

EMPLOYMENT LAW SUMMARY

Pennsylvania Unemployment Compensation - Employee Eligibility



Because You're Different

Pennsylvania's unemployment insurance program exists to reduce the financial burden for individuals who are involuntary separated from employment. The program partially replaces lost wages for eligible individuals.

The Pennsylvania Unemployment Compensation Act (PUCA) sets eligibility requirements for individuals who claim unemployment benefits.

ELIGIBILITY TO RECEIVE UNEMPLOYMENT BENEFITS

Unemployed individuals can receive unemployment benefits for **up to 26 weeks**. To receive these benefits, individuals must file a claim with the [Pennsylvania Department of Labor and Industry](#) (PDLI). The PDLI will use the information provided by an applicant's claim to determine the amount of regular benefits he or she can receive.

Individuals are eligible to receive benefits if they have received wages for their work during the **base year**. The base year for an individual is the year when he or she was separated from employment and applied for unemployment benefits. Individuals must also have been unemployed for at least one week and must be **actively searching for suitable work**.

Actively searching for suitable employment includes activities such as registering with the Pennsylvania [CareerLink](#) system **within 30 days** of filing a benefit claim, posting a resume on the system's database and applying for open positions. The PDLI has the authority to cross-reference with Pennsylvania CareerLink to verify active employment searching activities.

Suitable work is work of a skill level substantially equal to, or higher than, the last occupation held by the individual. In addition, suitable work must be located within a **45 minute commute** of the claimant's residence and offer **wages of at least 80 percent** of his or her previous average weekly wage.

The PDLI will not deny unemployment benefits to individuals solely because they fail to apply for (or refuse to accept) suitable work if individuals choose to:

- Participate in approved training;
- Participate in a reemployment services program;
- Accept a layoff available to them through a labor-management contract or an established employer plan, program or policy;
- Leave work to accompany a spouse who is on active duty with the U.S. Armed Forces and is required to relocate due to permanent station orders, activation orders, or unit deployment orders, if the relocation would make it impractical or unreasonably difficult for the claimant to continue employment.

EXCEPTIONS

Individuals engaged in certain activities that are not considered employment under the PUCA may not be eligible to receive unemployment benefits. These individuals include:

- Individuals participating in work-relief or work-training programs financed in whole or in part by the federal or state government;
- Inmates receiving compensation for working in a penal institution;
- Student employees; and
- Temporary employees working in the case of natural disasters and other emergencies.

Aliens

If all other eligibility requirements are met, aliens lawfully admitted for permanent residence in the United States are eligible to receive unemployment benefits. When applying for unemployment benefits, aliens must provide the PDLI with the information necessary to determine their residency status.

Self-Employed Officers of a Corporation

The PDLI may deem corporate officers who exercise substantial control over a corporation to be self-employed. When these individuals become unemployed because the corporation enters into involuntary bankruptcy (under Chapter 7), they are entitled to receive unemployment compensation in the same manner and to the same extent as other claimants.

Seasonal Workers

Seasonal workers are not eligible to receive unemployment benefits outside of the normal seasonal work period if they can expect with reasonable certainty that they will return to work during the next season. The PUCA defines seasonal workers as individuals performing canning or commercial freezing services for a fruit or vegetable processing operation for no more than 180 days per year.

DISQUALIFICATION

Individuals who meet the eligibility requirements to receive unemployment benefits under the PUCA may still be disqualified or suspended from receiving unemployment benefits.

Voluntary Separation

Unemployment benefits are available only to individuals who have involuntarily lost their employment. **Voluntary separation** from employment disqualifies individuals from receiving unemployment benefits. Voluntary separation includes the resignation of disabled individuals when employers offer alternative suitable work. However, voluntary separation for necessary and compelling reasons will not disqualify an individual for unemployment benefits. Necessary and compelling reasons include pressure to:

- Leave unsuitable work to receive training;
- Join or remain a member of a union or labor organization;
- Accept wages, hours or working conditions not desired by a majority of employees; or
- Renounce the right of collective bargaining.

Misconduct Disqualification

Individuals discharged or suspended from work because of **willful misconduct** are not eligible to receive unemployment benefits. In Pennsylvania, willful misconduct includes wanton or willful disregard for the employer's interest, deliberate violations of the employer's rules, disregard for standards of behavior or negligence indicating an intentional disregard for the employee's duties. Employee misconduct may include on-the-job activities such as intoxication, sleeping, smoking, conducting personal business, filing false reports, fighting or threatening co-workers.

Refusing to submit and failing to pass a valid **drug test** may also be considered acts of willful misconduct that disqualify individuals from receiving benefits. A valid drug test must be part of a well-established employer substance abuse policy and must not violate any law or collective bargaining agreement.

Illegal Activities and Imprisonment

Incarcerated individuals are not eligible to receive unemployment benefits. In addition, individuals who have received unemployment benefits illegally are disqualified for one year or any other court-prescribed period.

Labor Dispute Disqualification

Individuals who are unemployed because of a labor dispute (other than a lock-out) are not eligible to receive unemployment benefits.

Receiving Alternative Benefits

Individuals receiving or seeking benefits from an alternative source, such as another state or the federal government, are ineligible to receive unemployment compensation in Pennsylvania. However, if the other source determines that an individual is not eligible to receive compensation from them, that individual may become eligible to receive unemployment benefits in Pennsylvania.

Individuals receiving compensation from work, after separation from employment with a value of at least **six times their weekly benefit rate** are ineligible to receive unemployment benefits. However, an individual does not automatically become ineligible if he or she receives compensation for a leave of absence authorized by his or her employer when he or she makes a reasonable effort to return to work after the leave of absence expires.

PENALTIES

Individuals who knowingly make false statements or knowingly fail to disclose material facts to obtain unemployment benefits may be subject to **finances of between \$100 and \$1,000, imprisonment for up to 30 days or both for each misrepresentation or non-disclosure**. In addition, these individuals may be disqualified from receiving future benefits.

In contrast, individuals who receive benefits to which they are not entitled through no fault of their own are not liable to repay these benefits. However, these benefits may be deducted from any future payable claims in the subsequent three years. The PDLI must notify individuals in writing of any recovery deductions made to their account.

MORE INFORMATION

For more information on Pennsylvania's unemployment compensation law, contact your Heffernan Insurance Brokers representative.

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