



Reprinted
January 28, 2014

HOUSE BILL No. 1346

DIGEST OF HB 1346 (Updated January 27, 2014 5:33 pm - DI 102)

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

Synopsis: Unemployment insurance. Adds language concerning the public policy involved in the application and payment of unemployment benefits (benefits). Removes any burden of proof from the determination of eligibility for benefits. Repeals provisions concerning the process for determining a positive drug test for purposes of an individual's disqualification for benefits. Removes language concerning a department of workforce development's (department) rule or policy regarding an employer's filing of a notice in connection with an individual, group, or mass separation arising from a vacation period. Provides that the eligibility for benefits must be conditioned solely upon the eligibility requirements established by IC 22-4 in order for supplemental unemployment insurance benefits to be exempt from deductible income. Provides that holiday and vacation pay are deductible income for the week in which the holiday or vacation occurs. Redefines "employer" for purposes of participation in the unemployment insurance system as an employing unit that: (1) has incurred liability for wages payable to one or more individuals; or (2) incurs liability for payment of wages of at least \$1 in any calendar quarter during the current or immediately preceding calendar year. Provides that a benefits overpayment includes any week for which the
(Continued next page)

Effective: July 1, 2014.

Leonard

January 15, 2014, read first time and referred to Committee on Employment, Labor and Pensions.

January 21, 2014, reported — Do Pass.

January 27, 2014, read second time, amended, ordered engrossed.

HB 1346—LS 7024/DI 102



Digest Continued

failure to disclose or falsification of a fact caused benefits to be paid improperly. Provides that, when an individual's most recent separation from employment is a disqualifying separation, the individual must earn remuneration from employment for eight weeks and the remuneration must equal or exceed eight times the weekly benefit amount before the individual again qualifies for benefits. Provides that a payment to a claimant from the employer that is conditional upon the signing of a release of employment related claims against the employer is severance pay and is deductible income. Increases from 15 to 30 days the time in which a party has to file an appeal of a review board's decision with the court of appeals. Authorizes the use of money in the special employment and training services fund (fund) for the prevention, detection, and recovery of delinquent contributions and penalties and improper benefit payments. Requires Vincennes University and Ivy Tech Community College to meet performance standards determined by the unemployment insurance board when receiving grants from the fund to provide training and counseling assistance. Updates references to the high school equivalency diploma program (program). Corrects a reference to the rulemaking body for the program.

HB 1346—LS 7024/DI 102



Reprinted
January 28, 2014

Second Regular Session 118th General Assembly (2014)

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 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

HOUSE BILL No. 1346

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 22-4-1-2 IS ADDED TO THE INDIANA CODE
2 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY
3 1, 2014]: **Sec. 2. (a) Unemployment benefits are paid from state
4 funds and are not considered paid from any special insurance plan
5 or by an employer. An application for unemployment benefits is
6 not considered a claim against an employer, but is considered a
7 request for unemployment benefits from the unemployment
8 insurance benefit trust fund.**
- 9 (b) The commissioner is responsible for the proper payment of
10 unemployment benefits without regard to the level of interest or
11 participation in any determination or appeal by an applicant or an
12 employer.
- 13 (c) An applicant's entitlement to unemployment benefits is
14 determined based on the information that is available without
15 regard to a burden of proof. An agreement between an applicant

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1 **and an employer is not binding on the commissioner in**
 2 **determining an applicant's entitlement to unemployment benefits.**

3 **(d) There is no presumption of entitlement or nonentitlement to**
 4 **unemployment benefits. There is no equitable or common law**
 5 **allowance for or denial of unemployment benefits.**

6 SECTION 2. IC 22-4-2-40 IS REPEALED [EFFECTIVE JULY 1,
 7 2014]. Sec. 40: As used in this article, "drug test" means a test that
 8 contains at least a five (5) drug panel that tests for the following:

9 (1) Amphetamines:

10 (2) Cocaine:

11 (3) Opiates (2,000 ng/ml):

12 (4) PCP:

13 (5) THC:

14 A drug test described in this section must be performed at a United
 15 States Department of Health and Human Services certified laboratory;
 16 with specimen collection performed by a collector certified by the
 17 United States Department of Transportation and the cost of the drug
 18 test paid by the employer:

19 SECTION 3. IC 22-4-3-4, AS AMENDED BY P.L.6-2012,
 20 SECTION 151, IS AMENDED TO READ AS FOLLOWS
 21 [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) Except as provided in
 22 subsection (b); An individual is not totally unemployed, part-totally
 23 unemployed, or partially unemployed for any week in which the
 24 department finds that the individual:

25 (1) is on a vacation week; and

26 (2) is receiving, or has received, remuneration from the employer
 27 for that week.

28 (b) Subsection (a) does not apply to an individual whose employer
 29 fails to comply with a department rule or policy regarding the filing of
 30 a notice, report, information, or claim in connection with an individual,
 31 group, or mass separation arising from the vacation period:

32 SECTION 4. IC 22-4-3-5, AS AMENDED BY P.L.6-2012,
 33 SECTION 152, IS AMENDED TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) Except as provided in
 35 subsection (c) and Subject to subsection (b), an individual is not totally
 36 unemployed, part-totally unemployed, or partially unemployed for any
 37 week in which the department finds the individual:

38 (1) is on a vacation week; and

39 (2) has not received remuneration from the employer for that
 40 week, because of:

41 (A) a written contract between the employer and the
 42 employees; or



- 1 (B) the employer's regular vacation policy and practice.
- 2 (b) Subsection (a) applies only if the department finds that the
- 3 individual has a reasonable assurance that the individual will have
- 4 employment available with the employer after the vacation period ends.
- 5 ~~(c) Subsection (a) does not apply to an individual whose employer~~
- 6 ~~fails to comply with a department rule or policy regarding the filing of~~
- 7 ~~a notice, report, information, or claim in connection with an individual,~~
- 8 ~~group, or mass separation arising from the vacation period.~~
- 9 SECTION 5. IC 22-4-5-1, AS AMENDED BY P.L.2-2011,
- 10 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 11 JULY 1, 2014]: Sec. 1. (a) "Deductible income" wherever used in this
- 12 article, means income deductible from the weekly benefit amount of an
- 13 individual in any week, and shall include, but shall not be limited to,
- 14 any of the following:
- 15 (1) Remuneration for services from employing units, whether or
- 16 not such remuneration is subject to contribution under this article,
- 17 except as provided in subsection (c).
- 18 (2) Dismissal pay.
- 19 (3) Vacation pay.
- 20 (4) Pay for idle time.
- 21 (5) Holiday pay.
- 22 (6) Sick pay.
- 23 (7) Traveling expenses granted to an individual by an employing
- 24 unit and not fully accounted for by such individual.
- 25 (8) Net earnings from self-employment.
- 26 (9) Payments in lieu of compensation for services.
- 27 (10) Awards by the national labor relations board of additional
- 28 pay, back pay, or for loss of employment, or any such payments
- 29 made under an agreement entered into by an employer, a union,
- 30 and the National Labor Relations Board.
- 31 (11) Payments made to an individual by an employing unit
- 32 pursuant to the terms of the Fair Labor Standards Act (Federal
- 33 Wage and Hour Law, 29 U.S.C. 201 et seq.).
- 34 (12) This subdivision applies to initial claims for unemployment
- 35 filed for a week that begins after March 14, 2008, and before
- 36 October 1, 2011. For a week in which a payment is actually
- 37 received by an individual, payments made by an employer to an
- 38 individual who accepts an offer from the employer in connection
- 39 with a layoff or a plant closure.
- 40 (13) This subdivision applies to initial claims for unemployment
- 41 filed for a week that begins after March 14, 2008, and before
- 42 October 1, 2011. Except as provided in subsection (c)(2), the part



1 of a payment made by an employer to an individual who accepts
 2 an offer from the employer in connection with a layoff or a plant
 3 closure if that part is attributable to a week and the week:

4 (A) occurs after an individual receives the payment; and

5 (B) was used under the terms of a written agreement to
 6 compute the payment.

7 (b) Deductible income shall not include the first three dollars (\$3),
 8 or twenty percent (20%) of the claimant's weekly benefit amount
 9 rounded to the next lowest dollar, whichever is the larger, of
 10 remuneration paid or payable to an individual with respect to any week
 11 by other than the individual's base period employer or employers.

12 (c) For the purpose of deductible income only, remuneration for
 13 services from employing units does not include:

14 (1) bonuses, gifts, or prizes awarded to an employee by an
 15 employing unit; or

16 (2) for initial claims for unemployment filed for a week that
 17 begins after March 14, 2008, and before October 1, 2011,
 18 compensation made under a valid negotiated contract or
 19 agreement in connection with a layoff or plant closure, without
 20 regard to how the compensation is characterized by the contract
 21 or agreement.

22 (d) Deductible income does not include a supplemental
 23 unemployment insurance benefit made under a valid negotiated
 24 contract or agreement **if the eligibility for benefits is conditioned**
 25 **solely upon the eligibility requirements established by this article.**

26 (e) Deductible income does not include any payments made to an
 27 individual by a court system under a summons for jury service.

28 SECTION 6. IC 22-4-5-2 IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) Payments in lieu of a vacation
 30 awarded to an employee by an employing unit shall be considered as
 31 deductible income in and with respect to the week in which the ~~same~~
 32 ~~is actually paid.~~ **vacation occurs.**

33 (b) The payment of accrued vacation pay, dismissal pay, or
 34 severance pay to an individual separated from employment by an
 35 employing unit shall be allocated to the period of time for which such
 36 payment is made immediately following the date of separation, and an
 37 individual receiving such payments shall not be deemed unemployed
 38 with respect to a week during which such allocated deductible income
 39 equals or exceeds the weekly benefit amount of ~~his~~ **the individual's**
 40 claim.

41 (c) Pay for:

42 (1) idle time;



- 1 (2) sick pay;
- 2 (3) traveling expenses granted to an individual by an employing
- 3 unit and not fully accounted for by such individual;
- 4 (4) earnings from self-employment;
- 5 (5) awards by the National Labor Relations Board of additional
- 6 pay, back pay, or for loss of employment; ~~or~~
- 7 (6) ~~any such~~ payments made under an agreement entered into by
- 8 an employer, a union, and the National Labor Relations Board;
- 9 **and or**
- 10 (7) payments to an employee by an employing unit made pursuant
- 11 to the terms and provisions of the Fair Labor Standards Act;

12 shall be deemed to constitute deductible income with respect to the

13 week or weeks for which such payments are made. However, if ~~such~~

14 payments made pursuant to the provisions of the National Labor

15 Relations Act or of the Fair Labor Standards Act or through agreement

16 with a union under subsection (c)(5) are not, by the terms of the order

17 or agreement under which ~~said the~~ payments are made, allocated to any

18 designated week or weeks, then, and in such cases, such payments shall

19 be considered as deductible income in and with respect to the week in

20 which the same is actually paid.

21 (b) ~~(d)~~ Holiday pay which is paid not later than the normal pay day

22 for the pay period in which the holiday occurred shall be deemed to

23 constitute deductible income with respect to the week for in which such

24 payments are made. Holiday pay which is paid after the normal pay day

25 for the pay period in which the holiday occurred shall be considered as

26 deductible income in and with respect to the week in which the same

27 is actually paid: **occurs.**

28 (c) ~~(e)~~ Payment of vacation pay if made prior to the vacation period

29 or not later than the normal pay day for the pay period in which the

30 vacation was taken; shall be deemed deductible income with respect to

31 the week or weeks falling within such vacation period for which

32 vacation payment is made. Payment of vacation pay made subsequent

33 to the normal pay day for the pay period in which the vacation was

34 taken shall be deemed deductible income with respect to the week in

35 which such payment is made.

36 SECTION 7. IC 22-4-7-1 IS AMENDED TO READ AS FOLLOWS

37 [EFFECTIVE JULY 1, 2014]: Sec. 1. Prior to January 1, 1978;

38 "employer" means any employing unit which for some portion of a day;

39 but not necessarily simultaneously; in each of twenty (20) different

40 weeks; whether or not such weeks are or were consecutive within either

41 the current or preceding calendar year; has or had in employment;

42 and/or has incurred liability for wages payable to one (1) or more



1 individuals (irrespective of whether the same individuals are or were
 2 employed in each such day); or any employing unit which in any
 3 calendar quarter in either the current or preceding calendar year paid
 4 for service in employment wages of one thousand five hundred dollars
 5 (\$1,500) or more, except as provided in IC 22-4-7-2(h). Subsequent to
 6 December 31, 1977;

7 **(a) Before January 1, 2015, "employer" means:**

8 **(1)** any employing unit which for some portion of a day, but not
 9 necessarily simultaneously, in each of twenty (20) different
 10 weeks, whether or not such weeks are or were consecutive within
 11 either the current or the preceding year, has or had in
 12 employment, and/or has incurred liability for wages payable to,
 13 one (1) or more individuals (irrespective of whether the same
 14 individual or individuals are or were employed in each such day);
 15 or

16 **(2)** any employing unit which in any calendar quarter in either the
 17 current or preceding calendar year paid for service in employment
 18 wages of one thousand five hundred dollars (\$1,500) or more,
 19 except as provided in IC 22-4-7-2(h), (e), and (i). **section 2(e),**
 20 **2(h), and 2(i) of this chapter.**

21 **(b) After December 31, 2014, "employer" means either of the**
 22 **following:**

23 **(1) An employing unit that has incurred liability for wages**
 24 **payable to one (1) or more individuals.**

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

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

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

39 SECTION 8. IC 22-4-13-1.1, AS AMENDED BY P.L.154-2013,
 40 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2014]: Sec. 1.1. (a) Notwithstanding any other provisions of
 42 this article, if an individual knowingly:



- 1 (1) fails to disclose amounts earned during any week in the
 2 individual's waiting period, benefit period, or extended benefit
 3 period; or
 4 (2) fails to disclose or has falsified any fact;
 5 that would disqualify the individual for benefits, reduce the individual's
 6 benefits, or render the individual ineligible for benefits or extended
 7 benefits, the individual forfeits any wage credits earned or any benefits
 8 or extended benefits that might otherwise be payable to the individual
 9 for ~~the period any week~~ in which the failure to disclose or falsification
 10 occurs: **caused benefits to be paid improperly.**
- 11 (b) In addition to amounts forfeited under subsection (a), an
 12 individual is subject to the following civil penalties for each instance
 13 in which the individual knowingly fails to disclose or falsifies any fact
 14 that if accurately reported to the department would disqualify the
 15 individual for benefits, reduce the individual's benefits, or render the
 16 individual ineligible for benefits or extended benefits:
- 17 (1) For the first instance, an amount equal to twenty-five percent
 18 (25%) of the benefit overpayment.
 19 (2) For the second instance, an amount equal to fifty percent
 20 (50%) of the benefit overpayment.
 21 (3) For the third and each subsequent instance, an amount equal
 22 to one hundred percent (100%) of the benefit overpayment.
- 23 (c) The department's determination under this section constitutes an
 24 initial determination under IC 22-4-17-2(a) and is subject to a hearing
 25 and review under IC 22-4-17-3 through IC 22-4-17-15.
- 26 (d) Interest and civil penalties collected under this chapter shall be
 27 deposited as follows:
- 28 (1) Fifteen percent (15%) of the amount collected shall be
 29 deposited in the unemployment insurance benefit fund established
 30 under IC 22-4-26-1.
 31 (2) The remainder of the amount collected shall be deposited in
 32 the special employment and training services fund established
 33 under IC 22-4-25-1.
- 34 SECTION 9. IC 22-4-15-1, AS AMENDED BY P.L.175-2009,
 35 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2014]: Sec. 1. (a) ~~With respect to benefit periods established~~
 37 ~~on and after July 6, 1980; an individual who has voluntarily left the~~
 38 ~~individual's most recent employment without good cause in connection~~
 39 ~~with the work or who was discharged from the individual's most recent~~
 40 ~~employment for just cause~~ **Regarding an individual's most recent**
 41 **separation from employment before filing an initial or additional**
 42 **claim for benefits, an individual who voluntarily left the**



1 **employment without good cause in connection with the work or**
 2 **was discharged from the employment for just cause** is ineligible for
 3 waiting period or benefit rights for the week in which the disqualifying
 4 separation occurred and until:

5 (1) the individual has earned remuneration in employment equal
 6 to or exceeding the weekly benefit amount of the individual's
 7 claim in each of at least eight (8) weeks; and

8 (2) the remuneration earned equals or exceeds the product of
 9 the weekly benefit amount multiplied by eight (8).

10 If the qualification amount has not been earned at the expiration of an
 11 individual's benefit period, the unearned amount shall be carried
 12 forward to an extended benefit period or to the benefit period of a
 13 subsequent claim.

14 (b) When it has been determined that an individual has been
 15 separated from employment under disqualifying conditions as outlined
 16 in this section, the maximum benefit amount of the individual's current
 17 claim, as initially determined, shall be reduced by an amount
 18 determined as follows:

19 (1) For the first separation from employment under disqualifying
 20 conditions, the maximum benefit amount of the individual's
 21 current claim is equal to the result of:

22 (A) the maximum benefit amount of the individual's current
 23 claim, as initially determined; multiplied by

24 (B) seventy-five percent (75%);

25 rounded (if not already a multiple of one dollar (\$1)) to the next
 26 higher dollar.

27 (2) For the second separation from employment under
 28 disqualifying conditions, the maximum benefit amount of the
 29 individual's current claim is equal to the result of:

30 (A) the maximum benefit amount of the individual's current
 31 claim determined under subdivision (1); multiplied by

32 (B) eighty-five percent (85%);

33 rounded (if not already a multiple of one dollar (\$1)) to the next
 34 higher dollar.

35 (3) For the third and any subsequent separation from employment
 36 under disqualifying conditions, the maximum benefit amount of
 37 the individual's current claim is equal to the result of:

38 (A) the maximum benefit amount of the individual's current
 39 claim determined under subdivision (2); multiplied by

40 (B) ninety percent (90%);

41 rounded (if not already a multiple of one dollar (\$1)) to the next
 42 higher dollar.



1 (c) The disqualifications provided in this section shall be subject to
2 the following modifications:

3 (1) An individual shall not be subject to disqualification because
4 of separation from the individual's employment if:

5 (A) the individual left to accept with another employer
6 previously secured permanent full-time work which offered
7 reasonable expectation of continued covered employment and
8 betterment of wages or working conditions and thereafter was
9 employed on said job;

10 (B) having been simultaneously employed by two (2)
11 employers, the individual leaves one (1) such employer
12 voluntarily without good cause in connection with the work
13 but remains in employment with the second employer with a
14 reasonable expectation of continued employment; or

15 (C) the individual left to accept recall made by a base period
16 employer.

17 (2) An individual whose unemployment is the result of medically
18 substantiated physical disability and who is involuntarily
19 unemployed after having made reasonable efforts to maintain the
20 employment relationship shall not be subject to disqualification
21 under this section for such separation.

22 (3) An individual who left work to enter the armed forces of the
23 United States shall not be subject to disqualification under this
24 section for such leaving of work.

25 (4) An individual whose employment is terminated under the
26 compulsory retirement provision of a collective bargaining
27 agreement to which the employer is a party, or under any other
28 plan, system, or program, public or private, providing for
29 compulsory retirement and who is otherwise eligible shall not be
30 deemed to have left the individual's work voluntarily without
31 good cause in connection with the work. However, if such
32 individual subsequently becomes reemployed and thereafter
33 voluntarily leaves work without good cause in connection with the
34 work, the individual shall be deemed ineligible as outlined in this
35 section.

36 (5) An otherwise eligible individual shall not be denied benefits
37 for any week because the individual is in training approved under
38 Section 236(a)(1) of the Trade Act of 1974, nor shall the
39 individual be denied benefits by reason of leaving work to enter
40 such training, provided the work left is not suitable employment,
41 or because of the application to any week in training of provisions
42 in this law (or any applicable federal unemployment



1 compensation law), relating to availability for work, active search
 2 for work, or refusal to accept work. For purposes of this
 3 subdivision, the term "suitable employment" means with respect
 4 to an individual, work of a substantially equal or higher skill level
 5 than the individual's past adversely affected employment (as
 6 defined for purposes of the Trade Act of 1974), and wages for
 7 such work at not less than eighty percent (80%) of the individual's
 8 average weekly wage as determined for the purposes of the Trade
 9 Act of 1974.

10 (6) An individual is not subject to disqualification because of
 11 separation from the individual's employment if:

- 12 (A) the employment was outside the individual's labor market;
- 13 (B) the individual left to accept previously secured full-time
 14 work with an employer in the individual's labor market; and
- 15 (C) the individual actually became employed with the
 16 employer in the individual's labor market.

17 (7) An individual who, but for the voluntary separation to move
 18 to another labor market to join a spouse who had moved to that
 19 labor market, shall not be disqualified for that voluntary
 20 separation, if the individual is otherwise eligible for benefits.
 21 Benefits paid to the spouse whose eligibility is established under
 22 this subdivision shall not be charged against the employer from
 23 whom the spouse voluntarily separated.

24 (8) An individual shall not be subject to disqualification if the
 25 individual voluntarily left employment or was discharged due to
 26 circumstances directly caused by domestic or family violence (as
 27 defined in IC 31-9-2-42). An individual who may be entitled to
 28 benefits based on this modification may apply to the office of the
 29 attorney general under IC 5-26.5 to have an address designated by
 30 the office of the attorney general to serve as the individual's
 31 address for purposes of this article.

32 As used in this subsection, "labor market" means the area surrounding
 33 an individual's permanent residence, outside which the individual
 34 cannot reasonably commute on a daily basis. In determining whether
 35 an individual can reasonably commute under this subdivision, the
 36 department shall consider the nature of the individual's job.

37 (d) "Discharge for just cause" as used in this section is defined to
 38 include but not be limited to:

- 39 (1) separation initiated by an employer for falsification of an
 40 employment application to obtain employment through
 41 subterfuge;
- 42 (2) knowing violation of a reasonable and uniformly enforced rule



- 1 of an employer, including a rule regarding attendance;
 2 (3) if an employer does not have a rule regarding attendance, an
 3 individual's unsatisfactory attendance, if the individual cannot
 4 show good cause for absences or tardiness;
 5 (4) damaging the employer's property through willful negligence;
 6 (5) refusing to obey instructions;
 7 (6) reporting to work under the influence of alcohol or drugs or
 8 consuming alcohol or drugs on employer's premises during
 9 working hours;
 10 (7) conduct endangering safety of self or coworkers;
 11 (8) incarceration in jail following conviction of a misdemeanor or
 12 felony by a court of competent jurisdiction; or
 13 (9) any breach of duty in connection with work which is
 14 reasonably owed an employer by an employee.

15 (e) To verify that domestic or family violence has occurred, an
 16 individual who applies for benefits under subsection (c)(8) shall
 17 provide one (1) of the following:

- 18 (1) A report of a law enforcement agency (as defined in
 19 IC 10-13-3-10).
 20 (2) A protection order issued under IC 34-26-5.
 21 (3) A foreign protection order (as defined in IC 34-6-2-48.5).
 22 (4) An affidavit from a domestic violence service provider
 23 verifying services provided to the individual by the domestic
 24 violence service provider.

25 SECTION 10. IC 22-4-15-2, AS AMENDED BY P.L.12-2011,
 26 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2014]: Sec. 2. (a) With respect to benefit periods established
 28 on and after July 3, 1977, an individual is ineligible for waiting period
 29 or benefit rights, or extended benefit rights, if the department finds that,
 30 being totally, partially, or part-totally unemployed at the time when the
 31 work offer is effective or when the individual is directed to apply for
 32 work, the individual fails without good cause:

- 33 (1) to apply for available, suitable work when directed by the
 34 commissioner, the deputy, or an authorized representative of the
 35 department of workforce development or the United States
 36 training and employment service;
 37 (2) to accept, at any time after the individual is notified of a
 38 separation, suitable work when found for and offered to the
 39 individual by the commissioner, the deputy, or an authorized
 40 representative of the department of workforce development or the
 41 United States training and employment service, or an employment
 42 unit; or



- 1 (3) to return to the individual's customary self-employment when
 2 directed by the commissioner or the deputy.
- 3 (b) With respect to benefit periods established on and after July 6,
 4 1980, the ineligibility shall continue for the week in which the failure
 5 occurs and until the individual earns remuneration in employment
 6 equal to or exceeding the weekly benefit amount of the individual's
 7 claim in each of eight (8) weeks. If the qualification amount has not
 8 been earned at the expiration of an individual's benefit period, the
 9 unearned amount shall be carried forward to an extended benefit period
 10 or to the benefit period of a subsequent claim.
- 11 (c) With respect to extended benefit periods established on and after
 12 July 5, 1981, the ineligibility shall continue for the week in which the
 13 failure occurs and until the individual earns remuneration in
 14 employment equal to or exceeding the weekly benefit amount of the
 15 individual's claim in each of four (4) weeks.
- 16 (d) If an individual failed to apply for or accept suitable work as
 17 outlined in this section, the maximum benefit amount of the
 18 individual's current claim, as initially determined, shall be reduced by
 19 an amount determined as follows:
- 20 (1) For the first failure to apply for or accept suitable work, the
 21 maximum benefit amount of the individual's current claim is
 22 equal to the result of:
 23 (A) the maximum benefit amount of the individual's current
 24 claim, as initially determined; multiplied by
 25 (B) seventy-five percent (75%);
 26 rounded (if not already a multiple of one dollar (\$1)) to the next
 27 higher dollar.
- 28 (2) For the second failure to apply for or accept suitable work, the
 29 maximum benefit amount of the individual's current claim is
 30 equal to the result of:
 31 (A) the maximum benefit amount of the individual's current
 32 claim determined under subdivision (1); multiplied by
 33 (B) eighty-five percent (85%);
 34 rounded (if not already a multiple of one dollar (\$1)) to the next
 35 higher dollar.
- 36 (3) For the third and any subsequent failure to apply for or accept
 37 suitable work, the maximum benefit amount of the individual's
 38 current claim is equal to the result of:
 39 (A) the maximum benefit amount of the individual's current
 40 claim determined under subdivision (2); multiplied by
 41 (B) ninety percent (90%);
 42 rounded (if not already a multiple of one dollar (\$1)) to the next



- 1 higher dollar.
- 2 (e) In determining whether or not any such work is suitable for an
- 3 individual, the department shall consider:
- 4 (1) the degree of risk involved to such individual's health, safety,
- 5 and morals;
- 6 (2) the individual's physical fitness and prior training and
- 7 experience;
- 8 (3) the individual's length of unemployment and prospects for
- 9 securing local work in the individual's customary occupation; and
- 10 (4) the distance of the available work from the individual's
- 11 residence.

12 However, work under substantially the same terms and conditions

13 under which the individual was employed by a base-period employer,

14 which is within the individual's prior training and experience and

15 physical capacity to perform, shall be considered to be suitable work

16 unless the claimant has made a bona fide change in residence which

17 makes such offered work unsuitable to the individual because of the

18 distance involved. During the fifth through the eighth consecutive week

19 of claiming benefits, work is not considered unsuitable solely because

20 the work pays not less than ninety percent (90%) of the individual's

21 prior weekly wage. After eight (8) consecutive weeks of claiming

22 benefits, work is not considered unsuitable solely because the work

23 pays not less than eighty percent (80%) of the individual's prior weekly

24 wage. However, work is not considered suitable under this section if

25 the work pays less than Indiana's minimum wage as determined under

26 IC 22-2-2. For an individual who is subject to section 1(c)(8) of this

27 chapter, the determination of suitable work for the individual must

28 reasonably accommodate the individual's need to address the physical,

29 psychological, legal, and other effects of domestic or family violence.

- 30 (f) Notwithstanding any other provisions of this article, no work
- 31 shall be considered suitable and benefits shall not be denied under this
- 32 article to any otherwise eligible individual for refusing to accept new
- 33 work under any of the following conditions:
- 34 (1) If the position offered is vacant due directly to a strike,
- 35 lockout, or other labor dispute.
- 36 (2) If the remuneration, hours, or other conditions of the work
- 37 offered are substantially less favorable to the individual than
- 38 those prevailing for similar work in the locality.
- 39 (3) If as a condition of being employed the individual would be
- 40 required to join a company union or to resign from or refrain from
- 41 joining a bona fide labor organization.
- 42 (4) If as a condition of being employed the individual would be



- 1 required to discontinue training into which the individual had
 2 entered with the approval of the department.
- 3 (g) Notwithstanding subsection (e), with respect to extended benefit
 4 periods established on and after July 5, 1981, "suitable work" means
 5 any work which is within an individual's capabilities. However, if the
 6 individual furnishes evidence satisfactory to the department that the
 7 individual's prospects for obtaining work in the individual's customary
 8 occupation within a reasonably short period are good, the
 9 determination of whether any work is suitable work shall be made as
 10 provided in subsection (e).
- 11 (h) With respect to extended benefit periods established on and after
 12 July 5, 1981, no work shall be considered suitable and extended
 13 benefits shall not be denied under this article to any otherwise eligible
 14 individual for refusing to accept new work under any of the following
 15 conditions:
- 16 (1) If the gross average weekly remuneration payable to the
 17 individual for the position would not exceed the sum of:
- 18 (A) the individual's average weekly benefit amount for the
 19 individual's benefit year; plus
- 20 (B) the amount (if any) of supplemental unemployment
 21 compensation benefits (as defined in Section 501(c)(17)(D) of
 22 the Internal Revenue Code) payable to the individual for such
 23 week.
- 24 (2) If the position was not offered to the individual in writing or
 25 was not listed with the department of workforce development.
- 26 (3) If such failure would not result in a denial of compensation
 27 under the provisions of this article to the extent that such
 28 provisions are not inconsistent with the applicable federal law.
- 29 (4) If the position pays wages less than the higher of:
- 30 (A) the minimum wage provided by 29 U.S.C. 206(a)(1) (the
 31 Fair Labor Standards Act of 1938), without regard to any
 32 exemption; or
- 33 (B) the state minimum wage (IC 22-2-2).
- 34 (i) The department of workforce development shall refer individuals
 35 eligible for extended benefits to any suitable work (as defined in
 36 subsection (g)) to which subsection (h) would not apply.
- 37 (j) An individual is considered to have refused an offer of suitable
 38 work under subsection (a) if an offer of work is withdrawn by a
 39 employer after an individual:
- 40 (1) tests positive for drugs after a drug test given on behalf of the
 41 prospective employer as a condition of an offer of employment;
 42 or



- 1 (2) refuses, without good cause, to submit to a drug test required
- 2 by the prospective employer as a condition of an offer of
- 3 employment.
- 4 (k) For purposes of this article, a drug test is not found to be positive
- 5 unless:
- 6 (1) a second confirmation test:
- 7 (A) renders a positive result that has been performed by a
- 8 SAMHSA (as defined in IC 22-10-15-3) certified laboratory
- 9 on the same sample used for the first screen test using gas
- 10 chromatography mass spectrometry for the purposes of
- 11 confirming or refuting the screen test results; and
- 12 (B) has been reviewed by a licensed physician and:
- 13 (i) the laboratory results described in clause (A);
- 14 (ii) the individual's medical history; and
- 15 (iii) other relevant biomedical information;
- 16 confirm a positive result of the drug tests; or
- 17 (2) the individual who has submitted to the drug test has no valid
- 18 medical reason for testing positive for the substance found in the
- 19 drug test.
- 20 (†) (k) The department's records concerning the results of a drug test
- 21 described in subsection (j) may not be admitted against a defendant in
- 22 a criminal proceeding.

23 SECTION 11. IC 22-4-15-8, AS AMENDED BY P.L.108-2006,
 24 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2014]: Sec. 8. Notwithstanding any other provisions of this
 26 article, benefits otherwise payable for any week under this article shall
 27 not be denied or reduced on account of any payment or payments the
 28 claimant receives, has received, will receive, or accrues right to receive
 29 with respect to or based upon such week under a private unemployment
 30 benefit plan financed in whole or part by the claimant's employer or
 31 former employer. No claim for repayment of benefits and no deduction
 32 from benefits otherwise payable under this article shall be made under
 33 IC 22-4-13-1(d) and IC 22-4-13-1(e) because of payments which have
 34 been or will be made under such private unemployment benefit plans.
 35 **However, a payment that is conditional upon the signing of a**
 36 **release of employment related claims against the claimant's**
 37 **employer is severance pay and is deductible income as prescribed**
 38 **by IC 22-4-5-2.**

39 SECTION 12. IC 22-4-17-11 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) Any decision of
 41 the review board, in the absence of appeal as provided in this section,
 42 shall become final ~~fifteen (15)~~ **thirty (30)** days after the date the



1 decision is mailed to the interested parties. The review board shall mail
2 with the decision a notice informing the interested parties of their right
3 to appeal the decision to the court of appeals of Indiana. The notice
4 shall inform the parties that they have ~~fifteen (15)~~ **thirty (30)** days from
5 the date of mailing within which to file a notice of intention to appeal,
6 and that in order to perfect the appeal they must request the preparation
7 of a transcript in accordance with section 12 of this chapter.

8 (b) If the commissioner or any party adversely affected by the
9 decision files with the review board a notice of an intention to appeal
10 the decision, that action shall stay all further proceedings under or by
11 virtue of the review board decision for a period of thirty (30) days from
12 the date of the filing of the notice, and, if the appeal is perfected,
13 further proceedings shall be further stayed pending the final
14 determination of the appeal. However, if an appeal from the decision
15 of the review board is not perfected within the time provided for by this
16 chapter, no action or proceeding shall be further stayed.

17 SECTION 13. IC 22-4-25-1, AS AMENDED BY P.L. 182-2009(ss),
18 SECTION 368, IS AMENDED TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) There is created in the state
20 treasury a special fund to be known as the special employment and
21 training services fund. All interest on delinquent contributions and
22 penalties collected under this article, together with any voluntary
23 contributions tendered as a contribution to this fund, shall be paid into
24 this fund. The money shall not be expended or available for
25 expenditure in any manner which would permit their substitution for
26 (or a corresponding reduction in) federal funds which would in the
27 absence of said money be available to finance expenditures for the
28 administration of this article, but nothing in this section shall prevent
29 said money from being used as a revolving fund to cover expenditures
30 necessary and proper under the law for which federal funds have been
31 duly requested but not yet received, subject to the charging of such
32 expenditures against such funds when received. The money in this fund
33 shall be used by the board for the payment of refunds of interest on
34 delinquent contributions and penalties so collected, for the payment of
35 costs of administration which are found not to have been properly and
36 validly chargeable against federal grants or other funds received for or
37 in the employment and training services administration fund, on and
38 after July 1, 1945. Such money shall be available either to satisfy the
39 obligations incurred by the board directly, or by transfer by the board
40 of the required amount from the special employment and training
41 services fund to the employment and training services administration
42 fund. The board shall order the transfer of such funds or the payment



1 of any such obligation or expenditure and such funds shall be paid by
 2 the treasurer of state on requisition drawn by the board directing the
 3 auditor of state to issue the auditor's warrant therefor. Any such warrant
 4 shall be drawn by the state auditor based upon vouchers certified by the
 5 board or the commissioner. The money in this fund is hereby
 6 specifically made available to replace within a reasonable time any
 7 money received by this state pursuant to 42 U.S.C. 502, as amended,
 8 which, because of any action or contingency, has been lost or has been
 9 expended for purposes other than or in amounts in excess of those
 10 approved by the bureau of employment security. The money in this
 11 fund shall be continuously available to the board for expenditures in
 12 accordance with the provisions of this section **and for the prevention,**
 13 **detection, and recovery of delinquent contributions, penalties, and**
 14 **improper benefit payments,** and shall not lapse at any time or be
 15 transferred to any other fund, except as provided in this article. Nothing
 16 in this section shall be construed to limit, alter, or amend the liability
 17 of the state assumed and created by IC 22-4-28, or to change the
 18 procedure prescribed in IC 22-4-28 for the satisfaction of such liability,
 19 except to the extent that such liability may be satisfied by and out of the
 20 funds of such special employment and training services fund created
 21 by this section.

22 (b) Whenever the balance in the special employment and training
 23 services fund exceeds eight million five hundred thousand dollars
 24 (\$8,500,000), the board shall order payment of the amount that exceeds
 25 eight million five hundred thousand dollars (\$8,500,000) into the
 26 unemployment insurance benefit fund.

27 (c) Subject to the approval of the board, ~~and~~ the availability of
 28 funds, **and subsection (e)**, on ~~July 1, 2008; and each subsequent July~~
 29 **1 each year** the commissioner shall release:

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

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

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



1 (4) four hundred thousand dollars (\$400,000) ~~annually~~ for
2 training and counseling assistance:

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

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

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

9 (5) three hundred thousand dollars (\$300,000) ~~annually~~ for
10 training and counseling assistance provided by the state
11 institution established under IC 21-25-2-1 to individuals who
12 have been unemployed for at least four (4) weeks or whose annual
13 income is less than twenty thousand dollars (\$20,000) for the
14 purpose of enabling those individuals to apply for admission to
15 apprenticeship programs offered by providers approved by the
16 United States Department of Labor, Bureau of Apprenticeship and
17 Training.

18 ~~(d) The funds released under subsection (c)(4) through (c)(5):~~

19 ~~(1) shall be considered part of the amount allocated under section~~
20 ~~2.5 of this chapter; and~~

21 ~~(2) do not limit the amount that an entity may receive under~~
22 ~~section 2.5 of this chapter.~~

23 ~~(e) (d)~~ Each state educational institution described in subsection (c)
24 is entitled to keep ten percent (10%) of the funds released under
25 subsection (c) for the payment of costs of administering the funds. On
26 each June 30 following the release of the funds, any funds released
27 under subsection (c) ~~and not used by the state educational institutions~~
28 ~~under subsection (e)~~ shall be returned to the special employment and
29 training services fund.

30 **(e) The funds released under subsection (c)(4) and (c)(5) are**
31 **subject to performance based standards that are determined by the**
32 **unemployment insurance board.**

33 SECTION 14. IC 22-4.1-18-2, AS AMENDED BY P.L.6-2012,
34 SECTION 156, IS AMENDED TO READ AS FOLLOWS
35 [EFFECTIVE JULY 1, 2014]: Sec. 2. The department may grant a
36 ~~general educational development (GED)~~ **an Indiana high school**
37 **equivalency** diploma to an individual who achieves satisfactory high
38 school level scores on the ~~general educational development (GED)~~
39 **Indiana high school equivalency** test or any other properly validated
40 test of comparable difficulty designated by the council.

41 SECTION 15. IC 22-4.1-18-4, AS ADDED BY P.L.7-2011,
42 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2014]: Sec. 4. (a) The ~~council~~ **department** shall adopt rules
 2 under IC 4-22-2 to provide for the implementation and administration
 3 of this chapter.

4 (b) The rules may include the following provisions:

- 5 (1) Qualifications of applicants.
- 6 (2) Acceptable tests.
- 7 (3) Acceptable test scores.
- 8 (4) Criteria for retesting.

9 SECTION 16. IC 22-4.1-18-5, AS ADDED BY P.L.7-2011,
 10 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2014]: Sec. 5. A high school equivalency certificate or a
 12 general educational development (GED) diploma issued under
 13 IC 20-20-6 (before its repeal) is equivalent to a ~~general educational
 14 development (GED)~~ **an Indiana high school equivalency** diploma
 15 issued under this chapter.

16 SECTION 17. IC 22-4.1-20-4, AS ADDED BY P.L.7-2011,
 17 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2014]: Sec. 4. (a) Money appropriated by the general
 19 assembly for adult education may be used only to reimburse an eligible
 20 provider for adult education that is provided to individuals who:

- 21 (1) need the education to master a skill that leads to:
 - 22 (A) the completion of grade 8; or
 - 23 (B) a ~~general educational development (GED)~~ **an Indiana**
 24 **high school equivalency** diploma under IC 22-4.1-18;
- 25 (2) need the education to receive high school credit to obtain a
 26 high school diploma; or
- 27 (3) have graduated from high school (or received a high school
 28 equivalency certificate, ~~or~~ a general educational development
 29 (GED) diploma, ~~or~~ **an Indiana high school equivalency**
 30 **diploma**), but who demonstrate basic skill deficiencies in
 31 mathematics or English/language arts.

32 For purposes of reimbursement under this section, the eligible provider
 33 may not count an individual who is also enrolled in a school
 34 corporation's kindergarten through grade 12 educational program. An
 35 individual described in subdivision (3) may be counted for
 36 reimbursement by the eligible provider only for classes taken in
 37 mathematics and English/language arts.

38 (b) The council shall provide for reimbursement to an eligible
 39 provider under this section for instructor salaries and administrative
 40 and support costs. However, the council may not allocate more than
 41 fifteen percent (15%) of the total appropriation under subsection (a) for
 42 administrative and support costs.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment, Labor and Pensions, to which was referred House Bill 1346, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1346 as introduced.)

Committee Vote: Yeas 7, Nays 4

Representative Gutwein

HOUSE MOTION

Mr. Speaker: I move that House Bill 1346 be amended to read as follows:

Page 18, line 30, delete "(c)(1) through (c)(5)" and insert "**(c)(4) and (c)(5)**".

Page 18, line 32, delete "department." and insert: "**unemployment insurance board.**".

(Reference is to HB 1346 as printed January 21, 2014.)

LEONARD

