
ENGROSSED HOUSE BILL No. 1234

DIGEST OF HB 1234 (Updated February 18, 1998 1:05 pm - DI 51)

Citations Affected: IC 22-4.

Synopsis: Workforce development; unemployment compensation warrants. Increases the amount of the special employment and training services fund that the commissioner of workforce development may use for certain training programs. Provides that the clerk of the circuit court, when given a warrant for unpaid assessments against an employer from the commissioner of workforce development, shall record the warrant information in the clerk's office. Provides that five days after the clerk receives the warrant, the amount of the warrant becomes a lien upon all property of the employer. Provides that upon recording, the amount of a warrant for unpaid assessments from the commissioner of workforce development becomes a lien upon all property of the employer. Eliminates the requirement that a sheriff pay twenty dollars (\$20) when timely return of the warrant is not made by the sheriff. Removes the liability upon the sheriff's bond for failure of the sheriff to levy upon and sell property held by the employer.

(Continued next page)

Effective: July 1, 1998.

Hasler, Frizzell, Liggett, Behning

(SENATE SPONSORS — WYSS, ALEXA)

January 13, 1998, read first time and referred to Committee on Labor and Employment.
January 21, 1998, amended, reported — Do Pass.
January 28, 1998, read second time, amended, ordered engrossed.
January 29, 1998, engrossed. Read third time, passed. Yeas 99, nays 0.

SENATE ACTION

February 3, 1998, read first time and referred to Committee on Judiciary.
February 19, 1998, amended, reported favorably — Do Pass.

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Digest Continued

Removes the authority of the sheriff to administer oaths related to the sheriff's duties in the execution of warrants for unpaid assessments.
Makes conforming amendments.

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Second Regular Session 110th General Assembly (1998)

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 1997 General Assembly.

HOUSE ENROLLED ACT No. 1234



AN ACT to amend the Indiana Code concerning labor and industrial safety.

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

SECTION 1. IC 22-4-25-1, AS AMENDED BY P.L.163-1997, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 1. (a) There is created in the state treasury a special fund to be known as the special employment and training services fund. All interest on delinquent contributions and penalties collected under this article, together with any voluntary contributions tendered as a contribution to this fund, shall be paid into this fund. The money shall not be expended or available for expenditure in any manner which would permit their substitution for (or a corresponding reduction in) federal funds which would in the absence of said money be available to finance expenditures for the administration of this article, but nothing in this section shall prevent said money from being used as a revolving fund to cover expenditures necessary and proper under the law for which federal funds have been duly requested but not yet received, subject to the charging of such expenditures against such funds when received. The money in this fund shall be used by the board for the payment of refunds of interest on delinquent contributions and penalties so collected, for the payment of costs of administration which are found not to have been properly and validly chargeable against

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federal grants or other funds received for or in the employment and training services administration fund, on and after July 1, 1945. Such money shall be available either to satisfy the obligations incurred by the board directly, or by transfer by the board of the required amount from the special employment and training services fund to the employment and training services administration fund. No expenditure of this fund shall be made unless and until the board finds that no other funds are available or can properly be used to finance such expenditures, except that expenditures from said fund may be made for the purpose of acquiring lands and buildings or for the erection of buildings on lands so acquired which are deemed necessary by the board for the proper administration of this article. The board shall order the transfer of such funds or the payment of any such obligation or expenditure and such funds shall be paid by the treasurer of state on requisition drawn by the board directing the auditor of state to issue the auditor's warrant therefor. Any such warrant shall be drawn by the state auditor based upon vouchers certified by the board or the commissioner. The money in this fund is hereby specifically made available to replace within a reasonable time any money received by this state pursuant to 42 U.S.C. 502, as amended, which, because of any action or contingency, has been lost or has been expended for purposes other than or in amounts in excess of those approved by the bureau of employment security. The money in this fund shall be continuously available to the board for expenditures in accordance with the provisions of this section and shall not lapse at any time or be transferred to any other fund, except as provided in this article. Nothing in this section shall be construed to limit, alter, or amend the liability of the state assumed and created by IC 22-4-28, or to change the procedure prescribed in IC 22-4-28 for the satisfaction of such liability, except to the extent that such liability may be satisfied by and out of the funds of such special employment and training services fund created by this section.

(b) The board, subject to the approval of the budget agency and governor, is authorized and empowered to use all or any part of the funds in the special employment and training services fund for the purpose of acquiring suitable office space for the department by way of purchase, lease, contract, or in any part thereof to purchase land and erect thereon such buildings as the board determines necessary or to assist in financing the construction of any building erected by the state or any of its agencies wherein available space will be provided for the department under lease or contract between the department and the state or such other agency. The commissioner may transfer from the

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employment and training services administration fund to the special employment and training services fund amounts not exceeding funds specifically available to the commissioner for that purpose equivalent to the fair, reasonable rental value of any land and buildings acquired for its use until such time as the full amount of the purchase price of such land and buildings and such cost of repair and maintenance thereof as was expended from the special employment and training services fund has been returned to such fund.

(c) The board may also transfer from the employment and training services administration fund to the special employment and training services fund amounts not exceeding funds specifically available to the commissioner for that purpose equivalent to the fair, reasonable rental value of space used by the department in any building erected by the state or any of its agencies until such time as the department's proportionate amount of the purchase price of such building and the department's proportionate amount of such cost of repair and maintenance thereof as was expended from the special employment and training services fund has been returned to such fund.

(d) Whenever the balance in the special employment and training services fund is deemed excessive by the board, the board shall order payment into the unemployment insurance benefit fund of the amount of the special employment and training services fund deemed to be excessive.

(e) Subject to the approval of the board, the commissioner may use not more than four million **five hundred thousand** dollars (~~\$4,000,000~~) (**\$4,500,000**) during a program year for:

(1) training and counseling assistance under IC 22-4-14-2 provided by state educational institutions (as defined in IC 20-12-0.5-1) or counseling provided by the department for individuals who:

- (A) have been unemployed for at least four (4) weeks;
- (B) are not otherwise eligible for training and counseling assistance under any other program; and
- (C) are not participating in programs that duplicate those programs described in subdivision (2); or

(2) training provided by the state educational institution established under IC 20-12-61 to participants in joint labor and management apprenticeship programs approved by the United States Department of Labor's Bureau of Apprenticeship Training.

During a particular program year, at least ninety percent (90%) of the money used under this subsection shall be allocated for training programs described in subdivision (2), divided equally between

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industrial programs and building trade programs. During a particular program year, not more than ten percent (10%) of the money used under this subsection may be allocated for training and counseling assistance under subdivision (1). In addition, not more than fifteen percent (15%) of the money used for training and counseling assistance under subdivision (1) may be used for administrative expenses of the department. Training or counseling provided under IC 22-4-14-2 does not excuse the claimant from complying with the requirements of IC 22-4-14-3. Eligibility for training and counseling assistance under subdivision (1) shall not be determined until after the fourth week of eligibility for unemployment training compensation benefits.

SECTION 2. IC 22-4-29-6, AS AMENDED BY P.L.21-1995, SECTION 113, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Unless an assessment is paid in full within seven (7) days after it becomes final, the commissioner or the commissioner's representative may file with the clerk of the circuit court of any county in the state a warrant in duplicate, directed to the sheriff of such county, commanding the sheriff to levy upon and sell the property, real and personal, tangible and intangible, of the employing unit against whom the assessment has been made, in sufficient quantity to satisfy the amount thereof, plus damages to the amount of ten percent (10%) of such assessment, which shall be in addition to the penalties prescribed in this article for delinquent payment, and in addition to the interest at the rate of one percent (1%) per month upon the unpaid contribution from the date it was due, to the date of payment of the warrant, and in addition to all costs incident to the recording and execution thereof. **The remedies by garnishment and proceedings supplementary to execution as provided by law shall be available to the board to effectuate the purposes of this chapter. Within five (5) days after receipt of a warrant under this section, the clerk shall:**

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

(b) Five (5) days after the clerk receives a warrant under subsection (a), the amount sought in the warrant, the damages to



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an amount of ten percent (10%) of the assessment as provided in subsection (a), penalties, and interest described in subsection (a), become a lien upon the title to and interest in the real and personal property of the employing unit.

SECTION 3. IC 22-4-29-7, AS AMENDED BY P.L.21-1995, SECTION 114, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. The clerk shall return the original, certified copy of the warrant to the department together with all recording information concerning the warrant. ~~When the clerk has received the warrant,~~ **Upon receipt of the warrant from the clerk,** the department ~~may~~ **shall** issue the warrant to the sheriff of the county.

SECTION 4. IC 22-4-29-8, AS AMENDED BY P.L.21-1995, SECTION 115, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) If the clerk fails to record the warrant and issue the same to the department within five (5) days after it has been received by the clerk as herein provided, the clerk shall forfeit to the state for each such failure the sum of twenty dollars (\$20), which shall be deposited in the unemployment insurance benefit fund.

(b) Within one hundred twenty (120) days from the date of receipt of the warrant (or immediately after service if the warrant is fully satisfied or found to be wholly uncollectible) the sheriff shall return it **to the department**, together with the money collected, less fees and costs. ~~payable to the department, and make his return thereon.~~

(c) "Costs" as referred to in this subsection includes the fees of the clerk and sheriff as are specifically provided for and costs of storage, appraisal, publication, and other necessary and properly chargeable expenses incurred in the sale of property on execution. The costs herein specifically prescribed for the clerk and sheriff shall be as follows:

- (1) Clerk's fee of three dollars (\$3) to be charged on the warrant and paid to the clerk for recording the warrant.
- (2) Sheriff's fee of:
 - (A) six dollars (\$6) to be charged on the warrant and paid to the sheriff in every instance in which the warrant has been duly and properly served and the schedules and affidavits hereinafter provided for have been executed and signed; or
 - (B) ten dollars (\$10) for sale of property on execution or decree, including making a deed or certificate of sale, to be charged on the warrant.

SECTION 5. IC 22-4-29-10, AS AMENDED BY P.L.21-1995, SECTION 117, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) The return by the sheriff



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to the department of the warrants shall be made monthly on or before the fifth day of the month. All money so returned to the department shall be receipted for by the department and its endorsement upon the check transmitted by the sheriff shall be conclusive evidence of such payment by the sheriff and no other receipt shall be necessary.

(b) If a warrant is not satisfied within the one hundred twenty (120) days specified in section 8 of this chapter, nothing herein shall operate to prevent the department from issuing subsequent warrants upon the identical amount of the unpaid assessment. Subsequent warrants shall not be recorded by the clerk, and no fees shall be chargeable by the clerk. Upon any subsequent warrant, the sheriff shall be entitled to a sum for mileage equal to that sum per mile paid to state officers and employees, with the rate changing each time the state government changes its rate per mile, but shall not be entitled to any other fee if the same has been paid the sheriff for services upon the original warrant, except that in case collection is made in part or in full with respect to any such subsequent warrant, the sheriff is entitled to the five percent (5%) or ten percent (10%) as provided in section 9(b) of this chapter.

(c) In every instance in which the sheriff shall return any warrant unsatisfied, the sheriff shall attach to the ~~sheriff's return an inventory or schedule of all the property, real and personal, tangible and intangible, of the employing unit, sworn to by the employing unit, and describing the real estate by metes and bounds and the personal property by separate items, specifically noting thereon all encumbrances, or in lieu thereof a sworn statement by the employing unit that it possesses no property whatever.~~ **warrant a summary of all relative information regarding the attempts to collect the warrant and the reason the warrant is being returned unsatisfied.**

SECTION 6. IC 22-4-29-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) ~~If, within the time prescribed in the warrant, the sheriff shall fail to file such schedule or such statement of the employing unit or a statement sworn to by the sheriff that the sheriff has made a demand upon the employing unit to make such schedule or statement and that such demand was refused, the sheriff shall forfeit to the state for each such failure the sum of twenty dollars (\$20) which amount shall be deposited in the unemployment insurance benefit fund. However, such penalty shall not be imposed In the event the sheriff is unable to locate said the employing unit after diligent search, and files the sheriff shall file with the department a statement sworn to by the said sheriff that a diligent search has been made and the said employing unit cannot be located within the sheriff's bailiwick. It shall be the duty of the~~



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employing unit to make such verified inventory, schedule, or statement, upon the demand of the sheriff, and it shall be unlawful for any employing unit or officer thereof to refuse so to do.

(b) Should any inventory or schedule disclose any property upon which the sheriff might have made a levy and sale to satisfy, or partially satisfy, any warrant, the failure of the sheriff to make such levy and sale shall constitute misfeasance in office, and shall subject the sheriff to liability upon the sheriff's official bond, to the state, in an amount equal to the amount which might have been collected upon the said warrant had such levy and sale been made. Such liability upon the part of the sheriff shall constitute a debt due the state and may be recovered in any suit instituted by the attorney general in the name of the state for that purpose, which amount so recovered shall be treated as though collected from the employing unit.

SECTION 7. IC 22-4-29-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) The liability for any contributions, interest, penalties, and damages imposed by this chapter, or costs incidental to execution of warrants, shall not be subject to any of the provisions of the exemption laws of the state of Indiana for the relief of debtors.

(b) All sheriffs are authorized and empowered to administer all oaths that may be found convenient and necessary to be administered in the discharge of their official duties under the requirements of this chapter, and all oaths so administered shall be without charge or expense whatsoever.

SECTION 8. An emergency is declared for this act.

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