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## **Governor Wolf Signs Bill to Provide Unemployment Insurance for an Additional 44,000 Pennsylvanians**

**Harrisburg, PA** – Today, Governor Tom Wolf signed HB 319 into law which will finally provide nearly 44,000 additional people with insurance in the event they lose their job or cannot find work.

“This agreement brought together both Republicans and Democrats, as well as advocates in the business community and organized labor, to ensure that we help the unemployed while they try to find work,” said Governor Tom Wolf. “We accomplished this while remaining fiscally responsible and good stewards of taxpayer dollars. Once again, this is another example of how people can come together to find real solutions to serious challenges, despite the belief by some that Harrisburg is no longer able to tackle big issues on behalf of the people of Pennsylvania.”

Act 144 will help to ensure that seasonal workers and those who need unemployment insurance will have better and more efficient access to those funds. While there are many people who need unemployment insurance to get them through periods of unemployment, seasonal workers in industries such as construction utilize these funds to make it through the winter months.

“This well-designed solution prevents what could have been a serious employment and economic problem in many areas of the state, so it comes as a huge relief for tens of thousands of seasonal workers and for their employers,” said Senator Lisa Baker.

“Through a strong bipartisan effort, we developed a sound policy to ensure that approximately 44,000 workers will no longer be ineligible for benefits.” Representative John Galloway said. “Thanks to all the legislators and staff who

worked together to put the needs of workers as a top priority.”

The previous rule mandated that 49.5 percent of wages must be earned outside the highest quarter of earning for an individual to receive unemployment insurance. This percentage was prohibitively high and left many individuals and families of seasonal workers without this important financial bridge to cover leaner work months.

The change made in this legislation, lowering that bar to 37 percent of wages earned outside the highest quarter, removes a significant barrier to receiving benefits and will allow Pennsylvania families and workers to receive what they have earned – a stable and reliable unemployment insurance benefit.

To pay for this change, the legislation adopts several cost saving changes to ensure that Pennsylvania’s UC trust fund remains financially solvent. They include:

- An across the board 2% reduction (reset) in benefits - \$44 million in annual savings.
- Slowed growth in future benefits, beginning in 2020 through 2023 the maximum benefit will grow
- From 2024 and thereafter the maximum benefit will grow by 4%, this change will save at least \$400 million annually, and is expected to grow each year thereafter.

To ensure that the fund’s health continues to improve a series of triggers have been included to address any decline or stalled growth of the funds reserves. The amendment also includes several updates to the laws fraud provisions to further protect the integrity of the system.

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