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Bill Analysis
Legislative Service Commission

H.B. 608

126th General Assembly
(As Introduced)

Reps. Koziura, Domenick, Otterman, Beatty, Williams, Cassell, J. McGregor, Garrison, Healy, Chandler, Skindell, Yuko, Harwood, Barrett, Boccieri, D. Stewart, Carano, Distel, Strahorn, Brown, Fende, DeBose

BILL SUMMARY

- Prohibits reducing a claimant's unemployment compensation benefits by the amount the claimant concurrently receives in social security retirement benefits if the claimant contributed to social security pursuant to the Social Security Act.

CONTENT AND OPERATION

Pension offset of unemployment compensation benefits

Under current law, the amount of unemployment compensation benefits payable to a claimant for any week with respect to which the claimant is receiving a governmental or other pension, retirement or retired pay, annuity or any other similar periodic payment which is based on the previous work of the individual, must be reduced by an amount equal to the amount of the pension, retirement or retired pay, annuity or other payment which is reasonably attributable to that week. However, this reduction applies to any pension, retirement or retired pay, annuity, or other similar periodic payment only if both of the following apply:

(1) The payment is under a plan maintained or contributed to by a base period employer or chargeable employer.¹

(2) In the case of a payment under a plan not made under the Social Security Act, 42 U.S.C. 401 et seq., or the Railroad Retirement Act of 1974, 45

¹ A "base period" generally means the first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year. A base period employer or chargeable employer is an employer who employed a claimant during the claimant's base period.

U.S.C. 231 et seq., or the corresponding provisions of prior law, services performed for such employer by the individual after the beginning of the base period, or remuneration for such services, affect eligibility for, or increase the amount of, such pension, retirement or retired pay, annuity, or similar payment (sec. 4141.312(A)).

Additionally, under current law the amount of any disability pension, allowance, or payment paid to former members of the United States armed forces that is based on the nature and extent of the disability rather than a prior period of employment or service, cannot reduce or be deducted from the weekly benefits payable (sec. 4141.312(B)).

Elimination of social security benefit offset

The bill adds another exception to the pension offset of unemployment compensation benefits. Under the bill, if a claimant has made a contribution to social security pursuant to the federal Social Security Act, and that claimant is receiving a retirement payment pursuant to that Act, the claimant's weekly benefit is not reduced by the amount of that retirement payment because the claimant contributed to social security. (Sec. 4141.312(C).)

HISTORY

ACTION	DATE
Introduced	06-06-06

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