

As Reported by the House Ways and Means Committee

133rd General Assembly

Regular Session

2019-2020

Sub. H. B. No. 614

Representatives Fraizer, Richardson

Cosponsors: Representatives Merrin, Rogers, McClain, Roemer

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

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 73
compensation but shall be reimbursed for their actual and 74
necessary expenses while engaged in the performance of their 75

duties as members of the council, which shall be paid from funds 76
allocated to pay the expenses of the council pursuant to this 77
section. 78

(E) The council shall organize itself and select a 79
chairperson or co-chairpersons and other officers and committees 80
as it considers necessary. Six members constitute a quorum and 81
the council may act only on the affirmative vote of six members. 82
The council shall meet at least once every two weeks but it may 83
meet more often as the council considers necessary or at the 84
request of the chairperson. 85

(F) The director shall furnish the council with office and 86
meeting space as requested by the council. 87

(G) The director shall pay the operating expenses of the 88
council from moneys in the unemployment compensation special 89
administrative fund established in section 4141.11 of the 90
Revised Code. 91

(H) The council shall have access to only the records of 92
the department of job and family services that are necessary for 93
the administration of this chapter and to the reasonable 94
services of the employees of the department. It may request the 95
director, or any of the employees appointed by the director, or 96
any employer or employee subject to this chapter, to appear 97
before it and to testify to relevant matters. At least once a 98
year, the council shall allow members of the public to appear 99
before it to testify to relevant matters. 100

Not later than the date that is six months after the 101
effective date of this section, the council shall issue an 102
initial report that, at minimum, describes the state of the 103
process by which an individual files a claim for and receives 104

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

The council may conduct additional research of its own, 113
make and publish additional reports, and recommend to the 114
director, the unemployment compensation review commission, the 115
governor, or the general assembly needed changes in this 116
chapter, or in the rules of the department as it considers 117
necessary. The director shall post any testimony, report, or 118
recommendation published or received in accordance with this 119
division on a publicly viewable web site maintained by the 120
director. 121

(I) The director shall notify the members of the council 122
of any unauthorized access to or acquisition of records 123
maintained by the department of job and family services that are 124
necessary for the administration of this chapter. The director 125
shall provide the notice not more than twenty-four hours after 126
the director discovers or is notified of the unauthorized access 127
or acquisition. If the director determines that the unauthorized 128
access or acquisition of records is ongoing, or that public 129
disclosure will result in additional unauthorized access or 130
acquisition, the director may notify the members of the council 131
in a manner that maintains confidentiality, including during an 132
executive session of the council. The notice provided by the 133
director is not a public record available under section 149.43 134
of the Revised Code until the director determines that the cause 135

of the unauthorized access or acquisition has been addressed. 136

(J) The director shall notify the members of the council 137
of any substantial disruption in the process by which 138
applications for determination of benefit rights and claims for 139
benefits are filed with the director. The council shall adopt 140
and periodically review a definition of a substantial disruption 141
that must be reported in accordance with this division. 142

Sec. 4141.13. (A) In addition to all other duties imposed 143
on the director of job and family services and powers granted by 144
this chapter, the director may: 145

~~(A)~~ (1) Adopt and enforce reasonable rules relative to the 146
exercise of the director's powers and authority, and proper 147
rules to govern the director's proceedings and to regulate the 148
mode and manner of all investigations and hearings; 149

~~(B)~~ (2) Prescribe the time, place, and manner of making 150
claims for benefits under such sections, the kind and character 151
of notices required thereunder, the procedure for investigating, 152
hearing, and deciding claims, the nature and extent of the 153
proofs and evidence and the method of furnishing and taking such 154
proofs and evidence to establish the right to benefits, and the 155
method and time within which adjudication and awards shall be 156
made; 157

~~(C)~~ (3) Adopt rules with respect to the collection, 158
maintenance, and disbursement of the unemployment and 159
administrative funds; 160

~~(D)~~ (4) Amend and modify any of the director's rules from 161
time to time in such respects as the director finds necessary or 162
desirable; 163

~~(E)~~ (5) Authorize a designee to hold or undertake an 164

investigation, inquiry, or hearing that the director is 165
authorized to hold or undertake. An order of a designee 166
authorized pursuant to this section is the order of the 167
director. 168

~~(F)~~ (6) Appoint advisors or advisory employment 169
committees, by local districts or by industries, who shall, 170
without compensation but with reimbursements for necessary 171
expenses, assist the director in the execution of the director's 172
duties; 173

~~(G)~~ (7) Require all employers, including employers not 174
otherwise subject to this chapter, to furnish to the director 175
information concerning the amount of wages paid, the number of 176
employees employed and the regularity of their employment, the 177
number of employees hired, laid off, and discharged from time to 178
time and the reasons therefor and the numbers that quit 179
voluntarily, and other and further information respecting any 180
other facts required for the proper administration of this 181
chapter; 182

~~(H)~~ (8) Classify generally industries, businesses, 183
occupations, and employments, and employers individually, as to 184
the hazard of unemployment in each business, industry, 185
occupation, or employment, and as to the particular hazard of 186
each employer, having special reference to the conditions of 187
regularity and irregularity of the employment provided by such 188
employer and of the fluctuations in payrolls of such employer; 189

~~(I)~~ (9) Determine the contribution rates upon employers 190
subject to this chapter, and provide for the levy and collection 191
of the contributions from such employers; 192

~~(J)~~ (10) Receive, hear, and decide claims for unemployment 193

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

~~(R)~~ (18) Make such investigations, secure and transmit 223
such information, make available such services and facilities, 224
and exercise such of the other powers provided by this section 225
with respect to the administration of this chapter, as the 226
director deems necessary or appropriate to facilitate the 227
administration of the unemployment compensation law or public 228
employment service laws of this state and of other states and 229
the United States, and in like manner accept and utilize 230
information, services, and facilities made available to this 231
state by the agency charged with the administration of any such 232
other unemployment compensation or public employment service 233
laws; 234

~~(S)~~ (19) Enter into or cooperate in arrangements whereby 235
facilities and services provided under the unemployment 236
compensation law of Canada may be utilized for the taking of 237
claims and the payment of benefits under the unemployment 238
compensation law of this state or under a similar law of Canada; 239

~~(T)~~ (20) Transfer surplus computers and computer equipment 240
directly to a chartered public school within the state, 241
notwithstanding sections 125.12 to 125.14 of the Revised Code. 242
The computers and computer equipment may be repaired or 243
refurbished prior to the transfer, and the public school may be 244
charged a service fee not to exceed the direct cost of repair or 245
refurbishing. 246

(B) (1) The director shall do all of the following: 247

(a) Develop a written strategic staffing plan to be 248
implemented whenever there is an increase or decrease in the 249
number of inquiries or claims for benefits and review the plan 250
in accordance with division (B) (3) of this section; 251

(b) Create, in a single place on the web site maintained 252
by the director, a list of all of the points of contact through 253
which an applicant for or a recipient of benefits under this 254
chapter or an employer may submit inquiries related to this 255
chapter; 256

(c) Adopt rules creating a uniform process through which 257
an applicant for or a recipient of benefits under this chapter 258
or an employer may submit a complaint related to the service the 259
applicant, recipient, or employer received. 260

(2) The director shall include all of the following in the 261
plan required under division (B) (1) (a) of this section: 262

(a) An explanation of how, if at all, the director will 263
utilize employees employed by the director who do not ordinarily 264
perform services related to unemployment compensation; 265

(b) An explanation of how, if at all, the director will 266
utilize employees employed by other state agencies; 267

(c) An explanation of how, if at all, the director will 268
utilize employees provided by private entities. 269

(3) For purposes of division (B) (1) (a) of this section, 270
the director shall develop the initial plan required under that 271
division and, not later than the date that is six months after 272
the effective date of this amendment, provide it to the 273
unemployment compensation modernization and improvement council, 274
the president of the senate, the speaker of the house of 275
representatives, and the governor. The director shall review the 276
plan at least once a year. If, after reviewing the plan, the 277
director determines that the plan should be revised, the 278
director shall revise the plan. After each review of the plan 279
required under this division, the director shall provide the 280

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

(4) For purposes of division (B)(1)(b) of this section, 285
the director shall include both of the following in the list 286
required under that division: 287

(a) Electronic mail addresses, telephone numbers, 288
facsimile numbers, and any other method of communication the 289
director uses to communicate with applicants, recipients, and 290
employers; 291

(b) A brief description of the types of inquiries that may 292
be submitted to each point of contact. 293

(5) Division (B)(1)(b) of this section does not prohibit 294
the director from maintaining contact information in more than 295
one place. 296

Sec. 4141.28. 297

BENEFITS 298

(A) FILINGS 299

Applications for determination of benefit rights and 300
claims for benefits shall be filed with the director of job and 301
family services. Such applications and claims also may be filed 302
with an employee of another state or federal agency charged with 303
the duty of accepting applications and claims for unemployment 304
benefits or with an employee of the unemployment insurance 305
commission of Canada. 306

When an unemployed individual files an application for 307
determination of benefit rights, the director shall furnish the 308

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

(B) APPLICATION FOR DETERMINATION OF BENEFIT RIGHTS 313

In filing an application, an individual shall furnish the 314
director with the name and address of the individual's most 315
recent separating employer and the individual's statement of the 316
reason for separation from the employer. The director shall 317
promptly notify the individual's most recent separating employer 318
of the filing and request the reason for the individual's 319
unemployment, unless that notice is not necessary under 320
conditions the director establishes by rule. The director may 321
request from the individual or any employer information 322
necessary for the determination of the individual's right to 323
benefits. The employer shall provide the information requested 324
within ten working days after the request is sent. If necessary 325
to ensure prompt determination and payment of benefits, the 326
director shall base the determination on the information that is 327
available. 328

An individual filing an application for determination of 329
benefit rights shall disclose, at the time of filing, whether or 330
not the individual owes child support obligations. 331

(C) MASS LAYOFFS 332

An employer who lays off or separates within any seven-day 333
period fifty or more individuals because of lack of work shall 334
furnish notice to the director of the dates of layoff or 335
separation and the approximate number of individuals being laid 336
off or separated. The notice shall be furnished at least three 337

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

(D) DETERMINATION OF BENEFIT RIGHTS 343

The director shall promptly examine any application for 344
determination of benefit rights. On the basis of the information 345
available to the director under this chapter, the director shall 346
determine whether or not the application is valid, and if valid, 347
the date on which the benefit year shall commence and the weekly 348
benefit amount. The director shall promptly notify the 349
applicant, employers in the applicant's base period, and any 350
other interested parties of the determination and the reasons 351
for it. In addition, the determination issued to the claimant 352
shall include the total amount of benefits payable. The 353
determination issued to each chargeable base period employer 354
shall include the total amount of benefits that may be charged 355
to the employer's account. 356

(E) CLAIM FOR BENEFITS 357

The director shall examine the first claim and any 358
additional claim for benefits. On the basis of the information 359
available, the director shall determine whether the claimant's 360
most recent separation and, to the extent necessary, prior 361
separations from work, allow the claimant to qualify for 362
benefits. Written notice of the determination granting or 363
denying benefits shall be sent to the claimant, the most recent 364
separating employer, and any other employer involved in the 365
determination, except that written notice is not required to be 366
sent to the claimant if the reason for separation is lack of 367

work and the claim is allowed. 368

If the director identifies an eligibility issue, the 369
director shall immediately send notice to the claimant of the 370
issue identified ~~and~~, specify the week or weeks involved, and 371
identify what the claimant must do to address the issue or who 372
the claimant may contact for more information. The claimant has 373
a minimum of five business days after the notice is sent to 374
respond to the information included in the notice, and after the 375
time allowed as determined by the director, the director shall 376
make a determination. The claimant's response may include a 377
request for a fact-finding interview when the eligibility issue 378
is raised by an informant or source other than the claimant, or 379
when the eligibility issue, if determined adversely, 380
disqualifies the claimant for the duration of the claimant's 381
period of unemployment. 382

When the determination of a continued claim for benefits 383
results in a disallowed claim, the director shall notify the 384
claimant of the disallowance and the reasons for it. 385

(F) ELIGIBILITY NOTICE 386

Any base period or subsequent employer of a claimant who 387
has knowledge of specific facts affecting the claimant's right 388
to receive benefits for any week may notify the director in 389
writing of those facts. The director shall prescribe a form for 390
such eligibility notice, but failure to use the form shall not 391
preclude the director's examination of any notice. 392

To be considered valid, an eligibility notice must: 393
contain in writing, a statement that identifies either a source 394
who has firsthand knowledge of the information or an informant 395
who can identify the source; provide specific and detailed 396

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

An eligibility notice is timely filed if received or 400
postmarked prior to or within forty-five calendar days after the 401
end of the week with respect to which a claim for benefits is 402
filed by the claimant. An employer who timely files a valid 403
eligibility notice shall be an interested party to the claim for 404
benefits which is the subject of the notice. 405

The director shall consider the information contained in 406
the eligibility notice, together with other available 407
information. After giving the claimant notice and an opportunity 408
to respond, the director shall make a determination and inform 409
the notifying employer, the claimant, and other interested 410
parties of the determination. 411

(G) CORRECTED DETERMINATION 412

If the director finds within the fifty-two calendar weeks 413
beginning with the Sunday of the week during which an 414
application for benefit rights was filed or within the benefit 415
year that a determination made by the director was erroneous due 416
to an error in an employer's report or any typographical or 417
clerical error in the director's determination, or as shown by 418
correct remuneration information received by the director, the 419
director shall issue a corrected determination to all interested 420
parties. The corrected determination shall take precedence over 421
and void the prior determination of the director. The director 422
shall not issue a corrected determination when the commission or 423
a court has jurisdiction with respect to that determination. 424

(H) EFFECT OF COMMISSION DECISIONS 425

In making determinations, the director shall follow 426
decisions of the unemployment compensation review commission 427
which have become final with respect to claimants similarly 428
situated. 429

(I) PROMPT PAYMENTS 430

If benefits are allowed by the director, a hearing 431
officer, the commission, or a court, the director shall pay 432
benefits promptly, notwithstanding any further appeal, provided 433
that if benefits are denied on appeal, of which the parties have 434
notice and an opportunity to be heard, the director shall 435
withhold payment of benefits pending a decision on any further 436
appeal. 437

Sec. 5101.04. Notwithstanding any provision of Chapter 438
102. of the Revised Code to the contrary, the director of job 439
and family services shall, in accordance with Chapter 119. of 440
the Revised Code, adopt rules creating a uniform process through 441
which members of the general assembly may submit constituent 442
inquiries to the director related to any program the director 443
administers or any matter over which the director exercises 444
supervision or control. 445

Section 2. That existing sections 4141.13 and 4141.28 of 446
the Revised Code are hereby repealed. 447

Section 3. (A) As used in this section, "additional 448
claim," "benefits," and "claim for benefits," have the same 449
meanings as in section 4141.01 of the Revised Code. 450

(B) The Auditor of State shall examine the process by 451
which an individual files a claim for and receives benefits 452
under Chapter 4141. of the Revised Code and any rules and 453
procedures adopted by the Director of Job and Family Services 454

implementing the process. The Auditor of State shall prepare a report of the examination that does all of the following:

- (1) Creates a breakdown of revenues and expenditures illustrating how funding for administering claims for benefits is received and spent;
- (2) Compares administrative funding and cost distributions to states that process a similar number of claims, on average, as this state;
- (3) Reviews trends in federal funding provided for administering claims for benefits over a period of time established by the Auditor of State;
- (4) Compares provided federal funding to the total cost of administering claims for benefits over the same period of time established by the Auditor of State under division (A) (3) of this section;
- (5) Identifies the amount of state funds necessary to supplement federal funding for the purpose of administering claims for benefits;
- (6) Calculates the average amount of time that elapses between the date an application for a determination of benefit rights is filed and the determination on the validity of the application is made as required under division (D) of section 4141.28 of the Revised Code;
- (7) Calculates the average amount of time that elapses between the date a first claim or any additional claim for benefits is filed and the determination on the claim required under division (E) of section 4141.28 of the Revised Code is made;

(8) Calculates the average amount of time that elapses	483
between the Director allowing benefits and the payment of the	484
allowed benefits under division (I) of section 4141.28 of the	485
Revised Code;	486
(9) Compares the average times calculated under divisions	487
(B) (6) to (8) of this section to the average amount of time the	488
administrators of the unemployment compensation acts of states	489
that process a similar number of claims, on average, as this	490
state take to make determinations similar to the determinations	491
described in divisions (B) (6) and (7) of this section and the	492
time those administrators take to pay allowed benefits as	493
described in division (B) (8) of this section;	494
(10) Provides an overview of federal and state laws	495
governing the process by which claims for benefits are filed and	496
the impact of those laws on the process;	497
(11) Identifies any provisions of Chapter 4141. of the	498
Revised Code that could be repealed or amended to increase	499
efficiency or improve claim processing while maintaining	500
compliance with the "Federal Unemployment Tax Act," 26 U.S.C.	501
3301 to 3311;	502
(12) Identifies improvements that can be made to the	503
system used to process a claim for benefits that is in place on	504
the effective date of this section or any new system scheduled	505
to be implemented on or after the effective date of this	506
section, including improvements to individual and employer	507
access or experience and improvements from the automation of	508
certain decision making processes;	509
(13) Identifies the advantages, if any, of implementing an	510
alternative system for filing a claim for benefits, including a	511

system in which an individual who wishes to file a claim by 512
telephone could leave contact information and receive a return 513
telephone call; 514

(14) Identifies any improvements that could be made to the 515
web site that an individual uses to file a claim for benefits 516
online; 517

(15) Describes the organization and staffing levels used 518
to administer claims for benefits and compares those to the 519
organization and staffing levels in states that process a 520
similar number of claims, on average, as this state; 521

(16) Identifies any improvements that could be realized 522
through changes in staffing levels; 523

(17) Identifies the best practices from other states' 524
unemployment compensation acts that could be implemented in this 525
state; 526

(18) Identifies the most common complaints and problems 527
applicants for or recipients of benefits identify when 528
interacting with the Director's staff, including any complaints 529
or problems with personal identification numbers, mismatched 530
social security numbers, name changes through marriage or 531
misspellings, and wait times. 532

(C) In addition to the findings and recommendations 533
required in division (B) of this section, the Auditor of State 534
shall make recommendations in the report on any additional 535
matter discovered during the examination that the Auditor of 536
State believes will improve the process by which claims for 537
benefits are filed and benefits are paid. 538

(D) The Director shall cooperate promptly and fully with 539
any request the Auditor of State makes that relates to the 540

examination required by this section. 541

(E) Not later than the date that is six months after the 542
effective date of this section, the Auditor of State shall 543
publish the report required under division (B) of this section 544
and submit it to the Speaker of the House of Representatives, 545
the President of the Senate, the Governor, the Director of Job 546
and Family Services, the Legislative Service Commission, and the 547
Unemployment Compensation Modernization and Improvement Council. 548