OR ADVISORIES

LIABILITY OF CREW LEADERS AND LABOR CONTRACTORS — For purposes of determining liability for payment of unemployment contributions, in cases where farmworkers performing agricultural labor are furnished to a farm operator by a crew leader who (1) is registered under the Migrant and Seasonal Agricultural Worker Protection Act, (2) pays members of the crew their earnings, and (3) has not entered into a written agreement with the farm operator under which the crew leader is designated as an employee of the farm operator, the crew leader is treated as the workers' employer. Under any other circumstances, crew members are considered employees of the farm operator, and wages paid to the workers by the crew leader are deemed to be wages paid by the farm operator.

ADMINISTRATION AND ENFORCEMENT

PRIMARY ENFORCEMENT AGENCY — *Office of Unemployment Compensation, Pennsylvania Department of Labor and Industry, Harrisburg, Pennsylvania 17120 (717-787-3907).* The Department is responsible for (1) determining the liability of employers for payment of unemployment insurance contributions and collecting contributions from subject employers, (2) for determining eligibility of workers for UI benefits and paying benefits to eligible workers, and (3) for resolving tax and benefit appeals lodged by employers and workers. The Department also enforces the withholding of UI contributions from employees, and hence may investigate any complaint by a worker alleging that

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withheld UI contributions are not being properly reported or remitted to the state by the employer. Workers who have UI-related questions may call the Department toll-free, at 888-313-7284; applications for unemployment compensation may be downloaded and filed by mail, but the recommended method is to file a claim online, at www.uc.pa.gov.

SECONDARY OR ASSOCIATED ENFORCEMENT AGENCY — *None*.