

I_133_2791-8

133rd General Assembly
Regular Session
2019-2020

. B. No.

A BILL

To amend sections 4141.13 and 4141.28 and to enact 1
sections 4141.12 and 5101.04 of the Revised Code 2
to create the Unemployment Compensation 3
Modernization and Improvement Council, to revise 4
the claims process and duties related to that 5
process, to require the Auditor of State to 6
examine and make recommendations on the 7
efficiency of the process, and to require the 8
Director of Job and Family Services to create a 9
constituent referral system and a strategic 10
staffing plan for employees who handle inquiries 11
and claims for unemployment benefits. 12

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 4141.13 and 4141.28 be amended 13
and sections 4141.12 and 5101.04 of the Revised Code be enacted 14
to read as follows: 15

Sec. 4141.12. (A) (1) There is created the unemployment 16
compensation modernization and improvement council. The council 17
shall examine the process by which an individual files a claim 18



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for and receives benefits under this chapter, and any changes 19
made to that process after the effective date of this section. 20
The scope of the council's examination shall include, but not be 21
limited to, all of the following: 22

(a) The technological infrastructure used to file claims 23
and pay benefits and the experience had by individuals and 24
employers participating in the process; 25

(b) Possible improvements that will maximize 26
responsiveness for individuals and employers; 27

(c) Methods for sharing data across systems related to 28
unemployment compensation to maximize efficiency; 29

(d) Methods for synergizing user experience across 30
multiple programs administered or supervised by the director of 31
job and family services. 32

(2) The council shall not examine the solvency of the 33
unemployment compensation fund created in section 4141.09 of the 34
Revised Code. 35

(B) (1) The council shall consist of eleven members 36
appointed as follows: 37

(a) Two members who on account of their vocation, 38
employment, or affiliations can be classed as representative of 39
employers and two members who on account of their vocation, 40
employment, or affiliation can be classed as representatives of 41
employees appointed by the governor with the advice and consent 42
of the senate; 43

(b) The chairpersons of the standing committees of the 44
senate and the house of representatives to which legislation 45
pertaining to Chapter 4141. of the Revised Code is customarily 46

referred, as appointed by the president of the senate and the 47
speaker of the house of representatives, respectively; 48

(c) Two members of the senate appointed by the president 49
of the senate, one of whom is a member of the majority party and 50
one of whom is a member of the minority party; 51

(d) Two members of the house of representatives appointed 52
by the speaker of the house of representatives, one of whom is a 53
member of the majority party and one of whom is a member of the 54
minority party; 55

(e) The director of job and family services or a designee 56
of the director who has administrative responsibilities with 57
respect to the unemployment compensation system. 58

(2) All appointees under division (B) (1) (a) of this 59
section shall be persons whose training and experience qualify 60
them to deal with the difficult problems of unemployment 61
compensation claims, particularly with respect to the process of 62
filing a claim for benefits, customer service, and the social 63
aspects of unemployment compensation. 64

(C) Members of the council appointed by the governor shall 65
serve for a term of two years, each term ending on the same day 66
as the date of their original appointment. Legislative members 67
shall serve during the session of the general assembly in which 68
they are appointed to the council and for as long as they are 69
members of the general assembly. Vacancies shall be filled in 70
the same manner as the original appointment but only for the 71
unexpired part of a term. 72

(D) Members of the council shall serve without salary but, 73
notwithstanding section 101.26 of the Revised Code, shall be 74
paid a meeting stipend of fifty dollars per day each and their 75

actual and necessary expenses while engaged in the performance 76
of their duties as members of the council, which shall be paid 77
from funds allocated to pay the expenses of the council pursuant 78
to this section. 79

(E) The council shall organize itself and select a 80
chairperson or co-chairpersons and other officers and committees 81
as it considers necessary. Six members constitute a quorum and 82
the council may act only on the affirmative vote of six members. 83
The council shall meet at least once every two weeks but it may 84
meet more often as the council considers necessary or at the 85
request of the chairperson. 86

(F) The director shall furnish the council with office and 87
meeting space as requested by the council. 88

(G) The director shall pay the operating expenses of the 89
council from moneys in the unemployment compensation special 90
administrative fund established in section 4141.11 of the 91
Revised Code. 92

(H) The council shall have access to only the records of 93
the department of job and family services that are necessary for 94
the administration of this chapter and to the reasonable 95
services of the employees of the department. It may request the 96
director, or any of the employees appointed by the director, or 97
any employer or employee subject to this chapter, to appear 98
before it and to testify to relevant matters. At least once a 99
year, the council shall allow members of the public to appear 100
before it to testify to relevant matters. 101

Not later than the date that is six months after the 102
effective date of this section, the council shall issue an 103
initial report that, at minimum, describes the state of the 104

process by which an individual files a claim for and receives 105
benefits under this chapter at the time the report is issued, as 106
well as any planned improvements to the process. The council 107
shall include in the initial report findings on issues that 108
individuals and employers are facing, including issues with user 109
experience, and the measures being taken to address those 110
issues. The council shall review and, if necessary, update the 111
initial report every six months after the initial report is 112
issued. 113

The council may conduct additional research of its own, 114
make and publish additional reports, and recommend to the 115
director, the unemployment compensation review commission, the 116
governor, or the general assembly needed changes in this 117
chapter, or in the rules of the department as it considers 118
necessary. The director shall post any testimony, report, or 119
recommendation published or received in accordance with this 120
division on a publicly viewable web site maintained by the 121
director. 122

(I) The director shall notify the members of the council 123
of any unauthorized access to or acquisition of records 124
maintained by the department of job and family services that are 125
necessary for the administration of this chapter. The director 126
shall provide the notice not more than twenty-four hours after 127
the director discovers or is notified of the unauthorized access 128
or acquisition. If the director determines that the unauthorized 129
access or acquisition of records is ongoing, or that public 130
disclosure will result in additional unauthorized access or 131
acquisition, the director may notify the members of the council 132
in a manner that maintains confidentiality, including during an 133
executive session of the council. The notice provided by the 134
director is not a public record available under section 149.43 135

of the Revised Code until the director determines that the cause 136
of the unauthorized access or acquisition has been addressed. 137

(J) The director shall notify the members of the council 138
of any substantial disruption in the process by which 139
applications for determination of benefit rights and claims for 140
benefits are filed with the director. The council shall adopt 141
and periodically review a definition of a substantial disruption 142
that must be reported in accordance with this division. 143

Sec. 4141.13. (A) In addition to all other duties imposed 144
on the director of job and family services and powers granted by 145
this chapter, the director may: 146

~~(A)~~ (1) Adopt and enforce reasonable rules relative to the 147
exercise of the director's powers and authority, and proper 148
rules to govern the director's proceedings and to regulate the 149
mode and manner of all investigations and hearings; 150

~~(B)~~ (2) Prescribe the time, place, and manner of making 151
claims for benefits under such sections, the kind and character 152
of notices required thereunder, the procedure for investigating, 153
hearing, and deciding claims, the nature and extent of the 154
proofs and evidence and the method of furnishing and taking such 155
proofs and evidence to establish the right to benefits, and the 156
method and time within which adjudication and awards shall be 157
made; 158

~~(C)~~ (3) Adopt rules with respect to the collection, 159
maintenance, and disbursement of the unemployment and 160
administrative funds; 161

~~(D)~~ (4) Amend and modify any of the director's rules from 162
time to time in such respects as the director finds necessary or 163
desirable; 164

~~(E)~~ (5) Authorize a designee to hold or undertake an investigation, inquiry, or hearing that the director is authorized to hold or undertake. An order of a designee authorized pursuant to this section is the order of the director.

~~(F)~~ (6) Appoint advisors or advisory employment committees, by local districts or by industries, who shall, without compensation but with reimbursements for necessary expenses, assist the director in the execution of the director's duties;

~~(G)~~ (7) Require all employers, including employers not otherwise subject to this chapter, to furnish to the director information concerning the amount of wages paid, the number of employees employed and the regularity of their employment, the number of employees hired, laid off, and discharged from time to time and the reasons therefor and the numbers that quit voluntarily, and other and further information respecting any other facts required for the proper administration of this chapter;

~~(H)~~ (8) Classify generally industries, businesses, occupations, and employments, and employers individually, as to the hazard of unemployment in each business, industry, occupation, or employment, and as to the particular hazard of each employer, having special reference to the conditions of regularity and irregularity of the employment provided by such employer and of the fluctuations in payrolls of such employer;

~~(I)~~ (9) Determine the contribution rates upon employers subject to this chapter, and provide for the levy and collection of the contributions from such employers;

(J) <u>(10)</u> Receive, hear, and decide claims for unemployment benefits, and provide for the payment of such claims as are allowed;	194 195 196
(K) <u>(11)</u> Promote the regularization of employment and the prevention of unemployment;	197 198
(L) <u>(12)</u> Encourage and assist in the adoption of practical methods of vocational training, retraining, and vocational guidance;	199 200 201
(M) <u>(13)</u> Investigate, recommend, and advise and assist in the establishment and operation by municipal corporations, counties, school districts, and the state of prosperity reserves of public work to be prosecuted in times of business depression and unemployment;	202 203 204 205 206
(N) <u>(14)</u> Promote the re-employment of unemployed workers throughout the state in any other way that may be feasible, and take all appropriate steps within the director's means to reduce and prevent unemployment;	207 208 209 210
(O) <u>(15)</u> Carry on and publish the results of any investigations and research that the director deems relevant;	211 212
(P) <u>(16)</u> Make such reports to the proper agency of the United States created by the "Social Security Act" as that agency requires, and comply with such provisions as the agency finds necessary to assure the correctness and verification of such reports;	213 214 215 216 217
(Q) <u>(17)</u> Make available upon request to any agency of the United States charged with the administration of public works or assistance through public employment the name, address, ordinary occupation, and employment status of each recipient of unemployment benefits under this chapter, and a statement of	218 219 220 221 222

such recipient's rights to further benefits under this chapter;	223
(R) <u>(18)</u> Make such investigations, secure and transmit	224
such information, make available such services and facilities,	225
and exercise such of the other powers provided by this section	226
with respect to the administration of this chapter, as the	227
director deems necessary or appropriate to facilitate the	228
administration of the unemployment compensation law or public	229
employment service laws of this state and of other states and	230
the United States, and in like manner accept and utilize	231
information, services, and facilities made available to this	232
state by the agency charged with the administration of any such	233
other unemployment compensation or public employment service	234
laws;	235
(S) <u>(19)</u> Enter into or cooperate in arrangements whereby	236
facilities and services provided under the unemployment	237
compensation law of Canada may be utilized for the taking of	238
claims and the payment of benefits under the unemployment	239
compensation law of this state or under a similar law of Canada;	240
(T) <u>(20)</u> Transfer surplus computers and computer equipment	241
directly to a chartered public school within the state,	242
notwithstanding sections 125.12 to 125.14 of the Revised Code.	243
The computers and computer equipment may be repaired or	244
refurbished prior to the transfer, and the public school may be	245
charged a service fee not to exceed the direct cost of repair or	246
refurbishing.	247
<u>(B) (1) The director shall do all of the following:</u>	248
<u>(a) Develop a written strategic staffing plan to be</u>	249
<u>implemented whenever there is an increase or decrease in the</u>	250
<u>number of inquiries or claims for benefits and review the plan</u>	251

<u>in accordance with division (B) (3) of this section;</u>	252
<u>(b) Create, in a single place on the web site maintained</u>	253
<u>by the director, a list of all of the points of contact through</u>	254
<u>which an applicant for or a recipient of benefits under this</u>	255
<u>chapter or an employer may submit inquiries related to this</u>	256
<u>chapter;</u>	257
<u>(c) Adopt rules creating a uniform process through which</u>	258
<u>an applicant for or a recipient of benefits under this chapter</u>	259
<u>or an employer may submit a complaint related to the service the</u>	260
<u>applicant, recipient, or employer received.</u>	261
<u>(2) The director shall include all of the following in the</u>	262
<u>plan required under division (B) (1) (a) of this section:</u>	263
<u>(a) An explanation of how, if at all, the director will</u>	264
<u>utilize employees employed by the director who do not ordinarily</u>	265
<u>perform services related to unemployment compensation;</u>	266
<u>(b) An explanation of how, if at all, the director will</u>	267
<u>utilize employees employed by other state agencies;</u>	268
<u>(c) An explanation of how, if at all, the director will</u>	269
<u>utilize employees provided by private entities.</u>	270
<u>(3) For purposes of division (B) (1) (a) of this section,</u>	271
<u>the director shall develop the initial plan required under that</u>	272
<u>division and, not later than the date that is six months after</u>	273
<u>the effective date of this amendment, provide it to the</u>	274
<u>unemployment compensation modernization and improvement council,</u>	275
<u>the president of the senate, the speaker of the house of</u>	276
<u>representatives, and the governor. The director shall review the</u>	277
<u>plan at least once a year. If, after reviewing the plan, the</u>	278
<u>director determines that the plan should be revised, the</u>	279
<u>director shall revise the plan. After each review of the plan</u>	280

required under this division, the director shall provide the 281
most recent version of the plan to the council, the president of 282
the senate, the speaker of the house of representatives, and the 283
governor. The director shall post the most recent version of the 284
plan on a publicly viewable web site maintained by the director. 285

(4) For purposes of division (B) (1) (b) of this section, 286
the director shall include both of the following in the list 287
required under that division: 288

(a) Electronic mail addresses, telephone numbers, 289
facsimile numbers, and any other method of communication the 290
director uses to communicate with applicants, recipients, and 291
employers; 292

(b) A brief description of the types of inquiries that may 293
be submitted to each point of contact. 294

(5) Division (B) (1) (b) of this section does not prohibit 295
the director from maintaining contact information in more than 296
one place. 297

Sec. 4141.28. 298

BENEFITS 299

(A) FILINGS 300

Applications for determination of benefit rights and 301
claims for benefits shall be filed with the director of job and 302
family services. Such applications and claims also may be filed 303
with an employee of another state or federal agency charged with 304
the duty of accepting applications and claims for unemployment 305
benefits or with an employee of the unemployment insurance 306
commission of Canada. 307

When an unemployed individual files an application for 308

determination of benefit rights, the director shall furnish the 309
individual with an explanation of the individual's appeal 310
rights. The explanation shall describe clearly the different 311
levels of appeal and explain where and when each appeal must be 312
filed. 313

(B) APPLICATION FOR DETERMINATION OF BENEFIT RIGHTS 314

In filing an application, an individual shall furnish the 315
director with the name and address of the individual's most 316
recent separating employer and the individual's statement of the 317
reason for separation from the employer. The director shall 318
promptly notify the individual's most recent separating employer 319
of the filing and request the reason for the individual's 320
unemployment, unless that notice is not necessary under 321
conditions the director establishes by rule. The director may 322
request from the individual or any employer information 323
necessary for the determination of the individual's right to 324
benefits. The employer shall provide the information requested 325
within ten working days after the request is sent. If necessary 326
to ensure prompt determination and payment of benefits, the 327
director shall base the determination on the information that is 328
available. 329

An individual filing an application for determination of 330
benefit rights shall disclose, at the time of filing, whether or 331
not the individual owes child support obligations. 332

(C) MASS LAYOFFS 333

An employer who lays off or separates within any seven-day 334
period fifty or more individuals because of lack of work shall 335
furnish notice to the director of the dates of layoff or 336
separation and the approximate number of individuals being laid 337

off or separated. The notice shall be furnished at least three 338
working days prior to the date of the first day of such layoff 339
or separation. In addition, at the time of the layoff or 340
separation the employer shall furnish to the individual and to 341
the director information necessary to determine the individual's 342
eligibility for unemployment compensation. 343

(D) DETERMINATION OF BENEFIT RIGHTS 344

The director shall promptly examine any application for 345
determination of benefit rights. On the basis of the information 346
available to the director under this chapter, the director shall 347
determine whether or not the application is valid, and if valid, 348
the date on which the benefit year shall commence and the weekly 349
benefit amount. The director shall promptly notify the 350
applicant, employers in the applicant's base period, and any 351
other interested parties of the determination and the reasons 352
for it. In addition, the determination issued to the claimant 353
shall include the total amount of benefits payable. The 354
determination issued to each chargeable base period employer 355
shall include the total amount of benefits that may be charged 356
to the employer's account. 357

(E) CLAIM FOR BENEFITS 358

The director shall examine the first claim and any 359
additional claim for benefits. On the basis of the information 360
available, the director shall determine whether the claimant's 361
most recent separation and, to the extent necessary, prior 362
separations from work, allow the claimant to qualify for 363
benefits. Written notice of the determination granting or 364
denying benefits shall be sent to the claimant, the most recent 365
separating employer, and any other employer involved in the 366
determination, except that written notice is not required to be 367

sent to the claimant if the reason for separation is lack of 368
work and the claim is allowed. 369

If the director identifies an eligibility issue, the 370
director shall immediately send notice to the claimant of the 371
issue identified ~~and~~, specify the week or weeks involved, and 372
identify what the claimant must do to address the issue or who 373
the claimant may contact for more information. The claimant has 374
a minimum of five business days after the notice is sent to 375
respond to the information included in the notice, and after the 376
time allowed as determined by the director, the director shall 377
make a determination. The claimant's response may include a 378
request for a fact-finding interview when the eligibility issue 379
is raised by an informant or source other than the claimant, or 380
when the eligibility issue, if determined adversely, 381
disqualifies the claimant for the duration of the claimant's 382
period of unemployment. 383

When the determination of a continued claim for benefits 384
results in a disallowed claim, the director shall notify the 385
claimant of the disallowance and the reasons for it. 386

(F) ELIGIBILITY NOTICE 387

Any base period or subsequent employer of a claimant who 388
has knowledge of specific facts affecting the claimant's right 389
to receive benefits for any week may notify the director in 390
writing of those facts. The director shall prescribe a form for 391
such eligibility notice, but failure to use the form shall not 392
preclude the director's examination of any notice. 393

To be considered valid, an eligibility notice must: 394
contain in writing, a statement that identifies either a source 395
who has firsthand knowledge of the information or an informant 396

who can identify the source; provide specific and detailed 397
information that may potentially disqualify the claimant; 398
provide the name and address of the source or the informant; and 399
appear to the director to be reliable and credible. 400

An eligibility notice is timely filed if received or 401
postmarked prior to or within forty-five calendar days after the 402
end of the week with respect to which a claim for benefits is 403
filed by the claimant. An employer who timely files a valid 404
eligibility notice shall be an interested party to the claim for 405
benefits which is the subject of the notice. 406

The director shall consider the information contained in 407
the eligibility notice, together with other available 408
information. After giving the claimant notice and an opportunity 409
to respond, the director shall make a determination and inform 410
the notifying employer, the claimant, and other interested 411
parties of the determination. 412

(G) CORRECTED DETERMINATION 413

If the director finds within the fifty-two calendar weeks 414
beginning with the Sunday of the week during which an 415
application for benefit rights was filed or within the benefit 416
year that a determination made by the director was erroneous due 417
to an error in an employer's report or any typographical or 418
clerical error in the director's determination, or as shown by 419
correct remuneration information received by the director, the 420
director shall issue a corrected determination to all interested 421
parties. The corrected determination shall take precedence over 422
and void the prior determination of the director. The director 423
shall not issue a corrected determination when the commission or 424
a court has jurisdiction with respect to that determination. 425

(H) EFFECT OF COMMISSION DECISIONS 426

In making determinations, the director shall follow 427
decisions of the unemployment compensation review commission 428
which have become final with respect to claimants similarly 429
situated. 430

(I) PROMPT PAYMENTS 431

If benefits are allowed by the director, a hearing 432
officer, the commission, or a court, the director shall pay 433
benefits promptly, notwithstanding any further appeal, provided 434
that if benefits are denied on appeal, of which the parties have 435
notice and an opportunity to be heard, the director shall 436
withhold payment of benefits pending a decision on any further 437
appeal. 438

Sec. 5101.04. Notwithstanding any provision of Chapter 439
102. of the Revised Code to the contrary, the director of job 440
and family services shall, in accordance with Chapter 119. of 441
the Revised Code, adopt rules creating a uniform process through 442
which members of the general assembly may submit constituent 443
inquiries to the director related to any program the director 444
administers or any matter over which the director exercises 445
supervision or control. 446

Section 2. That existing sections 4141.13 and 4141.28 of 447
the Revised Code are hereby repealed. 448

Section 3. (A) As used in this section, "additional 449
claim," "benefits," and "claim for benefits," have the same 450
meanings as in section 4141.01 of the Revised Code. 451

(B) The Auditor of State shall examine the process by 452
which an individual files a claim for and receives benefits 453
under Chapter 4141. of the Revised Code and any rules and 454

procedures adopted by the Director of Job and Family Services 455
implementing the process. The Auditor of State shall prepare a 456
report of the examination that does all of the following: 457

(1) Creates a breakdown of revenues and expenditures 458
illustrating how funding for administering claims for benefits 459
is received and spent; 460

(2) Compares administrative funding and cost distributions 461
to states that process a similar number of claims, on average, 462
as this state; 463

(3) Reviews trends in federal funding provided for 464
administering claims for benefits over a period of time 465
established by the Auditor of State; 466

(4) Compares provided federal funding to the total cost of 467
administering claims for benefits over the same period of time 468
established by the Auditor of State under division (A) (3) of 469
this section; 470

(5) Identifies the amount of state funds necessary to 471
supplement federal funding for the purpose of administering 472
claims for benefits; 473

(6) Calculates the average amount of time that elapses 474
between the date an application for a determination of benefit 475
rights is filed and the determination on the validity of the 476
application is made as required under division (D) of section 477
4141.28 of the Revised Code; 478

(7) Calculates the average amount of time that elapses 479
between the date a first claim or any additional claim for 480
benefits is filed and the determination on the claim required 481
under division (E) of section 4141.28 of the Revised Code is 482
made; 483

(8) Calculates the average amount of time that elapses 484
between the Director allowing benefits and the payment of the 485
allowed benefits under division (I) of section 4141.28 of the 486
Revised Code; 487

(9) Compares the average times calculated under divisions 488
(B) (6) to (8) of this section to the average amount of time the 489
administrators of the unemployment compensation acts of states 490
that process a similar number of claims, on average, as this 491
state take to make determinations similar to the determinations 492
described in divisions (B) (6) and (7) of this section and the 493
time those administrators take to pay allowed benefits as 494
described in division (B) (8) of this section; 495

(10) Provides an overview of federal and state laws 496
governing the process by which claims for benefits are filed and 497
the impact of those laws on the process; 498

(11) Identifies any provisions of Chapter 4141. of the 499
Revised Code that could be repealed or amended to increase 500
efficiency or improve claim processing while maintaining 501
compliance with the "Federal Unemployment Tax Act," 26 U.S.C. 502
3301 to 3311; 503

(12) Identifies improvements that can be made to the 504
system used to process a claim for benefits that is in place on 505
the effective date of this section or any new system scheduled 506
to be implemented on or after the effective date of this 507
section, including improvements to individual and employer 508
access or experience and improvements from the automation of 509
certain decision making processes; 510

(13) Identifies the advantages, if any, of implementing an 511
alternative system for filing a claim for benefits, including a 512

system in which an individual who wishes to file a claim by 513
telephone could leave contact information and receive a return 514
telephone call; 515

(14) Identifies any improvements that could be made to the 516
web site that an individual uses to file a claim for benefits 517
online; 518

(15) Describes the organization and staffing levels used 519
to administer claims for benefits and compares those to the 520
organization and staffing levels in states that process a 521
similar number of claims, on average, as this state; 522

(16) Identifies any improvements that could be realized 523
through changes in staffing levels; 524

(17) Identifies the best practices from other states' 525
unemployment compensation acts that could be implemented in this 526
state; 527

(18) Identifies the most common complaints and problems 528
applicants for or recipients of benefits identify when 529
interacting with the Director's staff, including any complaints 530
or problems with personal identification numbers, mismatched 531
social security numbers, name changes through marriage or 532
misspellings, and wait times. 533

(C) In addition to the findings and recommendations 534
required in division (B) of this section, the Auditor of State 535
shall make recommendations in the report on any additional 536
matter discovered during the examination that the Auditor of 537
State believes will improve the process by which claims for 538
benefits are filed and benefits are paid. 539

(D) The Director shall cooperate promptly and fully with 540
any request the Auditor of State makes that relates to the 541

examination required by this section. 542

(E) Not later than the date that is six months after the 543
effective date of this section, the Auditor of State shall 544
publish the report required under division (B) of this section 545
and submit it to the Speaker of the House of Representatives, 546
the President of the Senate, the Governor, the Director of Job 547
and Family Services, the Legislative Service Commission, and the 548
Unemployment Compensation Modernization and Improvement Council. 549