

# COMMITTEE REPORT

## MADAM PRESIDENT:

**The Senate Committee on Pensions and Labor, to which was referred House Bill No. 1457, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:**

- 1           Page 3, line 14, delete "(i)," and insert "**section 1.5 of this**  
2 **chapter,**".
- 3           Page 4, delete lines 21 through 33, begin a new paragraph and  
4 insert:
- 5           "SECTION 2. IC 22-4-11-1.5 IS ADDED TO THE INDIANA  
6 CODE AS A NEW SECTION TO READ AS FOLLOWS  
7 [EFFECTIVE JULY 1, 2013]: **Sec. 1.5. (a) As used in this section,**  
8 **"erroneous payment" means a payment that would not have been**  
9 **made but for the failure by an employer or a person acting on**  
10 **behalf of the employer with respect to a claim for unemployment**  
11 **benefits to which the payment relates.**
- 12           **(b) As used in this section, "pattern of failure" means a repeated**  
13 **and documented failure by an employer or a person acting on**  
14 **behalf of an employer to respond to requests for information made**  
15 **by the department, taking into consideration the number of**  
16 **failures in relation to the total number of requests received by the**  
17 **employer or the person acting on behalf of an employer.**
- 18           **(c) The experience account of an employer may not be relieved**  
19 **of charges for a benefit overpayment from the state's**  
20 **unemployment insurance benefit fund established by IC 22-4-26-1,**  
21 **if the department determines that:**

- 1           **(1) the erroneous payment was made because the employer or**  
 2           **a person acting on behalf of the employer was at fault in**  
 3           **failing to respond in a timely or adequate manner to the**  
 4           **department's written request for information relating to the**  
 5           **claim for unemployment benefits; and**  
 6           **(2) the employer or a person acting on behalf of the employer**  
 7           **has established a pattern of failure to respond in a timely or**  
 8           **adequate manner to department requests described in**  
 9           **subdivision (1)."**

10           Page 7, line 18, delete "greater of five percent (5%)" and insert  
 11           **"lesser of four percent (4%)".**

12           Page 7, between lines 31 and 32, begin a new paragraph and insert:

13           "SECTION 4. IC 22-4-11-4 IS AMENDED TO READ AS  
 14           FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 4. (a) If the  
 15           commissioner finds that any employer has failed to file any payroll  
 16           report or has filed a report which the commissioner finds incorrect or  
 17           insufficient, the commissioner shall make an estimate of the  
 18           information required from the employer on the basis of the best  
 19           evidence reasonably available to the commissioner at the time and  
 20           notify the employer thereof by mail addressed to the employer's last  
 21           known address. Except as provided in subsection (b), unless the  
 22           employer files the report or a corrected or sufficient report, as the case  
 23           may be, within fifteen (15) days after the mailing of the notice, the  
 24           commissioner shall compute the employer's rate of contribution on the  
 25           basis of the estimates, and the rate determined in this manner shall be  
 26           subject to increase ~~but not to reduction or decrease~~ on the basis of  
 27           subsequently ascertained **and verified** information. The estimated  
 28           amount of contribution is considered prima facie correct.

29           (b) The commissioner may adjust the amount of contribution  
 30           estimated in this manner on the basis of information ascertained after  
 31           the expiration of the notice period if the employer or other interested  
 32           party:

- 33           (1) makes an affirmative showing of all facts alleged as a  
 34           reasonable cause for the failure to timely file any payroll report;  
 35           and  
 36           (2) submits accurate and reliable payroll reports."

37           Page 8, line 40, after "services" insert ",".

38           Page 8, line 40, reset in roman "such as job search".

- 1 Page 8, reset in roman lines 41 through 42.
- 2 Page 9, reset in roman line 1.
- 3 Page 17, after line 2, begin a new paragraph and insert:
- 4 "SECTION 9. [EFFECTIVE JULY 1, 2013] (a) **As used in this**
- 5 **SECTION, "committee" refers to the unemployment insurance**
- 6 **oversight committee established by IC 2-5-30-3.**
- 7 **(b) The general assembly urges the legislative council to assign**
- 8 **the committee the task of studying the following issues:**
- 9 **(1) The use of debit cards to pay unemployment insurance**
- 10 **benefits.**
- 11 **(2) The direct deposit of unemployment insurance benefits to**
- 12 **a claimant's own checking or savings account.**
- 13 **(c) If the committee is assigned the topics described in**
- 14 **subsection (b), the committee shall issue to the legislative council**
- 15 **a final report containing the committee's findings and**
- 16 **recommendations, including any recommended legislation**
- 17 **concerning the topics, in an electronic format under IC 5-14-6 not**
- 18 **later than November 1, 2013.**
- 19 **(d) This SECTION expires January 1, 2014."**
- 20 Renumber all SECTIONS consecutively.
- (Reference is to HB 1457 as printed January 29, 2013.)

**and when so amended that said bill do pass.**

Committee Vote: Yeas 5, Nays 3.

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**Boots**

**Chairperson**