



January 19, 2016

HOUSE BILL No. 1344

DIGEST OF HB 1344 (Updated January 19, 2016 11:06 am - DI 113)

Citations Affected: IC 22-4; IC 22-4.1.

Synopsis: Unemployment insurance. Abolishes the Indiana unemployment compensation board and transfers the board's duties to the department of workforce development (department). Provides that not later than the fourth week after the week an individual begins receiving benefits, the individual must visit and receive an orientation to the services available through a one stop center in order to maintain eligibility to receive benefits. Provides that grants from the special employment and training services fund to various state educational institutions for apprenticeship programs and training and counseling assistance are contingent only on the availability of money and do not require approval by the department. Makes conforming amendments.

Effective: July 1, 2016.

Leonard

January 12, 2016, read first time and referred to Committee on Employment, Labor and Pensions.
January 19, 2016, amended, reported — Do Pass.

HB 1344—LS 6782/DI 102



January 19, 2016

Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

HOUSE BILL No. 1344

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 22-4-2-3 IS REPEALED [EFFECTIVE JULY 1,
2 2016]. Sec. 3: "~~Board~~" means the ~~unemployment insurance board~~
3 ~~established by this article~~.
- 4 SECTION 2. IC 22-4-2-34, AS AMENDED BY P.L.12-2011,
5 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 JULY 1, 2016]: Sec. 34. (a) With respect to benefits for weeks of
7 unemployment beginning after August 13, 1981, "extended benefit
8 period" means a period which begins with the third week after a week
9 for which there is a state "on" indicator and ends with the later of the
10 following:
- 11 (1) The third week after the first week for which there is a state
12 "off" indicator.
- 13 (2) The thirteenth consecutive week of such period.
- 14 (b) However, no extended benefit period may begin by reason of a
15 state "on" indicator before the fourteenth week following the end of a
16 prior extended benefit period which was in effect with respect to this
17 state.

HB 1344—LS 6782/DI 102



1 (c) There is a state "on" indicator for this state for a week if the
 2 commissioner determines, in accordance with the regulations of the
 3 United States Secretary of Labor, that for the period consisting of such
 4 week and the immediately preceding twelve (12) weeks, the rate of
 5 insured unemployment (not seasonally adjusted) under this article:

- 6 (1) equaled or exceeded one hundred twenty percent (120%) of
 7 the average of such rates for the corresponding 13-week period
 8 ending in each of the preceding two (2) calendar years; and
 9 (2) equaled or exceeded five percent (5%).

10 However, the determination of whether there has been a state "on" or
 11 "off" indicator beginning or ending any extended benefit period shall
 12 be made under this subsection as if it did not contain subdivision (1) if
 13 the insured unemployment rate is at least six percent (6%). Any week
 14 for which there would otherwise be a state "on" indicator shall continue
 15 to be such a week and may not be determined to be a week for which
 16 there is a state "off" indicator.

17 (d) In addition to the test for a state "on" indicator under subsection
 18 (c), there is a state "on" indicator for this state for a week if:

- 19 (1) the average rate of total unemployment in Indiana, seasonally
 20 adjusted, as determined by the United States Secretary of Labor,
 21 for the period consisting of the most recent three (3) months for
 22 which data for all states are published before the close of the
 23 week, equals or exceeds six and five-tenths percent (6.5%); and
 24 (2) the average rate of total unemployment in Indiana, seasonally
 25 adjusted, as determined by the United States Secretary of Labor,
 26 for the three (3) month period referred to in subdivision (1) equals
 27 or exceeds one hundred ten percent (110%) of the average for
 28 either or both of the corresponding three (3) month periods ending
 29 in the two (2) preceding calendar years.

30 There is a state "off" indicator for a week if either of the requirements
 31 in subdivisions (1) and (2) are not satisfied. However, any week for
 32 which there would otherwise be a state "on" indicator under this section
 33 continues to be subject to the "on" indicator and shall not be considered
 34 a week for which there is a state "off" indicator. This subsection expires
 35 on the later of December 5, 2009, or the week ending four (4) weeks
 36 before the last week for which federal sharing is authorized by Section
 37 2005(a) of Division B, Title II (the federal Assistance to Unemployed
 38 Workers and Struggling Families Act) of the federal American
 39 Recovery and Reinvestment Act of 2009 (P.L. 111-5).

40 (e) There is a state "off" indicator for this state for a week if the
 41 commissioner determines, in accordance with the regulations of the
 42 United States Secretary of Labor, that for the period consisting of such



1 week and the immediately preceding twelve (12) weeks, the
2 requirements of subsection (c) have not been met.

3 (f) With respect to benefits for weeks of unemployment beginning
4 after August 13, 1981, "rate of insured unemployment," for purposes
5 of subsection (c), means the percentage derived by dividing:

6 (1) the average weekly number of individuals filing claims for
7 regular compensation in this state for weeks of unemployment
8 with respect to the most recent 13 consecutive week period (as
9 determined by the **board department** on the basis of this state's
10 reports to the United States Secretary of Labor); by

11 (2) the average monthly employment covered under this article
12 for the first four (4) of the most recent six (6) completed calendar
13 quarters ending before the end of such 13-week period.

14 (g) "Regular benefits" means benefits payable to an individual under
15 this article or under the law of any other state (including benefits
16 payable to federal civilian employees and to ex-servicemen pursuant to
17 5 U.S.C. 8501 through 8525) other than extended benefits. "Additional
18 benefits" means benefits other than extended benefits and which are
19 totally financed by a state payable to exhaustees by reason of
20 conditions of high unemployment or by reason of other special factors
21 under the provisions of any state law. If extended compensation is
22 payable to an individual by this state and additional compensation is
23 payable to the individual for the same week by any state, the individual
24 may elect which of the two (2) types of compensation to claim.

25 (h) "Extended benefits" means benefits (including benefits payable
26 to federal civilian employees and to ex-servicemen pursuant to 5
27 U.S.C. 8501 through 8525) payable to an individual under the
28 provisions of this article for weeks of unemployment in the individual's
29 "eligibility period". Pursuant to Section 3304 of the Internal Revenue
30 Code extended benefits are not payable to interstate claimants filing
31 claims in an agent state which is not in an extended benefit period,
32 against the liable state of Indiana when the state of Indiana is in an
33 extended benefit period. This prohibition does not apply to the first two
34 (2) weeks claimed that would, but for this prohibition, otherwise be
35 payable. However, only one (1) such two (2) week period will be
36 granted on an extended claim. Notwithstanding any other provisions of
37 this chapter, with respect to benefits for weeks of unemployment
38 beginning after October 31, 1981, if the benefit year of any individual
39 ends within an extended benefit period, the remaining balance of
40 extended benefits that the individual would, but for this clause, be
41 entitled to receive in that extended benefit period, with respect to
42 weeks of unemployment beginning after the end of the benefit year,



1 shall be reduced (but not below zero (0)) by the product of the number
2 of weeks for which the individual received any amounts as trade
3 readjustment allowances within that benefit year, multiplied by the
4 individual's weekly benefit amount for extended benefits.

5 (i) "Eligibility period" of an individual means the period consisting
6 of the weeks in the individual's benefit period which begin in an
7 extended benefit period and, if the individual's benefit period ends
8 within such extended benefit period, any weeks thereafter which begin
9 in such extended benefit period. For any weeks of unemployment
10 beginning after February 17, 2009, and before January 1, 2012, an
11 individual's eligibility period (as described in Section 203(c) of the
12 Federal-State Unemployment Compensation Act of 1970) is, for
13 purposes of any determination of eligibility for extended compensation
14 under state law, considered to include any week that begins:

15 (1) after the date as of which the individual exhausts all rights to
16 emergency unemployment compensation; and

17 (2) during an extended benefit period that began on or before the
18 date described in subdivision (1).

19 (j) "Exhaustee" means an individual who, with respect to any week
20 of unemployment in the individual's eligibility period:

21 (1) has received, prior to such week, all of the regular benefits
22 including dependent's allowances that were available to the
23 individual under this article or under the law of any other state
24 (including benefits payable to federal civilian employees and
25 ex-servicemen under 5 U.S.C. 8501 through 8525) in the
26 individual's current benefit period that includes such week.
27 However, for the purposes of this subsection, an individual shall
28 be deemed to have received all of the regular benefits that were
29 available to the individual although as a result of a pending appeal
30 with respect to wages that were not considered in the original
31 monetary determination in the individual's benefit period or
32 although a nonmonetary decision denying benefits is pending, the
33 individual may subsequently be determined to be entitled to
34 added regular benefits;

35 (2) may be entitled to regular benefits with respect to future
36 weeks of unemployment but such benefits are not payable with
37 respect to such week of unemployment by reason of seasonal
38 limitations in any state unemployment insurance law; or

39 (3) having had the individual's benefit period expire prior to such
40 week, has no, or insufficient, wages on the basis of which the
41 individual could establish a new benefit period that would include
42 such week;



1 and has no right to unemployment benefits or allowances, as the case
2 may be, under the Railroad Unemployment Insurance Act, the Trade
3 Act of 1974, the Automotive Products Trade Act of 1965 and such
4 other federal laws as are specified in regulations issued by the United
5 States Secretary of Labor, and has not received and is not seeking
6 unemployment benefits under the unemployment compensation law of
7 Canada; but if the individual is seeking such benefits and the
8 appropriate agency finally determines that the individual is not entitled
9 to benefits under such law, the individual is considered an exhaustee.

10 (k) "State law" means the unemployment insurance law of any state,
11 approved by the United States Secretary of Labor under Section 3304
12 of the Internal Revenue Code.

13 (l) With respect to compensation for weeks of unemployment
14 beginning after March 1, 2011, and ending on the later of December
15 10, 2011, or the week ending four (4) weeks before the last week for
16 which federal sharing is authorized by Section 2005(a) of Division B,
17 Title II (the federal Assistance to Unemployed and Struggling Families
18 Act) of the federal American Recovery and Reinvestment Act of 2009
19 (P.L. 111-5), in addition to the tests for a state "on" indicator under
20 subsections (c) and (d), there is a state "on" indicator for a week if:

21 (1) the average rate of insured unemployment for the period
22 consisting of the week and the immediately preceding twelve (12)
23 weeks equals or exceeds five percent (5%); and

24 (2) the average rate of insured unemployment for the period
25 consisting of the week and the immediately preceding twelve (12)
26 weeks equals or exceeds one hundred twenty percent (120%) of
27 the average rates of insured unemployment for the corresponding
28 thirteen (13) week period ending in each of the preceding three
29 (3) calendar years.

30 (m) There is a state "off" indicator for a week based on the rate of
31 insured unemployment only if the rate of insured unemployment for the
32 period consisting of the week and the immediately preceding twelve
33 (12) weeks does not result in an "on" indicator under subsection (c)(1).

34 (n) With respect to compensation for weeks of unemployment
35 beginning after March 1, 2011, and ending on the later of December
36 10, 2011, or the week ending four (4) weeks before the last week for
37 which federal sharing is authorized by Section 2005(a) of Division B,
38 Title II (the federal Assistance to Unemployed and Struggling Families
39 Act) of the federal American Recovery and Reinvestment Act of 2009
40 (P.L. 111-5), in addition to the tests for a state "on" indicator under
41 subsections (c), (d), and (l) there is a state "on" indicator for a week if:

42 (1) the average rate of total unemployment (seasonally adjusted),



1 as determined by the United States Secretary of Labor, for the
 2 period consisting of the most recent three (3) months for which
 3 data for all states are published before the close of the week
 4 equals or exceeds six and one-half percent (6.5%); and

5 (2) the average rate of total unemployment in Indiana (seasonally
 6 adjusted), as determined by the United States Secretary of Labor,
 7 for the three (3) month period referred to in subdivision (1) equals
 8 or exceeds one hundred ten percent (110%) of the average for any
 9 or all of the corresponding three (3) month periods ending in the
 10 three (3) preceding calendar years.

11 (o) There is a state "off" indicator for a week based on the rate of
 12 total unemployment only if the rate of total unemployment for the
 13 period consisting of the most recent three (3) months for which data for
 14 all states are published before the close of the week does not result in
 15 an "on" indicator under subsection (d)(1).

16 SECTION 3. IC 22-4-4-1 IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE JULY 1, 2016]: Sec. 1. "Remuneration" whenever used
 18 in this article, unless the context clearly denotes otherwise, means all
 19 compensation for personal services, including but not limited to
 20 commissions, bonuses, dismissal pay, vacation pay, sick pay (subject
 21 to the provisions of section 2(b)(2) of this chapter) payments in lieu of
 22 compensation for services, and cash value of all compensation paid in
 23 any medium other than cash. The reasonable cash value of
 24 compensation paid in any medium other than cash may be estimated
 25 and determined in accordance with rules prescribed by the ~~board~~
 26 **department**. Such term shall not, however, include the value of meals,
 27 lodging, books, tuition, or educational facilities furnished to a student
 28 while such student is attending an established school, college,
 29 university, hospital, or training course for services performed within
 30 the regular school term or school year, including the customary
 31 vacation days or periods falling within such school term or school year.

32 SECTION 4. IC 22-4-7-1, AS AMENDED BY P.L.121-2014,
 33 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2016]: Sec. 1. (a) Before January 1, 2015, "employer" means:

35 (1) any employing unit which for some portion of a day, but not
 36 necessarily simultaneously, in each of twenty (20) different
 37 weeks, whether or not such weeks are or were consecutive within
 38 either the current or the preceding year, has or had in
 39 employment, and/or has incurred liability for wages payable to,
 40 one (1) or more individuals (irrespective of whether the same
 41 individual or individuals are or were employed in each such day);
 42 or



1 (2) any employing unit which in any calendar quarter in either the
 2 current or preceding calendar year paid for service in employment
 3 wages of one thousand five hundred dollars (\$1,500) or more,
 4 except as provided in section 2(e), 2(h), and 2(i) of this chapter.

5 (b) After December 31, 2014, "employer" means either of the
 6 following:

7 (1) An employing unit that has incurred liability for wages
 8 payable to one (1) or more individuals.

9 (2) An employing unit that in any calendar quarter during the
 10 current or preceding calendar year paid for service in employment
 11 wages of one dollar (\$1) or more, except as provided in section
 12 2(e), 2(h), and 2(i) of this chapter.

13 (c) For the purpose of this definition, if any week includes both
 14 December 31, and January 1, the days up to January 1 shall be deemed
 15 one (1) calendar week and the days beginning January 1 another such
 16 week.

17 (d) For purposes of this section, "employment" shall include
 18 services which would constitute employment but for the fact that such
 19 services are deemed to be performed entirely within another state
 20 pursuant to an election under an arrangement entered into by the ~~board~~
 21 **department** (pursuant to IC 22-4-22) and an agency charged with the
 22 administration of any other state or federal unemployment
 23 compensation law.

24 SECTION 5. IC 22-4-8-3, AS AMENDED BY P.L.2-2007,
 25 SECTION 292, IS AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE JULY 1, 2016]: Sec. 3. "Employment" shall not include
 27 the following:

28 (1) Except as provided in section 2(i) of this chapter, service
 29 performed prior to January 1, 1978, in the employ of this state,
 30 any other state, any town or city, or political subdivision, or any
 31 instrumentality of any of them, other than service performed in
 32 the employ of a municipally owned public utility as defined in this
 33 article; or service performed in the employ of the United States of
 34 America, or an instrumentality of the United States immune under
 35 the Constitution of the United States from the contributions
 36 imposed by this article, except that to the extent that the Congress
 37 of the United States shall permit states to require any
 38 instrumentalities of the United States to make payments into a
 39 unemployment fund under a state unemployment compensation
 40 statute, all of the provisions of this article shall be applicable to
 41 such instrumentalities, in the same manner, to the same extent,
 42 and on the same terms as to all other employers, employing units,



1 individuals, and services. However, if this state shall not be
2 certified for any year by the Secretary of Labor under Section
3 3304 of the Internal Revenue Code the payments required of such
4 instrumentalities with respect to such year shall be refunded by
5 the commissioner from the fund in the same manner and within
6 the same period as is provided in IC 22-4-32-19 with respect to
7 contribution erroneously paid or wrongfully assessed.

8 (2) Service with respect to which unemployment compensation is
9 payable under an unemployment compensation system
10 established by an Act of Congress; however, the department is
11 authorized to enter into agreements with the proper agencies
12 under such Act of Congress which agreements shall become
13 effective ten (10) days after publication thereof, in accordance
14 with rules adopted by the department under IC 4-22-2, to provide
15 reciprocal treatment to individuals who have, after acquiring
16 potential rights to benefits under this article, acquired rights to
17 unemployment compensation under such Act of Congress, or who
18 have, after having acquired potential rights to unemployment
19 compensation under such Act of Congress, acquired rights to
20 benefits under this article.

21 (3) "Agricultural labor" as provided in section 2(l)(1) of this
22 chapter shall include only services performed:

23 (A) on a farm, in the employ of any person, in connection with
24 cultivating the soil or in connection with raising or harvesting
25 any agricultural or horticultural commodity, including the
26 raising, shearing, feeding, caring for, training, and
27 management of livestock, bees, poultry, and furbearing
28 animals and wildlife;

29 (B) in the employ of the owner or tenant or other operator of
30 a farm, in connection with the operation, management,
31 conservation, improvement, or maintenance of such farm and
32 its tools and equipment, or in salvaging timber or clearing land
33 of brush and other debris left by a hurricane, if the major part
34 of such service is performed on a farm;

35 (C) in connection with the production or harvesting of any
36 commodity defined as an agricultural commodity in Section
37 15(g) of the Agricultural Marketing Act (12 U.S.C. 1141j(g))
38 as amended, or in connection with the operation or
39 maintenance of ditches, canals, reservoirs, or waterways, not
40 owned or operated for profit, used exclusively for supplying
41 and storing water for farming purposes;

42 (D) in the employ of:



- 1 (i) the operator of a farm in handling, planting, drying,
 2 packing, packaging, processing, freezing, grading, storing,
 3 or delivering to storage or to market or to a carrier for
 4 transportation to market, in its unmanufactured state, any
 5 agricultural or horticultural commodity; but only if such
 6 operator produced more than one-half (1/2) of the
 7 commodity with respect to which such service is performed;
 8 or
 9 (ii) a group of operators of farms (or a cooperative
 10 organization of which such operators are members) in the
 11 performance of service described in item (i), but only if such
 12 operators produce more than one-half (1/2) of the
 13 commodity with respect to which such service is performed;
 14 except the provisions of items (i) and (ii) shall not be deemed
 15 to be applicable with respect to service performed in
 16 connection with commercial canning or commercial freezing
 17 or in connection with any agricultural or horticultural
 18 commodity after its delivery to a terminal market for
 19 distribution for consumption; or
 20 (E) on a farm operated for profit if such service is not in the
 21 course of the employer's trade or business or is domestic
 22 service in a private home of the employer.
- 23 (4) As used in subdivision (3), "farm" includes stock, dairy,
 24 poultry, fruit, furbearing animals, and truck farms, nurseries,
 25 orchards, greenhouses, or other similar structures used primarily
 26 for the raising of agricultural or horticultural commodities.
- 27 (5) Domestic service in a private home, local college club, or
 28 local chapter of a college fraternity or sorority, except as provided
 29 in section 2(m) of this chapter.
- 30 (6) Service performed on or in connection with a vessel or aircraft
 31 not an American vessel or American aircraft, if the employee is
 32 employed on and in connection with such vessel or aircraft when
 33 outside the United States.
- 34 (7) Service performed by an individual in the employ of child or
 35 spouse, and service performed by a child under the age of
 36 twenty-one (21) in the employ of a parent.
- 37 (8) Service not in the course of the employing unit's trade or
 38 business performed in any calendar quarter by an individual,
 39 unless the cash remuneration paid for such service is fifty dollars
 40 (\$50) or more and such service is performed by an individual who
 41 is regularly employed by such employing unit to perform such
 42 service. For the purposes of this subdivision, an individual shall



1 be deemed to be regularly employed to perform service not in the
 2 course of an employing unit's trade or business during a calendar
 3 quarter only if:

4 (A) on each of some of twenty-four (24) days during such
 5 quarter such individual performs such service for some portion
 6 of the day; or

7 (B) such individual was regularly employed (as determined
 8 under clause (A)) by such employing unit in the performance
 9 of such service during the preceding calendar quarter.

10 (9) Service performed by an individual in any calendar quarter in
 11 the employ of any organization exempt from income tax under
 12 Section 501 of the Internal Revenue Code (except those services
 13 included in sections 2(i) and 2(j) of this chapter if the
 14 remuneration for such service is less than fifty dollars (\$50)).

15 (10) Service performed in the employ of a hospital, if such service
 16 is performed by a patient of such hospital.

17 (11) Service performed in the employ of a school or eligible
 18 postsecondary educational institution if the service is performed:

19 (A) by a student who is enrolled and is regularly attending
 20 classes at the school or eligible postsecondary educational
 21 institution; or

22 (B) by the spouse of such a student, if such spouse is advised,
 23 at the time such spouse commences to perform such service,
 24 that:

25 (i) the employment of such spouse to perform such service
 26 is provided under a program to provide financial assistance
 27 to such student by the school or eligible postsecondary
 28 educational institution; and

29 (ii) such employment will not be covered by any program of
 30 unemployment insurance.

31 (12) Service performed by an individual who is enrolled at a
 32 nonprofit or public educational institution which normally
 33 maintains a regular faculty and curriculum and normally has a
 34 regularly organized body of students in attendance at the place
 35 where its educational activities are carried on as a student in a
 36 full-time program, taken for credit at such institution, which
 37 combines academic instruction with work experience, if such
 38 service is an integral part of such program, and such institution
 39 has so certified to the employer, except that this subdivision shall
 40 not apply to service performed in a program established for or on
 41 behalf of an employer or group of employers.

42 (13) Service performed in the employ of a government foreign to



- 1 the United States of America, including service as a consular or
2 other officer or employee or a nondiplomatic representative.
- 3 (14) Service performed in the employ of an instrumentality
4 wholly owned by a government foreign to that of the United
5 States of America, if the service is of a character similar to that
6 performed in foreign countries by employees of the United States
7 of America or of an instrumentality thereof, and if the ~~board~~
8 **department** finds that the Secretary of State of the United States
9 has certified to the Secretary of the Treasury of the United States
10 that the government, foreign to the United States, with respect to
11 whose instrumentality exemption is claimed, grants an equivalent
12 exemption with respect to similar service performed in such
13 country by employees of the United States and of
14 instrumentalities thereof.
- 15 (15) Service performed as a student nurse in the employ of a
16 hospital or nurses' training school by an individual who is
17 enrolled and is regularly attending classes in a nurses' training
18 school chartered or approved pursuant to state law; and service
19 performed as an intern in the employ of a hospital by an
20 individual who has completed a four (4) year course in a medical
21 school chartered or approved pursuant to state law.
- 22 (16) Service performed by an individual as an insurance producer
23 or as an insurance solicitor, if all such service performed by such
24 individual is performed for remuneration solely by way of
25 commission.
- 26 (17) Service performed by an individual:
- 27 (A) under the age of eighteen (18) in the delivery or
28 distribution of newspapers or shopping news, not including
29 delivery or distribution to any point for subsequent delivery or
30 distribution; or
- 31 (B) in, and at the time of, the sale of newspapers or magazines
32 to ultimate consumers, under an arrangement under which the
33 newspapers or magazines are to be sold by the individual at a
34 fixed price, the individual's compensation being based on the
35 retention of the excess of such price over the amount at which
36 the newspapers or magazines are charged to the individual,
37 whether or not the individual is guaranteed a minimum amount
38 of compensation for such service, or is entitled to be credited
39 with the unsold newspapers or magazines turned back.
- 40 (18) Service performed in the employ of an international
41 organization.
- 42 (19) Except as provided in IC 22-4-7-1, services covered by an



1 election duly approved by the agency charged with the
 2 administration of any other state or federal unemployment
 3 compensation law in accordance with an arrangement pursuant to
 4 IC 22-4-22-1 through IC 22-4-22-5, during the effective period of
 5 such election.

6 (20) If the service performed during one-half (1/2) or more of any
 7 pay period by an individual for an employing unit constitutes
 8 employment, all the services of such individual for such period
 9 shall be deemed to be employment; but if the services performed
 10 during more than one-half (1/2) of any pay period by such an
 11 individual do not constitute employment, then none of the
 12 services of such individual for such period shall be deemed to be
 13 employment. As used in this subsection, "pay period" means a
 14 period of not more than thirty-one (31) consecutive days for
 15 which a payment of remuneration is ordinarily made to the
 16 individual by the employing unit. This subsection shall not be
 17 applicable with respect to services performed in a pay period by
 18 any such individual where any such service is excepted by
 19 subdivision (2).

20 (21) Service performed by an inmate of a custodial or penal
 21 institution.

22 (22) Service performed as a precinct election officer (as defined
 23 in IC 3-5-2-40.1).

24 SECTION 6. IC 22-4-9-6 IS AMENDED TO READ AS FOLLOWS
 25 [EFFECTIVE JULY 1, 2016]: Sec. 6. Every employer subject to this
 26 article or who has ceased to be subject to this article pursuant to section
 27 2 of this chapter shall post and maintain printed notices thereof on its
 28 premises of such design, in such numbers, and at such places as the
 29 **board department** may determine to be necessary to give such notice
 30 to persons in its service and may furnish for such purposes. Such
 31 employer shall also cause to be distributed to employees any booklets,
 32 pamphlets, leaflets, or other literature or materials supplied and
 33 furnished to such employer by the department and which contain
 34 instructions to employees on the filing of claims or which relate to the
 35 rights of employees under this article and are deemed by the **board**
 36 **department** to promote the proper and efficient administration of this
 37 article.

38 SECTION 7. IC 22-4-11-2, AS AMENDED BY P.L.183-2015,
 39 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2016]: Sec. 2. (a) Except as provided in IC 22-4-10-6 and
 41 IC 22-4-11.5, the department shall for each year determine the
 42 contribution rate applicable to each employer.



1 (b) The balance shall include contributions with respect to the
 2 period ending on the computation date and actually paid on or before
 3 July 31 immediately following the computation date and benefits
 4 actually paid on or before the computation date and shall also include
 5 any voluntary payments made in accordance with IC 22-4-10-5 or
 6 IC 22-4-10-5.5 (repealed):

7 (1) for each calendar year, an employer's rate shall be determined
 8 in accordance with the rate schedules in section 3.3 or 3.5 of this
 9 chapter; and

10 (2) for each calendar year, an employer's rate shall be two and
 11 five-tenths percent (2.5%), except as otherwise provided in
 12 subsection (g) or IC 22-4-37-3, unless:

13 (A) the employer has been subject to this article throughout
 14 the thirty-six (36) consecutive calendar months immediately
 15 preceding the computation date;

16 (B) there has been some annual payroll in each of the three (3)
 17 twelve (12) month periods immediately preceding the
 18 computation date; and

19 (C) the employer has properly filed all required contribution
 20 and wage reports, and all contributions, penalties, and interest
 21 due and owing by the employer or the employer's predecessors
 22 have been paid.

23 (c) In addition to the conditions and requirements set forth and
 24 provided in subsection (b)(2)(A), (b)(2)(B), and (b)(2)(C), an
 25 employer's rate is equal to the sum of the employer's contribution rate
 26 determined or estimated by the department under this article plus two
 27 percent (2%) unless all required contributions and wage reports have
 28 been filed within thirty-one (31) days following the computation date
 29 and all contributions, penalties, and interest due and owing by the
 30 employer or the employer's predecessor for periods before and
 31 including the computation date have been paid:

32 (1) within thirty-one (31) days following the computation date; or

33 (2) within ten (10) days after the department has given the
 34 employer a written notice by registered mail to the employer's last
 35 known address of:

36 (A) the delinquency; or

37 (B) failure to file the reports;

38 whichever is the later date. The ~~board~~ **department** or the ~~board's~~
 39 **department's** designee may waive the imposition of rates under this
 40 subsection if the ~~board~~ **department** finds the employer's failure to meet
 41 the deadlines was for excusable cause. The department shall give
 42 written notice to the employer before this additional condition or



1 requirement shall apply. An employer's rate under this subsection may
2 not exceed twelve percent (12%).

3 (d) However, if the employer is the state or a political subdivision
4 of the state or any instrumentality of a state or a political subdivision,
5 or any instrumentality which is wholly owned by the state and one (1)
6 or more other states or political subdivisions, the employer may
7 contribute at a rate of one and six-tenths percent (1.6%) until it has
8 been subject to this article throughout the thirty-six (36) consecutive
9 calendar months immediately preceding the computation date.

10 (e) On the computation date every employer who had taxable wages
11 in the previous calendar year shall have the employer's experience
12 account charged with the amount determined under the following
13 formula:

14 STEP ONE: Divide:

15 (A) the employer's taxable wages for the preceding calendar
16 year; by

17 (B) the total taxable wages for the preceding calendar year.

18 STEP TWO: Subtract:

19 (A) the amount described in IC 22-4-10-4.5(e)(2), if any; from

20 (B) the total amount of benefits charged to the fund under
21 section 1 of this chapter.

22 STEP THREE: Multiply the quotient determined under STEP
23 ONE by the difference determined under STEP TWO.

24 (f) One (1) percentage point of the rate imposed under subsection
25 (c), or the amount of the employer's payment that is attributable to the
26 increase in the contribution rate, whichever is less, shall be imposed as
27 a penalty that is due and shall be deposited upon collection into the
28 special employment and training services fund established under
29 IC 22-4-25-1. The remainder of the contributions paid by an employer
30 pursuant to the maximum rate shall be:

31 (1) considered a contribution for the purposes of this article; and

32 (2) deposited in the unemployment insurance benefit fund
33 established under IC 22-4-26.

34 (g) Except as otherwise provided in IC 22-4-37-3, this subsection,
35 instead of subsection (b)(2), applies to an employer in the construction
36 industry. As used in the subsection, "construction industry" means
37 business establishments whose proper primary classification in the
38 current edition of the North American Industry Classification System
39 Manual - United States, published by the National Technical
40 Information Service of the United States Department of Commerce is
41 23 (construction). For each calendar year beginning after December 31,
42 2013, an employer's rate shall be equal to the lesser of four percent



1 (4%) or the average of the contribution rates paid by all employers in
 2 the construction industry subject to this article during the twelve (12)
 3 months preceding the computation date, unless:

4 (1) the employer has been subject to this article throughout the
 5 thirty-six (36) consecutive calendar months immediately
 6 preceding the computation date;

7 (2) there has been some annual payroll in each of the three (3)
 8 twelve (12) month periods immediately preceding the
 9 computation date; and

10 (3) the employer has properly filed all required contribution and
 11 wage reports, and all contributions, penalties, and interest due and
 12 owing by the employer or the employer's predecessors have been
 13 paid.

14 SECTION 8. IC 22-4-12-4, AS AMENDED BY P.L.12-2011,
 15 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2016]: Sec. 4. (a) Benefits shall be computed upon the basis
 17 of wage credits of an individual in the individual's base period. Wage
 18 credits shall be reported by the employer and credited to the individual
 19 in the manner prescribed by the ~~board~~ **department**. With respect to
 20 initial claims filed for any week beginning on and after July 7, 1991,
 21 the maximum total amount of benefits payable to any eligible
 22 individual during any benefit period shall not exceed twenty-six (26)
 23 times the individual's weekly benefit, or twenty-eight percent (28%) of
 24 the individual's wage credits with respect to the individual's base
 25 period, whichever is less. If such maximum total amount of benefits is
 26 not a multiple of one dollar (\$1), it shall be computed to the next lower
 27 multiple of one dollar (\$1).

28 (b) Except as provided in subsection (d), the total extended benefit
 29 amount payable to any eligible individual with respect to the
 30 individual's applicable benefit period shall be fifty percent (50%) of the
 31 total amount of regular benefits (including dependents' allowances)
 32 which were payable to the individual under this article in the applicable
 33 benefit year, or thirteen (13) times the weekly benefit amount
 34 (including dependents' allowances) which was payable to the individual
 35 under this article for a week of total unemployment in the applicable
 36 benefit year, whichever is the lesser amount.

37 (c) This subsection applies to individuals who file a disaster
 38 unemployment claim or a state unemployment insurance claim after
 39 June 1, 1990, and before June 2, 1991, or during another time specified
 40 in another state statute. An individual is entitled to thirteen (13) weeks
 41 of additional benefits, as originally determined, if:

42 (1) the individual has established:



- 1 (A) a disaster unemployment claim under the Stafford Disaster
 2 Relief and Emergency Assistance Act; or
 3 (B) a state unemployment insurance claim as a direct result of
 4 a major disaster;
- 5 (2) all regular benefits and all disaster unemployment assistance
 6 benefits:
- 7 (A) have been exhausted by the individual; or
 8 (B) are no longer payable to the individual due to the
 9 expiration of the disaster assistance period; and
- 10 (3) the individual remains unemployed as a direct result of the
 11 disaster.
- 12 (d) For purposes of this subsection, "high unemployment period"
 13 means a period during which an extended benefit period would be in
 14 effect if IC 22-4-2-34(d)(1) were applied by substituting "eight percent
 15 (8%)" for "six and five-tenths percent (6.5%)". Effective with respect
 16 to weeks beginning in a high unemployment period, the total extended
 17 benefit amount payable to an eligible individual with respect to the
 18 applicable benefit year is equal to the least of the following amounts:
- 19 (1) Eighty percent (80%) of the total amount of regular benefits
 20 that were payable to the eligible individual under this article in
 21 the applicable benefit year.
- 22 (2) Twenty (20) times the weekly benefit amount that was payable
 23 to the eligible individual under this article for a week of total
 24 unemployment in the applicable benefit year.
- 25 (3) Forty-six (46) times the weekly benefit amount that was
 26 payable to the eligible individual under this article for a week of
 27 total unemployment in the applicable benefit year, reduced by the
 28 regular unemployment compensation benefits paid (or deemed
 29 paid) during the benefit year.
- 30 This subsection expires on the later of December 5, 2009, or the week
 31 ending four (4) weeks before the last week for which federal sharing is
 32 authorized by Section 2005(a) of Division B, Title II (the federal
 33 Assistance to Unemployed Workers and Struggling Families Act) of
 34 the federal American Recovery and Reinvestment Act of 2009 (P.L.
 35 111-5).
- 36 (e) For purposes of this subsection, "high unemployment period"
 37 means a period during which an extended benefit period would be in
 38 effect if IC 22-4-2-34(n)(1) were applied by substituting "eight percent
 39 (8%)" for "six and one-half percent (6.5%)". Effective with respect to
 40 weeks of unemployment beginning after March 1, 2011, and ending on
 41 the later of December 10, 2011, or the week ending four (4) weeks
 42 before the last week for which federal sharing is authorized by Section



1 2005(a) of Division B, Title II (the federal Assistance to Unemployed
 2 and Struggling Families Act) of the federal American Recovery and
 3 Reinvestment Act of 2009 (P.L. 111-5), in a high unemployment
 4 period, the total extended benefit amount payable to an eligible
 5 individual with respect to the applicable benefit year is equal to the
 6 lesser of the following amounts:

7 (1) Eighty percent (80%) of the total amount of regular benefits
 8 that were payable to the eligible individual under this article in
 9 the applicable benefit year.

10 (2) Twenty (20) times the weekly benefit amount that was payable
 11 to the eligible individual under this article for a week of total
 12 unemployment in the applicable benefit year.

13 SECTION 9. IC 22-4-12-5 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. (a) As used in this
 15 section, the term "part-time worker" means an individual whose normal
 16 work is in an occupation in which ~~his~~ **the individual's** services are not
 17 required for the customary scheduled full-time hours prevailing in the
 18 establishment in which ~~he~~ **the individual** is employed, or who, owing
 19 to personal circumstances, does not customarily work the customary
 20 scheduled full-time hours prevailing in the establishment in which ~~he~~
 21 **the individual** is employed.

22 (b) The ~~board~~ **department** may prescribe rules applicable to
 23 part-time workers for determining their weekly benefit amount and the
 24 wage credits required to qualify such individuals for benefits. Such
 25 rules shall, with respect to such individuals, supersede any inconsistent
 26 provisions of this article, but, so far as practicable, shall secure results
 27 reasonably equivalent to those provided in the analogous provisions of
 28 this article.

29 SECTION 10. IC 22-4-14-3, AS AMENDED BY P.L.195-2015,
 30 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2016]: Sec. 3. (a) An individual who is receiving benefits as
 32 determined under IC 22-4-15-1(c)(8) may restrict the individual's
 33 availability because of the individual's need to address the physical,
 34 psychological, or legal effects of being a victim of domestic or family
 35 violence (as defined in IC 31-9-2-42).

36 (b) An unemployed individual shall be eligible to receive benefits
 37 with respect to any week only if the individual:

38 (1) is physically and mentally able to work;

39 (2) is available for work;

40 (3) is found by the department to be making an effort to secure
 41 full-time work; and

42 (4) participates in reemployment services and reemployment and



1 eligibility assessment activities **as required by section 3.2 of this**
 2 **chapter or** when directed by the department as provided under
 3 section 3.5 of this chapter, unless the department determines that:
 4 (A) the individual has completed the reemployment services;
 5 or
 6 (B) failure by the individual to participate in or complete the
 7 reemployment services is excused by the director under
 8 IC 22-4-14-2(b).

9 The term "effort to secure full-time work" shall be defined by the
 10 department through rule which shall take into consideration whether
 11 such individual has a reasonable assurance of reemployment and, if so,
 12 the length of the prospective period of unemployment. However, if an
 13 otherwise eligible individual is unable to work or unavailable for work
 14 on any normal work day of the week the individual shall be eligible to
 15 receive benefits with respect to such week reduced by one-third (1/3)
 16 of the individual's weekly benefit amount for each day of such inability
 17 to work or unavailability for work.

18 (c) For the purpose of this article, unavailability for work of an
 19 individual exists in, but is not limited to, any case in which, with
 20 respect to any week, it is found:

- 21 (1) that such individual is engaged by any unit, agency, or
- 22 instrumentality of the United States, in charge of public works or
- 23 assistance through public employment, or any unit, agency, or
- 24 instrumentality of this state, or any political subdivision thereof,
- 25 in charge of any public works or assistance through public
- 26 employment;
- 27 (2) that such individual is in full-time active military service of
- 28 the United States, or is enrolled in civilian service as a
- 29 conscientious objector to military service;
- 30 (3) that such individual is suspended for misconduct in
- 31 connection with the individual's work; or
- 32 (4) that such individual is in attendance at a regularly established
- 33 public or private school during the customary hours of the
- 34 individual's occupation or is in any vacation period intervening
- 35 between regular school terms during which the individual is a
- 36 student. However, this subdivision does not apply to any
- 37 individual who is attending a regularly established school, has
- 38 been regularly employed and upon becoming unemployed makes
- 39 an effort to secure full-time work and is available for suitable
- 40 full-time work with the individual's last employer, or is available
- 41 for any other full-time employment deemed suitable.

42 (d) Notwithstanding any other provisions in this section or



1 IC 22-4-15-2, no otherwise eligible individual shall be denied benefits
 2 for any week because the individual is in training with the approval of
 3 the department, nor shall such individual be denied benefits with
 4 respect to any week in which the individual is in training with the
 5 approval of the department by reason of the application of the
 6 provisions of this section with respect to the availability for work or
 7 active search for work or by reason of the application of the provisions
 8 of IC 22-4-15-2 relating to failure to apply for, or the refusal to accept,
 9 suitable work. The department shall by rule prescribe the conditions
 10 under which approval of such training will be granted.

11 (e) Notwithstanding subsection (b), (c), or (d), or IC 22-4-15-2, an
 12 otherwise eligible individual shall not be denied benefits for any week
 13 or determined not able, available, and actively seeking work, because
 14 the individual is responding to a summons for jury service. The
 15 individual shall:

- 16 (1) obtain from the court proof of the individual's jury service;
- 17 and
- 18 (2) provide to the department, in the manner the department
 19 prescribes by rule, proof of the individual's jury service.

20 SECTION 11. IC 22-4-14-3.2 IS ADDED TO THE INDIANA
 21 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2016]: **Sec. 3.2. For purposes of section 3 of**
 23 **this chapter, not later than the fourth week after the week an**
 24 **individual begins receiving benefits, the individual must visit and**
 25 **receive an orientation to the services available through a one stop**
 26 **center (as defined by IC 22-4.1-1-5).**

27 SECTION 12. IC 22-4-14-11 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 11. (a) For weeks of
 29 unemployment occurring after October 1, 1983, benefits may be paid
 30 to an individual on the basis of service performed in seasonal
 31 employment (as defined in IC 22-4-8-4) only if the claim is filed within
 32 the operating period of the seasonal employment. If the claim is filed
 33 outside the operating period of the seasonal employment, benefits may
 34 be paid on the basis of nonseasonal wages only.

35 (b) An employer shall file an application for a seasonal
 36 determination (as defined by IC 22-4-7-3) with the department of
 37 workforce development. A seasonal determination shall be made by the
 38 department within ninety (90) days after the filing of such an
 39 application. Until a seasonal determination by the department has been
 40 made in accordance with this section, no employer or worker may be
 41 considered seasonal.

42 (c) Any interested party may file an appeal regarding a seasonal



1 determination within fifteen (15) calendar days after the determination
 2 by the department and obtain review of the determination in
 3 accordance with IC 22-4-32.

4 (d) Whenever an employer is determined to be a seasonal employer,
 5 the following provisions apply:

6 (1) The seasonal determination becomes effective the first day of
 7 the calendar quarter commencing after the date of the seasonal
 8 determination.

9 (2) The seasonal determination does not affect any benefit rights
 10 of seasonal workers with respect to employment before the
 11 effective date of the seasonal determination.

12 (e) If a seasonal employer, after the date of its seasonal
 13 determination, operates its business or its seasonal operation during a
 14 period or periods of twenty-six (26) weeks or more in a calendar year,
 15 the employer shall be determined by the department to have lost its
 16 seasonal status with respect to that business or operation effective at
 17 the end of the then current calendar quarter. The redetermination shall
 18 be reported in writing to the employer. Any interested party may file an
 19 appeal within fifteen (15) calendar days after the redetermination by
 20 the department and obtain review of the redetermination in accordance
 21 with IC 22-4-32.

22 (f) Seasonal employers shall keep account of wages paid to seasonal
 23 workers within the seasonal period as determined by the department
 24 and shall report these wages on a special seasonal quarterly report form
 25 provided by the department.

26 (g) The ~~board~~ **department** shall adopt rules applicable to seasonal
 27 employers for determining their normal seasonal period or periods.

28 SECTION 13. IC 22-4-17-5, AS AMENDED BY P.L.175-2009,
 29 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2016]: Sec. 5. (a) The governor shall appoint a review board
 31 composed of three (3) members, not more than two (2) of whom shall
 32 be members of the same political party, with salaries to be fixed by the
 33 governor. The review board shall consist of the chairman and the two
 34 (2) members who shall serve for terms of three (3) years. At least one
 35 (1) member must be admitted to the practice of law in Indiana.

36 (b) Any claim pending before an administrative law judge, and all
 37 proceedings therein, may be transferred to and determined by the
 38 review board upon its own motion, at any time before the
 39 administrative law judge announces a decision. ~~Any claim pending~~
 40 ~~before either an administrative law judge or the review board may be~~
 41 ~~transferred to the board for determination at the direction of the board.~~
 42 If the review board considers it advisable to procure additional



1 evidence, it may direct the taking of additional evidence within a time
 2 period it shall fix. An employer that is a party to a claim transferred to
 3 the review board ~~or the board~~ under this subsection is entitled to
 4 receive notice in accordance with section 6 of this chapter of the
 5 transfer or any other action to be taken under this section before a
 6 determination is made or other action concerning the claim is taken.

7 (c) Any proceeding so removed to the review board shall be heard
 8 by a quorum of the review board in accordance with the requirements
 9 of section 3 of this chapter. The review board shall notify the parties to
 10 any claim of its decision, together with its reasons for the decision.

11 (d) Members of the review board, when acting as administrative law
 12 judges, are subject to section 15 of this chapter.

13 (e) The review board may on the board's own motion affirm, modify,
 14 set aside, remand, or reverse the findings, conclusions, or orders of an
 15 administrative law judge on the basis of any of the following:

16 (1) Evidence previously submitted to the administrative law
 17 judge.

18 (2) The record of the proceeding after the taking of additional
 19 evidence as directed by the review board.

20 (3) A procedural error by the administrative law judge.

21 SECTION 14. IC 22-4-17-7, AS AMENDED BY P.L.108-2006,
 22 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2016]: Sec. 7. In the discharge of the duties imposed by this
 24 article, ~~any member of the board~~; the department, the review board, ~~or~~
 25 an administrative law judge, or any duly authorized representative of
 26 any of them, shall have power to administer oaths and affirmations,
 27 take depositions, certify to official acts, and issue and serve subpoenas
 28 to compel the attendance of witnesses and the production of books,
 29 papers, correspondence, memoranda, and other records deemed
 30 necessary as evidence in connection with the disputed claim or the
 31 administration of this article.

32 SECTION 15. IC 22-4-17-8, AS AMENDED BY P.L.108-2006,
 33 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2016]: Sec. 8. In case of contumacy by, or refusal to obey a
 35 subpoena issued to, any person in the administration of this article, any
 36 court of this state within the jurisdiction of which the inquiry is carried
 37 on or within the jurisdiction of which said person guilty of contumacy
 38 or refusal to obey is found or resides or transacts business, upon
 39 application by ~~the board~~; the department, ~~or~~ the review board, or a duly
 40 authorized representative of ~~any either~~ of these, shall have jurisdiction
 41 to issue to such person an order requiring such person to appear before
 42 ~~the board~~; the department, the review board, an administrative law



1 judge, or the duly authorized representative of any of these, there to
 2 produce evidence if so ordered, or there to give testimony touching the
 3 matter in question or under investigation. Any failure to obey such
 4 order of the court may be punished by said court as a contempt thereof.

5 SECTION 16. IC 22-4-17-9, AS AMENDED BY P.L.108-2006,
 6 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2016]: Sec. 9. No person shall be excused from attending and
 8 testifying or from producing books, papers, correspondence,
 9 memoranda, and other records before ~~the board~~, the department, the
 10 review board, an administrative law judge, or the duly authorized
 11 representative of any of them, in obedience to the subpoena of any of
 12 them in any cause or proceeding before any of them on the ground that
 13 the testimony or evidence, documentary or otherwise, required of the
 14 person may tend to incriminate the person or subject the person to a
 15 penalty or forfeiture, but no individual shall be prosecuted or subjected
 16 to any penalty or forfeiture for or on account of any transaction, matter,
 17 or thing concerning which the person is compelled after having claimed
 18 the privilege against self-incrimination to testify or produce evidence,
 19 documentary or otherwise, except that such individual so testifying
 20 shall not be exempt from prosecution and punishment for perjury
 21 committed in so testifying. Any testimony or evidence submitted in due
 22 course before ~~the board~~, the department, the review board, an
 23 administrative law judge, or any duly authorized representative of any
 24 of them, shall be deemed a communication presumptively privileged
 25 with respect to any civil action except actions to enforce the provisions
 26 of this article.

27 SECTION 17. IC 22-4-17-14, AS AMENDED BY P.L.108-2006,
 28 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2016]: Sec. 14. (a) This section applies to notices given under
 30 sections 2, 3, 11, and 12 of this chapter. This section does not apply to
 31 rules adopted by ~~the board~~ or the department, unless specifically
 32 provided.

33 (b) As used in this section, "notices" includes mailings of notices,
 34 determinations, decisions, orders, motions, or the filing of any
 35 document with the appellate division or review board.

36 (c) If a notice is served through the United States mail, three (3)
 37 days must be added to a period that commences upon service of that
 38 notice.

39 (d) The filing of a document with the appellate division or review
 40 board is complete on the earliest of the following dates that apply to the
 41 filing:

42 (1) The date on which the document is delivered to the appellate



1 division or review board.

2 (2) The date of the postmark on the envelope containing the
3 document if the document is mailed to the appellate division or
4 review board by the United States Postal Service.

5 (3) The date on which the document is deposited with a private
6 carrier, as shown by a receipt issued by the carrier, if the
7 document is sent to the appellate division or review board by a
8 private carrier.

9 SECTION 18. IC 22-4-17-15 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 15. (a) An
11 administrative law judge may not preside over or otherwise participate
12 in the hearing or disposition of an appeal in which the judge's
13 impartiality might reasonably be questioned, including instances where
14 the judge:

15 (1) has:

16 (A) personal bias or prejudice concerning a party; or

17 (B) personal knowledge of disputed evidentiary facts
18 concerning the appeal;

19 (2) has served as a lawyer in the matter in controversy; or

20 (3) knows that the judge has any direct or indirect financial or
21 other interest in the subject matter of an appeal or in a party to the
22 appeal.

23 (b) Disqualification of an administrative law judge shall be in
24 accordance with the rules adopted by the ~~Indiana unemployment~~
25 ~~insurance board.~~ **department.**

26 (c) This subsection does not apply to the disposition of ex parte
27 matters specifically authorized by statute or rule. An administrative law
28 judge may not communicate, directly or indirectly, regarding any
29 substantive issue in the appeal while the appeal is pending, with any
30 party to the appeal, or with any individual who has a direct or indirect
31 interest in the outcome of the appeal, without notice and opportunity
32 for all parties to participate in the communication.

33 SECTION 19. IC 22-4-18-1, AS AMENDED BY P.L.69-2015,
34 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2016]: Sec. 1. (a) There is created a department under
36 IC 22-4.1-2-1 which shall be known as the department of workforce
37 development.

38 (b) The department of workforce development may:

39 (1) Administer the unemployment insurance program.

40 (2) Enter into agreements with the United States government that
41 may be required as a condition of obtaining federal funds related
42 to activities of the department under this article.



1 (3) Enter into contracts or agreements and cooperate with local
 2 governmental units or corporations, including profit or nonprofit
 3 corporations, or combinations of units and corporations to carry
 4 out the duties of the department imposed by this article, including
 5 contracts for the delegation of the department's administrative,
 6 monitoring, and program responsibilities and duties set forth in
 7 this article.

8 (c) The payment of unemployment insurance benefits must be made
 9 in accordance with 26 U.S.C. 3304.

10 (d) The department of workforce development may do all acts and
 11 things necessary or proper to carry out the powers expressly granted
 12 under this article, including the adoption of rules under IC 4-22-2.

13 (e) The department of workforce development may not charge any
 14 claimant for benefits for providing services under this article, except as
 15 provided in IC 22-4-17-12.

16 **(f) The department of workforce development shall submit**
 17 **before October 1 each year to the general assembly in an electronic**
 18 **format under IC 5-14-6 and to the governor a report concerning**
 19 **the status of the unemployment compensation system, including**
 20 **recommendations for maintaining the solvency of the**
 21 **unemployment insurance benefit fund established under**
 22 **IC 22-4-26-1.**

23 ~~(f)~~ **(g)** In addition to the duties prescribed in subsections (a) through
 24 ~~(e)~~; **(f)**, the department of workforce development shall establish,
 25 implement, and maintain a training program in the nature and dynamics
 26 of domestic and family violence for training of all employees of the
 27 department who interact with a claimant for benefits to determine
 28 whether the claim of the individual for unemployment benefits is valid
 29 and to determine that employment separations stemming from domestic
 30 or family violence are reliably screened, identified, and adjudicated and
 31 that victims of domestic or family violence are able to take advantage
 32 of the full range of job services provided by the department. The
 33 training presenters shall include domestic violence experts with
 34 expertise in the delivery of direct services to victims of domestic
 35 violence, including using the staff of shelters for battered women in the
 36 presentation of the training. The initial training shall consist of
 37 instruction of not less than six (6) hours. Refresher training shall be
 38 required annually and shall consist of instruction of not less than three
 39 (3) hours.

40 SECTION 20. IC 22-4-18-2 IS REPEALED [EFFECTIVE JULY 1,
 41 2016]. Sec. 2: (a) ~~The Indiana unemployment insurance board is~~
 42 ~~created. The board is responsible for the oversight of the~~



1 unemployment insurance program. The board shall report annually to
 2 the governor on the status of unemployment insurance together with
 3 recommendations for maintaining the solvency of the unemployment
 4 insurance benefit fund. The department staff shall provide support to
 5 the board. The unemployment insurance board shall consist of nine (9)
 6 members, who shall be appointed by the governor, as follows:

7 (1) Four (4) members shall be appointed as representatives of
 8 labor and its interests.

9 (2) One (1) member shall be appointed as a representative of the
 10 state and its interest and of the public at large.

11 (3) Two (2) members shall be appointed as representatives of the
 12 large employers of the state.

13 (4) Two (2) members shall be appointed as representatives of the
 14 independent merchants and small employers of the state.

15 All appointments shall be made for terms of four (4) years. All
 16 appointments to full terms or to fill vacancies shall be made so that all
 17 terms end on March 31.

18 (b) Every Indiana unemployment insurance board member so
 19 appointed shall serve until a successor shall have been appointed and
 20 qualified. Before entering upon the discharge of official duties, each
 21 member of the board shall take and subscribe to an oath of office,
 22 which shall be filed in the office of the secretary of state. Any vacancy
 23 occurring in the membership of the board for any cause shall be filled
 24 by appointment by the governor for the unexpired term. The governor
 25 may, at any time, remove any member of the board for misconduct,
 26 incapacity, or neglect of duty. Each member of the board shall be
 27 entitled to receive as compensation for the member's services the sum
 28 of one hundred dollars (\$100) per month for each and every month
 29 which the member devotes to the actual performance of the member's
 30 duties, as prescribed in this article, but the total amount of such
 31 compensation shall not exceed the sum of twelve hundred dollars
 32 (\$1,200) per year. In addition to the compensation hereinbefore
 33 prescribed, each member of the board shall be entitled to receive the
 34 amount of traveling and other necessary expenses actually incurred
 35 while engaged in the performance of official duties.

36 (c) The board may hold one (1) regular meeting each month and
 37 such called meetings as may be deemed necessary by the commissioner
 38 or the board. The April meeting shall be known as the annual meeting.
 39 Five (5) members of the board constitute a quorum for the transaction
 40 of business. At its first meeting and at each annual meeting held
 41 thereafter, the board shall organize by the election of a president and
 42 vice president from its own number, each of whom, except those first



1 elected; shall serve for a term of one (1) year and until a successor is
2 elected.

3 SECTION 21. IC 22-4-18-2.5 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2016]: **Sec. 2.5. (a) The Indiana**
6 **unemployment insurance board is abolished on July 1, 2016.**

7 **(b) On July 1, 2016, all powers, duties, agreements, and**
8 **liabilities of the Indiana unemployment insurance board are**
9 **transferred to the department.**

10 **(c) On July 1, 2016, all records and property of the Indiana**
11 **unemployment insurance board, including appropriations or other**
12 **funds under the control or supervision of the Indiana**
13 **unemployment insurance board, are transferred to the**
14 **department.**

15 **(d) After June 30, 2016, any amounts owed to the Indiana**
16 **unemployment insurance board are considered to be owed to the**
17 **department.**

18 **(e) After June 30, 2016, a reference to the Indiana**
19 **unemployment insurance board in a statute, rule, or other**
20 **document is considered a reference to the department.**

21 **(f) Rules that were adopted by the Indiana unemployment**
22 **insurance board before July 1, 2016, shall be treated as though the**
23 **rules were adopted by the department until the department adopts**
24 **rules under IC 4-22-2 to administer this article.**

25 **(g) Proceedings that pertain to the unemployment insurance**
26 **system pending before the Indiana unemployment insurance board**
27 **on July 1, 2016, shall be transferred to the department and must be**
28 **treated as if the department was the original party.**

29 SECTION 22. IC 22-4-19-1, AS AMENDED BY P.L.108-2006,
30 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2016]: Sec. 1. The **board department** shall have the power
32 and authority to adopt, amend, or rescind such rules and regulations to
33 employ such persons, make such expenditures, require such reports,
34 make such investigations and take such other action as it may deem
35 necessary or suitable for the proper administration of this article. All
36 rules and regulations issued under the provisions of this article shall be
37 effective upon publication in the manner hereinafter provided and shall
38 have the force and effect of law. The **board department** may prescribe
39 the extent, if any, to which any rule or regulation so issued or legal
40 interpretation of this article shall be with or without retroactive effect.
41 Whenever the **board department** believes that a change in contribution
42 or benefit rates will become necessary to protect the solvency of the



1 unemployment insurance benefit fund, it **the department** shall
 2 promptly so inform the governor and the general assembly, and make
 3 recommendations with respect thereto.

4 SECTION 23. IC 22-4-19-4 IS REPEALED [EFFECTIVE JULY 1,
 5 2016]. ~~Sec. 4: Subject to the further provisions of this article, the board~~
 6 ~~is authorized to appoint, fix the compensation, and prescribe the duties~~
 7 ~~and powers of such officers, accountants, attorneys, experts, and other~~
 8 ~~persons as may be necessary in the performance of its duties. All~~
 9 ~~positions shall be filled by persons selected and appointed as provided~~
 10 ~~in this section. The board may authorize any such person so appointed~~
 11 ~~to do any act or acts which would lawfully be done by the board and~~
 12 ~~may, in its discretion, require suitable bond from any person charged~~
 13 ~~with the custody of any money or securities.~~

14 SECTION 24. IC 22-4-19-7, AS AMENDED BY P.L.175-2009,
 15 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2016]: Sec. 7. In any case where an employing unit, or any
 17 officer, member, or agent thereof or any other person having possession
 18 of the records thereof, shall fail or refuse upon demand by ~~the board~~;
 19 the department, the review board, or an administrative law judge, or the
 20 duly authorized representative of any of them, to produce or permit the
 21 examination or copying of any book, paper, account, record, or other
 22 data pertaining to payrolls or employment or ownership of interests or
 23 stock in any employing unit, or bearing upon the correctness of any
 24 contribution report, or for the purpose of making a report as required
 25 by this article where none has been made, then and in that event ~~the~~
 26 ~~board~~, the department, the review board, or the administrative law
 27 judge, or the duly authorized representative of any of them, may by
 28 issuance of a subpoena require the attendance of such employing unit,
 29 or any officer, member, or agent thereof or any other person having
 30 possession of the records thereof, and take testimony with respect to
 31 any such matter and may require any such person to produce any books
 32 or records specified in such subpoena.

33 SECTION 25. IC 22-4-19-8, AS AMENDED BY P.L.108-2006,
 34 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2016]: Sec. 8. (a) ~~The board~~, The department, the review
 36 board, or the administrative law judge, or the duly authorized
 37 representative of any of them, at any such hearing shall have power to
 38 administer oaths to any such person or persons. When any person
 39 called as a witness by such subpoena, duly signed, and served upon the
 40 witness by any duly authorized person or by the sheriff of the county of
 41 which such person is a resident, or wherein is located the principal
 42 office of such employing unit or wherein such records are located or



1 kept, shall fail to obey such subpoena to appear before ~~the board~~, the
 2 department, the review board, or the administrative law judge, or the
 3 authorized representative of any of them, or shall refuse to testify or to
 4 answer any questions, or to produce any book, record, paper, or other
 5 data when notified and demanded so to do, such failure or refusal shall
 6 be reported to the attorney general for the state of ~~Indiana~~ who shall
 7 thereupon institute proceedings by the filing of a petition in the name
 8 of the state of ~~Indiana~~ on the relation of the ~~board, department~~, in the
 9 circuit court or superior or other court of competent jurisdiction of the
 10 county where such witness resides, or wherein such records are located
 11 or kept, to compel obedience of and by such witness.

12 (b) Such petition shall set forth the facts and circumstances of the
 13 demand for and refusal or failure to permit the examination or copying
 14 of such records or the failure or refusal of such witness to testify in
 15 answer to such subpoena or to produce the records so required by such
 16 subpoena. Such court, upon the filing and docketing of such petition
 17 shall thereupon promptly issue an order to the defendants named in
 18 said petition, to produce forthwith in such court or at a place in such
 19 county designated in such order, for the examination or copying by ~~the~~
 20 ~~board~~, the department, the review board, an administrative law judge,
 21 or the duly authorized representative of any of them, the records,
 22 books, or documents so described and to testify concerning matters
 23 described in such petition. Unless such defendants to such petition
 24 shall appear in said court upon a day specified in such order, which
 25 said day shall be not more than ten (10) days after the date of issuance
 26 of such order, and offer, under oath, good and sufficient reasons why
 27 such examination or copying should not be permitted, or why such
 28 subpoena should not be obeyed, such court shall thereupon deliver to
 29 ~~the board~~, the department, the review board, the administrative law
 30 judge, or representative of any of them, for examination or copying, the
 31 records, books and documents so described in said petition and so
 32 produced in such court and shall order said defendants to appear in
 33 answer to the subpoena, and to testify concerning the subject matter of
 34 the inquiry. Any employing unit, or any officer, member, or agent
 35 ~~thereof, of the employing unit~~, or any other persons having possession
 36 of the records thereof who shall willfully disobey such order of the
 37 court after the same shall have been served upon ~~him; the employing~~
 38 **unit, any officer, member, or agent of the employing unit, or any**
 39 **other person having possession of the records** shall be guilty of
 40 indirect contempt of such court from which such order shall have
 41 issued and may be adjudged in contempt of said court and punished
 42 therefor as provided by law.



1 SECTION 26. IC 22-4-19-14 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 14. If the ~~board~~
 3 **department** determines that Public Law 94-566 or the federal laws it
 4 amends have been adjudged unconstitutional or invalid in its
 5 application to, or have been stayed pendente lite as to, a state or a
 6 political subdivision or an instrumentality which is wholly owned by
 7 the state and one (1) or more other states or political subdivisions and
 8 its employees by any court of competent jurisdiction, the ~~board~~
 9 **department** shall suspend the enforcement of this article with respect
 10 to these employers and employees to the extent of the adjudged
 11 unconstitutionality or inapplicability or of the stay.

12 SECTION 27. IC 22-4-20-1, AS AMENDED BY P.L.175-2009,
 13 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2016]: Sec. 1. (a) Whenever the commissioner shall consider
 15 any account or claim for contributions against an employer, and any
 16 penalty or interest due thereon, or any part thereof, to be uncollectible,
 17 written notification containing appropriate information shall be
 18 furnished to the attorney general by the commissioner setting forth the
 19 reasons therefor and the extent to which collection proceedings have
 20 been taken. The attorney general may review such notice and may
 21 undertake additional investigation as to the facts relating thereto, and
 22 shall thereupon certify to the commissioner an opinion as to the
 23 collectibility of such account or claim. If the attorney general consents
 24 to the cancellation of such claim for delinquent contributions, and any
 25 interest or penalty due thereon, the board may then cancel all or any
 26 part of such claim.

27 (b) In addition to the procedure for cancellation of claims for
 28 delinquent contributions set out in subsection (a), the ~~board~~
 29 **department** may cancel all or any part of a claim for delinquent
 30 contributions against an employer if all of the following conditions are
 31 met:

- 32 (1) The employer's account has been delinquent for at least seven
- 33 (7) years.
- 34 (2) The commissioner has determined that the account is
- 35 uncollectible and has recommended that the ~~board~~ **department**
- 36 cancel the claim for delinquent contributions.

37 (c) When any such claim or any part thereof is cancelled by the
 38 ~~board, department~~, there shall be placed in the files and records of the
 39 department, in the appropriate place for the same, a statement of the
 40 amount of contributions, any interest or penalty due thereon, and the
 41 action of the ~~board~~ **department** taken with relation thereto, together
 42 with the reasons therefor.



1 SECTION 28. IC 22-4-21-1 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. In the administration
 3 of this article the **board department** shall cooperate to the fullest
 4 extent consistent with the provisions of this article with the federal
 5 Department of Labor, shall make such reports in such form and
 6 containing such information as the federal Department of Labor may
 7 from time to time require and shall comply with such provisions as the
 8 federal Department of Labor may from time to time find necessary to
 9 insure the correctness and verification of such reports, and shall
 10 comply with the regulations prescribed by the Secretary of Labor
 11 governing the expenditures of such sums as may be allotted and paid
 12 to the state of Indiana under 42 U.S.C. 501 through 504 or any other
 13 federal statute for the purpose of assisting in the administration of this
 14 article.

15 SECTION 29. IC 22-4-21-2 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. Upon request
 17 therefor the **board department** shall furnish to any agency of the
 18 United States charged with the administration of public works or
 19 assistance through public employment the name, address, ordinary
 20 occupation, and employment status of each recipient of benefits and
 21 such recipient's rights to further benefits under this article.

22 SECTION 30. IC 22-4-21-4 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. The **board**
 24 **department** may afford reasonable cooperation with every agency of
 25 the United States of America, or with any state charged with the
 26 administration of any unemployment compensation law.

27 SECTION 31. IC 22-4-22-1 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. The **board**
 29 **department** shall enter into arrangements with the appropriate
 30 agencies of other states or jurisdictions or the United States of America
 31 whereby individuals performing services in this and other states or
 32 jurisdictions for a single employing unit under circumstances not
 33 specifically provided for in ~~IC 1971, IC 22-4-8-2(b), of this article,~~
 34 or under similar provisions in the unemployment compensation laws of
 35 such other states or jurisdictions, shall be deemed to be employment
 36 performed entirely within this state or within one (1) of such other
 37 states or jurisdictions, and whereby potential rights to benefits
 38 accumulated under the unemployment compensation laws of several
 39 states or jurisdictions, or under such a law of the United States of
 40 America, or both, may constitute the basis for the payment of benefits
 41 through a single appropriate agency under the terms which the **board**
 42 **department** finds will be fair and reasonable to all affected interests



1 and will not result in substantial loss to the fund.

2 SECTION 32. IC 22-4-22-2 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. The **board**
4 **department** is authorized to enter into reciprocal arrangements with
5 the appropriate agencies of other states or jurisdictions or the United
6 States of America, adjusting the collection and payment of
7 contributions by employers with respect to employment not localized
8 within this state.

9 SECTION 33. IC 22-4-22-4 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. The **board**
11 **department** is authorized to enter into reciprocal agreements with the
12 agencies of other states or jurisdictions administering unemployment
13 compensation laws whereby the **board department** and such other
14 agencies or jurisdictions may act as agents for each other for the
15 purpose of accepting contributions on each other's behalf. Such
16 contributions upon remittance to the state or jurisdiction on whose
17 behalf such contributions were received, shall be deemed contributions
18 required and paid into the unemployment compensation fund of such
19 state or jurisdiction as of the date received by the agent, state or
20 jurisdiction.

21 SECTION 34. IC 22-4-22-5, AS AMENDED BY P.L.108-2006,
22 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JULY 1, 2016]: Sec. 5. In order that the administration of this article
24 and the unemployment insurance laws of other states or jurisdictions
25 or of the United States of America will be promoted by cooperation
26 between this state and such other states or jurisdictions or the
27 appropriate agencies of the United States in exchanging services and
28 making available facilities and information, ~~the board and the~~
29 ~~department are~~ **is** authorized to make such investigations, secure and
30 transmit such information, make available such services and facilities,
31 and exercise such of the other powers provided in this article with
32 respect to the administration of this article as deemed necessary or
33 appropriate to facilitate the administration of any unemployment
34 insurance law and in like manner to accept and utilize information,
35 services, and facilities made available to this state by the agency or
36 jurisdiction charged with the administration of any such other
37 unemployment insurance law.

38 SECTION 35. IC 22-4-25-1, AS AMENDED BY P.L.69-2015,
39 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JULY 1, 2016]: Sec. 1. (a) There is created in the state treasury a
41 special fund to be known as the special employment and training
42 services fund. All interest on delinquent contributions and penalties



1 collected under this article, together with any voluntary contributions
2 tendered as a contribution to this fund, shall be paid into this fund. The
3 money shall not be expended or available for expenditure in any
4 manner which would permit their substitution for (or a corresponding
5 reduction in) federal funds which would in the absence of said money
6 be available to finance expenditures for the administration of this
7 article, but nothing in this section shall prevent said money from being
8 used as a revolving fund to cover expenditures necessary and proper
9 under the law for which federal funds have been duly requested but not
10 yet received, subject to the charging of such expenditures against such
11 funds when received. The money in this fund shall be used by the ~~board~~
12 **department** for the payment of refunds of interest on delinquent
13 contributions and penalties so collected, for the payment of costs of
14 administration which are found not to have been properly and validly
15 chargeable against federal grants or other funds received for or in the
16 employment and training services administration fund, on and after
17 July 1, 1945. Such money shall be available either to satisfy the
18 obligations incurred by the ~~board~~ **department** directly, or by transfer
19 by the ~~board~~ **department** of the required amount from the special
20 employment and training services fund to the employment and training
21 services administration fund. The ~~board~~ **department** shall order the
22 transfer of such funds or the payment of any such obligation or
23 expenditure and such funds shall be paid by the treasurer of state on
24 requisition drawn by the ~~board~~ **department** directing the auditor of
25 state to issue the auditor's warrant therefor. Any such warrant shall be
26 drawn by the state auditor based upon vouchers certified by ~~the board~~
27 ~~or~~ the commissioner. The money in this fund is hereby specifically
28 made available to replace within a reasonable time any money received
29 by this state pursuant to 42 U.S.C. 502, as amended, which, because of
30 any action or contingency, has been lost or has been expended for
31 purposes other than or in amounts in excess of those approved by the
32 bureau of employment security. The money in this fund shall be
33 continuously available to the ~~board~~ **department** for expenditures in
34 accordance with the provisions of this section and for the prevention,
35 detection, and recovery of delinquent contributions, penalties, and
36 improper benefit payments, and shall not lapse at any time or be
37 transferred to any other fund, except as provided in this article. Nothing
38 in this section shall be construed to limit, alter, or amend the liability
39 of the state assumed and created by IC 22-4-28, or to change the
40 procedure prescribed in IC 22-4-28 for the satisfaction of such liability,
41 except to the extent that such liability may be satisfied by and out of the
42 funds of such special employment and training services fund created



1 by this section.

2 (b) Whenever the balance in the special employment and training
3 services fund exceeds eight million five hundred thousand dollars
4 (\$8,500,000), the ~~board~~ **department** shall order payment of the amount
5 that exceeds eight million five hundred thousand dollars (\$8,500,000)
6 into the unemployment insurance benefit fund.

7 (c) Subject to ~~the approval of the board~~, and the availability of
8 funds, on July 1 each year the commissioner shall release:

9 (1) one million dollars (\$1,000,000) to the state educational
10 institution established under IC 21-25-2-1 for training provided
11 to participants in apprenticeship programs approved by the United
12 States Department of Labor, Bureau of Apprenticeship and
13 Training;

14 (2) four million dollars (\$4,000,000) to the state educational
15 institution instituted and incorporated under IC 21-22-2-1 for
16 training provided to participants in joint labor and management
17 apprenticeship programs approved by the United States
18 Department of Labor, Bureau of Apprenticeship and Training;

19 (3) two hundred fifty thousand dollars (\$250,000) for journeyman
20 upgrade training to each of the state educational institutions
21 described in subdivisions (1) and (2);

22 (4) four hundred thousand dollars (\$400,000) annually for
23 training and counseling assistance:

24 (A) provided by Hometown Plans under 41 CFR 60-4.5; and

25 (B) approved by the United States Department of Labor,
26 Bureau of Apprenticeship and Training;

27 to individuals who have been unemployed for at least four (4)
28 weeks or whose annual income is less than twenty thousand
29 dollars (\$20,000); and

30 (5) three hundred thousand dollars (\$300,000) annually for
31 training and counseling assistance provided by the state
32 institution established under IC 21-25-2-1 to individuals who
33 have been unemployed for at least four (4) weeks or whose annual
34 income is less than twenty thousand dollars (\$20,000) for the
35 purpose of enabling those individuals to apply for admission to
36 apprenticeship programs offered by providers approved by the
37 United States Department of Labor, Bureau of Apprenticeship and
38 Training.

39 (d) Each state educational institution described in subsection (c) is
40 entitled to keep ten percent (10%) of the funds released under
41 subsection (c) for the payment of costs of administering the funds. On
42 each June 30 following the release of the funds, any funds released



1 under subsection (c) not used by the state educational institutions under
 2 subsection (c) shall be returned to the special employment and training
 3 services fund.

4 SECTION 36. IC 22-4-26-1 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. There is established
 6 a special fund to be known as the unemployment insurance benefit fund
 7 which shall be administered separate and apart from all public money
 8 or funds of the state. This fund shall consist of:

- 9 (1) all contributions, all payments in lieu of contributions, all
 10 money received from the federal government as reimbursements
 11 pursuant to section 204 of the Federal-State Extended
 12 Compensation Act of 1970, and all money paid into and received
 13 by it as provided in this article;
 14 (2) any property or securities and the earnings thereof acquired
 15 through the use of money belonging to the fund;
 16 (3) all other money received for the fund from any other source;
 17 (4) all money credited to this state's account in the unemployment
 18 trust fund pursuant to 42 U.S.C. 1103, as amended; and
 19 (5) interest earned from all money in the fund.

20 Subject to the provisions of this article, the **board department** is vested
 21 with full power, authority, and jurisdiction over the fund, including all
 22 money and property or securities belonging thereto, and may perform
 23 any and all acts whether or not specifically designated in this article
 24 which are necessary or convenient in the administration thereof
 25 consistent with the provisions of this article and the Depository Act.
 26 The money in this fund shall be used only for the payment of
 27 unemployment compensation benefits.

28 SECTION 37. IC 22-4-26-3 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. The treasurer of state
 30 shall be ex officio treasurer and custodian of the fund and shall
 31 administer the fund in accordance with the provisions of this article and
 32 the directions of the commissioner and shall pay all warrants drawn
 33 upon it in accordance with such rules as the **board department** may
 34 prescribe. All contributions provided for in this article shall be paid to
 35 and collected by the department. All contributions and other money
 36 payable to the fund as provided in this article upon receipt thereof by
 37 the department shall be paid to and deposited with the treasurer of state
 38 to the credit of the unemployment insurance benefit fund. The
 39 commissioner shall immediately order the auditor of state to issue the
 40 auditor's warrant on the treasurer of state immediately to forward such
 41 money and deposit it, together with any money earned thereby while in
 42 the treasurer's custody and any other money received by the treasurer



1 for the payment of benefits from any source other than the
 2 unemployment trust fund, with the Secretary of the Treasury of the
 3 United States of America to the credit of the unemployment trust fund.
 4 All money belonging to the unemployment insurance benefit fund and
 5 not otherwise deposited, invested, or paid over pursuant to the
 6 provisions of this article may be deposited by the treasurer of state
 7 under the direction of the commissioner in any banks or public
 8 depositories in which general funds of the state may be deposited, but
 9 no public deposit insurance charge or premium shall be paid out of
 10 money in the unemployment insurance benefit fund, any other
 11 provisions of law to the contrary notwithstanding. The treasurer of state
 12 shall, if required by the Social Security Administration, give a separate
 13 bond conditioned upon the faithful performance of the treasurer's duties
 14 as custodian of the fund in an amount and with such sureties as shall be
 15 fixed and approved by the governor. Premiums for the said bond shall
 16 be paid as provided in IC 22-4-24.

17 SECTION 38. IC 22-4-28-1 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. If any money
 19 received after June 30, 1941, from the Social Security Administration
 20 under 42 U.S.C. 501 through 504, or any unencumbered balances in the
 21 employment and training services administration fund as of June 30,
 22 1941, or any money granted after June 30, 1941 to this state under 29
 23 U.S.C. 49 et seq. or any money made available by this state or its
 24 political subdivisions and matched by such money granted to this state
 25 under 29 U.S.C. 49 et seq. is found by the Secretary of Labor because
 26 of any action or contingency to have been lost or been expended for
 27 purposes other than or in amounts in excess of those found necessary
 28 by the Secretary of Labor for the proper administration of this article,
 29 it is the policy of this state that upon receipt of notice of such a finding
 30 by the Secretary of Labor the **board department** shall promptly report
 31 the amount required for such replacement to the governor, and the
 32 governor shall at the earliest opportunity submit to the general
 33 assembly a request for the appropriation of such amount. This section
 34 shall not be construed to relieve this state of its obligation with respect
 35 to funds received prior to July 1, 1941, under 49 U.S.C. 501 through
 36 504.

37 SECTION 39. IC 22-4-29-1 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. (a) Contributions
 39 unpaid on the date on which they are due and payable, as prescribed by
 40 the commissioner, shall bear interest at the rate of one percent (1%) per
 41 month or fraction thereof from and after such date until payment, plus
 42 accrued interest, is received by the department. The **board department**



1 may prescribe fair and reasonable regulations pursuant to which such
2 interest shall not accrue.

3 (b) If the failure to pay any part or all of the delinquent contributions
4 is due to negligence or intentional disregard of authorized rules,
5 regulations, or notices, but without intent to defraud, there shall be
6 added, as a penalty, ten percent (10%) of the total amount of
7 contributions unpaid, which penalty shall become due and payable
8 upon notice and demand by the commissioner.

9 (c) If the commissioner finds that the failure to pay any part or all of
10 delinquent contributions is due to fraud with intent to evade the
11 payment of contributions, there shall be added, as a penalty, fifty
12 percent (50%) of the total amount of delinquent contributions, which
13 penalty shall become due and payable upon notice and demand by the
14 commissioner.

15 (d) Interest and penalties collected pursuant to this section shall be
16 paid into the special employment and training services fund.

17 SECTION 40. IC 22-4-29-6 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 6. (a) Unless an
19 assessment is paid in full within seven (7) days after it becomes final,
20 the commissioner or the commissioner's representative may file with
21 the clerk of the circuit court of any county in the state a warrant in
22 duplicate, directed to the sheriff of such county, commanding the
23 sheriff to levy upon and sell the property, real and personal, tangible
24 and intangible, of the employing unit against whom the assessment has
25 been made, in sufficient quantity to satisfy the amount thereof, plus
26 damages to the amount of ten percent (10%) of such assessment, which
27 shall be in addition to the penalties prescribed in this article for
28 delinquent payment, and in addition to the interest at the rate of one
29 percent (1%) per month upon the unpaid contribution from the date it
30 was due, to the date of payment of the warrant, and in addition to all
31 costs incident to the recording and execution thereof. The remedies by
32 garnishment and proceedings supplementary to execution as provided
33 by law shall be available to the **board department** to effectuate the
34 purposes of this chapter. Within five (5) days after receipt of a warrant
35 under this section, the clerk shall:

- 36 (1) retain the duplicate copy of the warrant;
37 (2) enter in the judgment record in the column for judgment
38 debtors the name of the employing unit stated in the warrant, or
39 if the employing unit is a partnership, the names of the partners;
40 (3) enter the amount sought by the warrant;
41 (4) enter the date the warrant was received; and
42 (5) certify the original warrant and return it to the department.



1 (b) Five (5) days after the clerk receives a warrant under subsection
 2 (a), the amount sought in the warrant, the damages to an amount of ten
 3 percent (10%) of the assessment as provided in subsection (a),
 4 penalties, and interest described in subsection (a) become a lien upon
 5 the title to and interest in the real and personal property of the
 6 employing unit.

7 SECTION 41. IC 22-4-31-5 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. The collection of the
 9 whole or any part of the amount of such assessment may be stayed for
 10 not exceeding sixty (60) days, by filing with the ~~board~~ **department** a
 11 bond in such amount, not exceeding double the amount as to which the
 12 stay is desired, and with such sureties as the ~~board~~ **department**
 13 considers necessary, conditioned upon payment of the amount which
 14 may finally be found to be due after notice and opportunity to be heard
 15 as herein provided.

16 SECTION 42. IC 22-4-32-5 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. Upon receipt of such
 18 protest in writing, the commissioner promptly shall refer the written
 19 protest to the liability administrative law judge who shall set a date for
 20 a hearing before the liability administrative law judge and notify the
 21 interested parties thereof by registered mail. Unless such written
 22 protest is withdrawn, the liability administrative law judge, after
 23 affording the parties a reasonable opportunity for a fair hearing, shall
 24 make findings and conclusions, and, on the basis thereof, affirm,
 25 modify, or reverse the initial determination of the ~~board~~ **department**.

26 SECTION 43. IC 22-4-32-23, AS AMENDED BY P.L.42-2011,
 27 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2016]: Sec. 23. (a) As used in this section:

29 (1) "Dissolution" refers to dissolution of a corporation under
 30 IC 23-1-45 through IC 23-1-48 or dissolution under Indiana law
 31 of an association, a joint venture, an estate, a partnership, a
 32 limited liability partnership, a limited liability company, a joint
 33 stock company, or an insurance company (referred to as a
 34 "noncorporate entity" in this section).

35 (2) "Liquidation" means the operation or act of winding up a
 36 corporation's or entity's affairs, when normal business activities
 37 have ceased, by settling its debts and realizing upon and
 38 distributing its assets.

39 (3) "Withdrawal" refers to the withdrawal of a foreign corporation
 40 from Indiana under IC 23-1-50.

41 (b) The officers and directors of a corporation effecting dissolution,
 42 liquidation, or withdrawal or the appropriate individuals of a



- 1 noncorporate entity shall do the following:
- 2 (1) File all necessary documents with the department in a timely
- 3 manner as required by this article.
- 4 (2) Make all payments of contributions to the department in a
- 5 timely manner as required by this article.
- 6 (3) File with the department a form of notification within thirty
- 7 (30) days of the adoption of a resolution or plan. The form of
- 8 notification shall be prescribed by the department and may
- 9 require information concerning:
- 10 (A) the corporation's or noncorporate entity's assets;
- 11 (B) the corporation's or noncorporate entity's liabilities;
- 12 (C) details of the plan or resolution;
- 13 (D) the names and addresses of corporate officers, directors,
- 14 and shareholders or the noncorporate entity's owners,
- 15 members, or trustees;
- 16 (E) a copy of the minutes of the shareholders' meeting or the
- 17 noncorporate entity's meeting at which the plan or resolution
- 18 was formally adopted; and
- 19 (F) such other information as the **board department** may
- 20 require.
- 21 The commissioner may accept, in lieu of the department's form of
- 22 notification, a copy of Form 966 that the corporation filed with
- 23 the Internal Revenue Service.
- 24 (c) Unless a clearance is issued under subsection (g), for a period of
- 25 one (1) year following the filing of the form of notification with the
- 26 department, the corporate officers and directors of a corporation and
- 27 the chief executive of a noncorporate entity remain personally liable,
- 28 subject to IC 23-1-35-1(e), for any acts or omissions that result in the
- 29 distribution of corporate or noncorporate entity assets in violation of
- 30 the interests of the state. An officer or director of a corporation or a
- 31 chief executive of a noncorporate entity held liable for an unlawful
- 32 distribution under this subsection is entitled to contribution:
- 33 (1) from every other director who voted for or assented to the
- 34 distribution, subject to IC 23-1-35-1(e); and
- 35 (2) from each shareholder, owner, member, or trustee for the
- 36 amount the shareholder, owner, member, or trustee accepted.
- 37 (d) The corporation's officers' and directors' and the noncorporate
- 38 entity's chief executive's personal liability includes all contributions,
- 39 penalties, interest, and fees associated with the collection of the
- 40 liability due the department. In addition to the penalties provided
- 41 elsewhere in this article, a penalty of up to thirty percent (30%) of the
- 42 unpaid contributions may be imposed on the corporate officers and



1 directors and the noncorporate entity's chief executive for failure to
 2 take reasonable steps to set aside corporate assets to meet the liability
 3 due the department.

4 (e) If the department fails to begin a collection action against a
 5 corporate officer or director or a noncorporate entity's chief executive
 6 within one (1) year after the filing of a completed form of notification
 7 with the department, the personal liability of the corporate officer or
 8 director or noncorporate entity's chief executive expires. The filing of
 9 a substantially blank form of notification or a form containing
 10 misrepresentation of material facts does not constitute filing a form of
 11 notification for the purpose of determining the period of personal
 12 liability of the officers and directors of the corporation or the chief
 13 executive of the noncorporate entity.

14 (f) In addition to the remedies contained in this section, the
 15 department is entitled to pursue corporate assets that have been
 16 distributed to shareholders or noncorporate entity assets that have been
 17 distributed to owners, members, or beneficiaries, in violation of the
 18 interests of the state. The election to pursue one (1) remedy does not
 19 foreclose the state's option to pursue other legal remedies.

20 (g) The department may issue a clearance to a corporation or
 21 noncorporate entity effecting dissolution, liquidation, or withdrawal if:

22 (1) the:

23 (A) officers and directors of the corporation have; or

24 (B) chief executive of the noncorporate entity has;

25 met the requirements of subsection (b); and

26 (2) request for the clearance is made in writing by the officers and
 27 directors of the corporation or chief executive of the noncorporate
 28 entity within thirty (30) days after the filing of the form of
 29 notification with the department.

30 (h) The issuance of a clearance by the department under subsection
 31 (g) releases the officers and directors of a corporation and the chief
 32 executive of a noncorporate entity from personal liability under this
 33 section.

34 SECTION 44. IC 22-4-33-2 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) Except for fees
 36 charged under IC 22-4-17-12, no individual claiming benefits may be
 37 charged fees of any kind in a proceeding by ~~the board~~; the review
 38 board, an administrative law judge, or the representative of ~~any either~~
 39 of them or by any court or any officer thereof.

40 (b) An individual claiming benefits in a proceeding before ~~the~~
 41 ~~board~~; the review board, an administrative law judge, or a court may be
 42 represented by counsel or other authorized agent, but no counsel or



1 agent may charge or receive for ~~his~~ the **counsel's or agent's** service
2 more than an amount approved by the ~~board~~ or review board.

3 SECTION 45. IC 22-4-34-5, AS AMENDED BY P.L.108-2006,
4 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2016]: Sec. 5. A person who knowingly fails to attend and
6 testify or to answer any lawful inquiry or to produce books, papers,
7 correspondence, memoranda, and other records, in obedience to a
8 subpoena of ~~the board~~, the department, the review board, an
9 administrative law judge, or any duly authorized representative of any
10 of them, commits a Class C misdemeanor. Each day a violation
11 continues constitutes a separate offense.

12 SECTION 46. IC 22-4-35-1, AS AMENDED BY P.L.161-2006,
13 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2016]: Sec. 1. In any civil action to enforce the provisions of
15 this article, the department, commissioner, state workforce innovation
16 council, ~~unemployment insurance board~~, unemployment insurance
17 review board, and the state may be represented by any qualified
18 attorney who is a regular salaried employee of the department and is
19 designated by it for this purpose or, at the director's request, by the
20 attorney general of the state. In case the governor designates special
21 counsel to defend, on behalf of the state, the validity of this article, the
22 expenses and compensation of such special counsel and of any experts
23 employed by the commissioner in connection with such proceedings
24 may be charged to the employment and training services administration
25 fund.

26 SECTION 47. IC 22-4-37-2 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) If at any time the
28 governor of Indiana shall find that the tax imposed by 42 U.S.C. 1101
29 through 1109, as amended, has been amended or repealed by Congress
30 or has been held unconstitutional by the Supreme Court of the United
31 States with the result that no portion of the contributions required by
32 this article may be credited against such tax, or if this article is declared
33 inoperative by the supreme court of Indiana, the governor of Indiana
34 shall publicly so proclaim, and upon the date of such proclamation the
35 provisions of this article requiring the payment of contributions and
36 benefits shall be suspended for a period ending not later than the last
37 day of the next following regular or special session of the general
38 assembly of the state of Indiana. The ~~board~~ **department** shall
39 thereupon requisition from the unemployment trust fund all moneys
40 therein standing to its credit and shall direct the treasurer of state of
41 Indiana to deposit such moneys, together with any other moneys in the
42 fund, as a special fund in any banks or public depositories in this state



1 in which general funds of the state may be deposited.

2 (b) Unless prior to the expiration of such period, the general
3 assembly of the state of Indiana has made provision for an employment
4 security law in this state and has directed that the funds so deposited
5 shall be used for the payment of benefits in this state, the provisions of
6 this article shall cease to be operative, and the ~~board~~ **department** shall,
7 under rules prescribed by ~~it~~, **the department**, refund without interest
8 to each person by whom contributions have been paid ~~its~~ **the person's**
9 pro rata share of the total contributions paid under this article.

10 SECTION 48. IC 22-4.1-2-2, AS AMENDED BY P.L.69-2015,
11 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2016]: Sec. 2. The department includes the following entities:

13 ~~(1) The unemployment insurance board.~~

14 ~~(2) (1) The unemployment insurance review board.~~

15 ~~(3) (2) State workforce innovation council established by~~
16 ~~IC 22-4.1-22-3.~~

17 SECTION 49. IC 22-4.1-4-8, AS ADDED BY P.L.69-2015,
18 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JULY 1, 2016]: Sec. 8. (a) The department annually shall prepare a
20 written report of its training activities and the training activities of the
21 workforce service area during the immediately preceding state fiscal
22 year. The department's annual report for a particular state fiscal year
23 must include information for each training project for which either the
24 department or the workforce service area provided any funding during
25 that state fiscal year. At a minimum, the following information must be
26 provided for each training project:

27 (1) A description of the training project, including the name and
28 address of the training provider.

29 (2) The amount of funding that either the department or the
30 workforce service area provided for the project and an indication
31 of which entity provided the funding.

32 (3) The number of trainees who participated in the project.

33 (4) Demographic information about the trainees, including:

34 (A) the age of each trainee;

35 (B) the education attainment level of each trainee; and

36 (C) for those training projects that have specific gender
37 requirements, the gender of each trainee.

38 (5) The results of the project, including:

39 (A) skills developed by trainees;

40 (B) any license or certification associated with the training
41 project;

42 (C) the extent to which trainees have been able to secure



1 employment or obtain better employment; and
2 (D) descriptions of the specific jobs which trainees have been
3 able to secure or to which trainees have been able to advance.
4 (b) With respect to trainees that have been able to secure
5 employment or obtain better employment, the department shall compile
6 data on the retention rates of those trainees in the jobs which the
7 trainees secured or to which they advanced. The department shall
8 include information concerning those retention rates in each of its
9 annual reports.
10 (c) On or before October 1 of each state fiscal year, each workforce
11 service area shall provide the department with a written report of its
12 training activities for the immediately preceding state fiscal year. The
13 workforce service area shall prepare the report in the manner
14 prescribed by the department. However, at a minimum, the workforce
15 service area shall include in its report the information required by
16 subsection (a) for each training project for which the workforce service
17 area provided any funding during the state fiscal year covered by the
18 report. In addition, the workforce service area shall include in each
19 report retention rate information as set forth in subsection (b).
20 (d) The department shall provide a copy of its annual report for a
21 particular state fiscal year to the:
22 (1) governor; **and**
23 (2) legislative council; **and**
24 (3) ~~unemployment insurance board;~~
25 on or before December 1 of the immediately preceding state fiscal year.
26 An annual report provided under this subsection to the legislative
27 council must be in an electronic format under IC 5-14-6.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment, Labor and Pensions, to which was referred House Bill 1344, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 6, delete lines 16 through 37.

Page 15, delete lines 36 through 42.

Delete page 16.

Page 17, delete lines 1 through 14.

Page 35, line 8, strike "the approval of the".

Page 35, line 8, delete "department,".

Page 35, line 8, strike "and".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1344 as introduced.)

GUTWEIN

Committee Vote: yeas 8, nays 4.

