

Regulatory Analysis
LSA Document #24-495**I. Description of Rule**

a. History and Background of the Rule – HEA 1623-2023 established new requirements for executive agency rulemaking and provided a safe harbor for executive agencies to come into compliance with Indiana Code regarding fees, fines, and civil penalties set by the agency. This proposed rule is being promulgated to comply with HEA 1623.

Processing fees charged by the Indiana Department of Workforce Development (DWD) for last known employer (LKE) records are set forth in statute. Pursuant to [IC 22-4-19-6\(k\)](#), under certain circumstances, DWD may charge a processing fee not to exceed two dollars (\$2) for each record that provides information about an individual's last known employer. DWD currently charges a two-dollar (\$2) processing fee per LKE record. The two-dollar (\$2) fee was set before January 1, 2023. This rule adds to Indiana's Administrative Code the specific dollar amount of the fee per LKE record as currently charged by DWD.

b. Scope of the Rule – This rule specifies the dollar amount of the current LKE record processing fee assessed by DWD. This rule will be added to [646 IAC 5](#) and does not change the amount of the fee currently charged by DWD.

c. Statement of Need – This rule is required to comply with HEA 1623.

d. Statutory Authority for the Proposed Rule – The statutory authority for DWD to adopt rules is [IC 22-4-19-1](#). The statutory authority for DWD to assess an LKE record processing fee is [IC 22-4-19-6\(k\)](#).

e. Fees, Fines, and Civil Penalties – This rule adds DWD's processing fee for LKE records as a new administrative rule under [646 IAC 5](#), so customers may look to Indiana's Administrative Code to determine what DWD will charge.

Pursuant to [IC 4-22-2-19.6\(e\)](#), the LKE record processing fee was reviewed by the budget committee prior to July 1, 2024.

II. Fiscal Impact Analysis

a. Anticipated Effective Date of the Rule – The anticipated effective date for this rule is on or before July 1, 2025, pursuant to [IC 4-22-2-19.6\(e\)](#).

b. Estimated Fiscal Impact on State and Local Government – This rule does not impact expenditures and revenues of DWD or local government because the rule does not change the amount of the LKE record processing fee currently charged by DWD.

c. Sources of Expenditures or Revenues Affected by the Rule – This rule does not impact the source of expenditures or revenues of DWD or local government because LKE records remain available under the same certain circumstances for the same fee as currently charged by DWD.

III. Impacted Parties

DWD received and processed 163,866 LKE records requests in 2023. As of October 9, 2024, DWD has received and processed 126,025 LKE records requests in 2024, and an additional 5,937 requests have been submitted for processing. Because this rule provides the specific fee amount DWD is currently charging for processing LKE records requests, there is no impact. This rule is being promulgated to comply with HEA 1623.

IV. Changes in Proposed Rule

Indiana Admin. Code Provision	Proposed Changes
646 IAC 5-14-1	Adds the current processing fee amount charged by DWD for last known employer records.

V. Benefit Analysis

- a. Estimate of Primary and Direct Benefits of the Rule** – The primary and direct benefit of this rule is compliance with HEA 1623.
- b. Estimate of Secondary or Indirect Benefits of the Rule** – The secondary or indirect benefit of this rule is increased transparency regarding fees charged by DWD.
- c. Estimate of Any Cost Savings to Regulated Industries** – This rule will not provide cost savings.

VI. Cost Analysis

- a. Estimate of Compliance Costs for Regulated Entities** – Because the proposed processing fee amount is what is currently charged by DWD, there is no change to the direct cost or indirect cost associated with this rule.
- b. Estimate of Administrative Expenses Imposed by the Rules** – This rule does not make changes to the current operations of DWD. No additional legal, consulting, reporting, accounting, or other administrative expenses are imposed by this rule.
- c. The fees, fines, and civil penalties analysis required by [IC 4-22-2-19.6](#)** – This rule is being promulgated pursuant to [IC 4-22-2-19.6](#)(e) and does not add or increase a fee, fine, or civil penalty.
- d. If the implementation costs of the proposed rule are expected to exceed the threshold set in [IC 4-22-2-22.7\(c\)\(6\)](#)** – This rule will not exceed the threshold set in [IC 4-22-2-22.7\(c\)\(6\)](#).

VII. Sources of Information

- a. Independent Verifications or Studies** – No studies were relied upon for a cost-benefit analysis.
- b. Sources Relied Upon in Determining and Calculating Costs and Benefits** – No sources were relied upon for a cost-benefit analysis.

VIII. Regulatory Analysis

- a.** There are no new requirements proposed in this rule; rather, this rule provides the current LKE record processing fee and ensures compliance with HEA 1623. This proposed rule is necessary for compliance with [IC 4-22-2-19.6](#), so the benefits outweigh the costs.

IX. Contact Information of Staff to Answer Substantive Questions

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Notice of First Public Comment Period with Proposed Rule: [20241211-IR-646240495FNA](#)
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