

# AN ACT

To amend sections 4141.26, 4141.28, 4141.281, 4507.53, 5120.212, 5703.21, 5747.065, and 5747.18 and to enact sections 4141.163, 4141.287, 4141.288, 4141.302, 4141.34, and 4141.60 of the Revised Code and to amend Section 8 of S.B. 18 of the 134th General Assembly, as subsequently amended, to make changes to the Unemployment Compensation Law.

*Be it enacted by the General Assembly of the State of Ohio:*

SECTION 1. That sections 4141.26, 4141.28, 4141.281, 4507.53, 5120.212, 5703.21, 5747.065, and 5747.18 be amended and sections 4141.163, 4141.287, 4141.288, 4141.302, 4141.34, and 4141.60 of the Revised Code be enacted to read as follows:

Sec. 4141.163. (A) For any federal program administered by the director of job and family services in a manner similar to this chapter that provides money payments for loss of remuneration for services performed under any contract of hire that is not employment as defined in section 4141.01 of the Revised Code, the director of job and family services shall establish a verification system for the program that verifies whether an individual has filed annual returns using records maintained by the tax commissioner under Chapter 5747. of the Revised Code.

(B) The director shall enter a data sharing agreement with the commissioner allowing the director to furnish to the tax commissioner the name, social security number, and any additional information required by the commissioner for an individual who applies for payments under a program described in division (A) of this section. The director may request information from the commissioner regarding whether such an individual has filed an annual return with respect to the tax imposed by section 5747.02 of the Revised Code. The director may request the information for the most recent taxable year, as that term is defined in section 5747.01 of the Revised Code, for which an annual return was due or either of the two preceding taxable years.

On receiving the request, the commissioner shall provide to the director the requested information. The commissioner shall inform the director if the commissioner is unable to provide any portion of the requested information.

(C) This section does not apply to a federal program for which income verification is not required.

Sec. 4141.26. (A) As soon as practicable after the first day of September but not later than the first day of December of each year, the director of job and family services shall notify each employer of the employer's contribution rate as determined for the next ensuing contribution period pursuant to section 4141.25 of the Revised Code provided the employer has furnished the director, by the first day of September following the computation date, with the wage information for all past periods necessary for the computation of the contribution rate.

(B) If an employer has not timely furnished the necessary wage information as required by division (A) of this section, the employer's contribution rate for such contribution period shall not be computed as provided in section 4141.25 of the Revised Code, but instead the employer shall be assigned a contribution rate equal to one hundred twenty-five per cent of the maximum rate provided in that section, with the following exceptions:

(1) If the employer files the necessary wage information by the thirty-first day of December of the year immediately preceding the contribution period for which the rate is to be effective, the employer's rate shall be computed as provided in division (A) of section 4141.25 of the Revised Code.

(2) The director shall revise the contribution rate of an employer who has not timely furnished the necessary wage information as required by division (A) of this section, who has been assigned a contribution rate pursuant to division (B) of this section, and who does not meet the requirements of division (B)(1) of this section, if the employer furnishes the necessary wage information to the director within eighteen months following the thirty-first day of December of the year immediately preceding the contribution period for which the rate is to be effective. The revised rate under division (B)(2) of this section shall be equal to one hundred twenty per cent of the contribution rate that would have resulted if the employer had timely furnished the necessary wage information under division (A) of this section.

The director shall deny an employer's request for a revision of the employer's rate as provided in division (B)(2) of this section if the director finds that the employer's failure to timely file the necessary wage information was due to an attempt to evade payment.

The director shall round the contribution rates the director determines under division (B) of this section to the nearest tenth of one per cent.

(C) If, as a result of the computation pursuant to division (B) of this section, the employer's account shows a negative balance in excess of the applicable limitations, in that computation, the excess above applicable limitations shall not be transferred from the account as provided in division (A)(2) of section 4141.24 of the Revised Code.

(D) The rate determined pursuant to this section and section 4141.25 of the Revised Code shall become binding upon the employer unless:

(1) The employer makes a voluntary contribution as provided in division (B) of section 4141.24 of the Revised Code, whereupon the director shall issue the employer a revised contribution rate notice if the contribution changes the employer's rate; or

(2) Within thirty days after the mailing of notice of the employer's rate or a revision of it to the employer's last known address or, in the absence of mailing of such notice, within thirty days after the delivery of such notice, the employer files an application with the director for reconsideration of the director's determination of such rate setting forth reasons for such request. The director shall promptly examine the application for reconsideration and shall notify the employer of the director's reconsidered decision, which shall become final unless, within thirty days after the mailing of such notice by certified mail, return receipt requested, the employer files an application for review of such decision with the unemployment compensation review commission. The commission shall promptly examine the application for review of the director's decision and shall grant such employer an opportunity for a fair hearing. The proceeding at the hearing before the

commission shall be recorded in the means and manner prescribed by the commission. For the purposes of this division, the review is considered timely filed when it has been received as provided in division (D)(1) of section 4141.281 of the Revised Code. The appeal of an appealing party who fails to appear at a hearing under this division shall be dismissed in accordance with division (D) of section 4141.281 of the Revised Code.

The employer and the director shall be promptly notified of the commission's decision, which shall become final unless, within thirty days after the mailing of notice of it to the employer's last known address by certified mail, return receipt requested, or, in the absence of mailing, within thirty days after delivery of such notice, an appeal is taken by the employer or the director to the court of common pleas of Franklin county. Such appeal shall be taken by the employer or the director by filing a notice of appeal with the clerk of such court and with the commission. Such notice of appeal shall set forth the decision appealed and the errors in it complained of. Proof of the filing of such notice with the commission shall be filed with the clerk of such court.

The commission, upon written demand filed by the appellant and within thirty days after the filing of such demand, shall file with the clerk a certified transcript of the record of the proceedings before the commission pertaining to the determination or order complained of, and the appeal shall be heard upon such record certified to the commission. In such appeal, no additional evidence shall be received by the court, but the court may order additional evidence to be taken before the commission, and the commission, after hearing such additional evidence, shall certify such additional evidence to the court or it may modify its determination and file such modified determination, together with the transcript of the additional record, with the court. After an appeal has been filed in the court, the commission, by petition, may be made a party to such appeal. Such appeal shall be given precedence over other civil cases. The court may affirm the determination or order complained of in the appeal if it finds, upon consideration of the entire record, that the determination or order is supported by reliable, probative, and substantial evidence and is in accordance with law. In the absence of such a finding, it may reverse, vacate, or modify the determination or order or make such other ruling as is supported by reliable, probative, and substantial evidence and is in accordance with law. The judgment of the court shall be final and conclusive unless reversed, vacated, or modified on appeal. An appeal may be taken from the decision of the court of common pleas of Franklin county.

(E) The appeal provisions of division (D) of this section apply to all other determinations and orders of the director affecting the liability of an employer to pay contributions or the amount of such contributions, determinations respecting application for refunds of contributions, determinations respecting applications for classification of employment as seasonal under section 4141.33 of the Revised Code, and exceptions to charges of benefits to an employer's account as provided in division (D) of section 4141.24 of the Revised Code.

(F) The validity of any general order or rule of the director adopted pursuant to this chapter or of any final order or action of the unemployment compensation review commission respecting any such general order or rule may be determined by the court of common pleas of Franklin county, and such general order, rule, or action may be sustained or set aside by the court on an appeal to it which may be taken by any person affected by the order, rule, or action in the manner provided by law. Such appeal to the court of common pleas of Franklin county shall be filed within thirty days after the date such general order, rule, or action was publicly released by the director or the commission. Either

party to such action may appeal from the court of common pleas of Franklin county as in ordinary civil cases.

(G) Notwithstanding any determination made in pursuance of sections 4141.23 to 4141.26 of the Revised Code, no individual who files a claim for benefits shall be denied the right to a fair hearing as provided in section 4141.281 of the Revised Code, or the right to have a claim determined on the merits of it.

(H)(1) Notwithstanding division (D) of this section, if the director finds that an omission or error in the director's records or employer reporting caused the director to issue an erroneous determination or order affecting contribution rates, the liability of an employer to pay contributions or the amount of such contributions, determinations respecting applications for refunds of contributions, determinations respecting applications for classification of seasonal status under section 4141.33 of the Revised Code, or exceptions to charges of benefits to an employer's account as provided in division (D) of section 4141.24 of the Revised Code, the director may issue a corrected determination or order correcting the erroneous determination or order, except as provided in division (H)(2) of this section.

(2) The director may not issue a corrected determination or order correcting an erroneous determination or order if both of the following apply:

(a) The erroneous determination or order was caused solely by an omission or error of the director;

(b) A correction of the erroneous determination or order would adversely affect the employer or any of the employers that were parties in interest to the erroneous determination or order.

A corrected determination or order issued under this division takes precedence over and renders void the erroneous determination or order and is appealable as provided in division (D) of this section.

#### Sec. 4141.28. BENEFITS

##### (A) FILINGS

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

When an unemployed individual files an application for determination of benefit rights, the director shall furnish the individual with an explanation of the individual's appeal rights. The explanation shall describe clearly the different levels of appeal and explain where and when each appeal must be filed.

##### (B) APPLICATION FOR DETERMINATION OF BENEFIT RIGHTS

In filing an application, an individual shall furnish the director with the name and address of the individual's most recent separating employer and the individual's statement of the reason for separation from the employer. The director shall promptly notify the individual's most recent separating employer of the filing and request the reason for the individual's unemployment, unless that notice is not necessary under conditions the director establishes by rule. The director may request from the individual or any employer information necessary for the determination of the individual's right to benefits. The employer shall provide the information requested within ten working days after

the request is sent. If an employer fails to provide requested information within ten working days, the director shall provide to the tax commissioner the individual's and employer's names, addresses, taxpayer identification numbers if available, and any additional information required by the tax commissioner. The tax commissioner shall confirm to the director whether the individual was included on the most recent annual return filed by the employer pursuant to division (F) of section 5747.07 of the Revised Code. The tax commissioner shall inform the director if the tax commissioner is unable to provide the requested confirmation. If necessary to ensure prompt determination and payment of benefits, the director shall base the determination on the information that is available.

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

#### (C) MASS LAYOFFS

An employer who lays off or separates within any seven-day period fifty or more individuals because of lack of work shall furnish notice to the director of the dates of layoff or separation and the approximate number of individuals being laid off or separated. The notice shall be furnished at least three working days prior to the date of the first day of such layoff or separation. In addition, at the time of the layoff or separation the employer shall furnish to the individual and to the director information necessary to determine the individual's eligibility for unemployment compensation.

#### (D) DETERMINATION OF BENEFIT RIGHTS

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

#### (E) CLAIM FOR BENEFITS

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

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

unemployment.

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

(F) ELIGIBILITY NOTICE

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

To be considered valid, an eligibility notice must: contain in writing, a statement that identifies either a source who has firsthand knowledge of the information or an informant who can identify the source; provide specific and detailed information that may potentially disqualify the claimant; provide the name and address of the source or the informant; and appear to the director to be reliable and credible.

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

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

(G) CORRECTED DETERMINATION

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

(H) EFFECT OF COMMISSION DECISIONS

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

(I) PROMPT PAYMENTS

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

Sec. 4141.281.

APPEALS

(A) APPEAL FILED

Any party notified of a determination of benefit rights or a claim for benefits determination may appeal within twenty-one calendar days after the written determination was sent to the party or within an extended period as provided under division (D)(9) of this section.

(B) REDETERMINATION

Within twenty-one days after receipt of the appeal, the director of job and family services shall issue a redetermination or transfer the appeal to the unemployment compensation review commission. A redetermination under this section is appealable in the same manner as an initial determination by the director.

(C) REVIEW COMMISSION

(1) JURISDICTION

The commission shall provide an opportunity for a fair hearing to the interested parties of appeals over which the commission has jurisdiction. The commission has jurisdiction over an appeal on transfer or on direct appeal to the commission. If the commission concludes that a pending appeal does not warrant a hearing, the commission may remand the appeal to the director for redetermination. The commission retains jurisdiction until the appeal is remanded to the director or a final decision is issued and appealed to court, or the time to request a review or to appeal a decision of a hearing officer or the commission is expired.

(2) CONDUCT OF HEARINGS

Hearings before the commission are held at the hearing officer level and the review level. Unless otherwise provided in this chapter, initial hearings involving claims for compensation and other unemployment compensation issues are conducted at the hearing officer level by hearing officers appointed by the commission. Hearings at the review level are conducted by hearing officers appointed by the commission, by members of the commission acting either individually or collectively, and by members of the commission and hearing officers acting jointly. In all hearings conducted at the review level, the commission shall designate the hearing officer or officers who are to conduct the hearing. When the term "hearing officer" is used in reference to hearings conducted at the review level, the term includes members of the commission. All decisions issued at the review level are issued by the commission.

Provisions contained in the remainder of this paragraph apply to hearings at both the hearing officer level and the review level. The principles of due process in administrative hearings shall be applied to all hearings conducted under the authority of the commission. In conducting hearings, all hearing officers shall control the conduct of the hearing, exclude irrelevant or cumulative evidence, and give weight to the kind of evidence on which reasonably prudent persons are accustomed to rely in the conduct of serious affairs. Hearing officers have an affirmative duty to question parties and witnesses in order to ascertain the relevant facts and to fully and fairly develop the record. Hearing officers are not bound by common law or statutory rules of evidence or by technical or formal rules of procedure. No person shall impose upon the claimant or the employer any burden of proof as is required in a court of law. The proceedings at hearings shall be recorded by mechanical means or otherwise as may be prescribed by the commission. In the absence of further proceedings, the record need not be transcribed. After considering all of the evidence, a hearing officer shall issue a written decision that sets forth the facts as the hearing officer finds them to be, cites the applicable law, and gives the reasoning for the decision.

### (3) HEARING OFFICER LEVEL

When an appeal is transferred to the commission by the director, the commission shall notify all interested parties of the time and place of the hearing and assign the appeal for a hearing by a hearing officer. The hearings shall be de novo, except that the director's file pertaining to a case shall be included in the record to be considered.

Following a hearing, the hearing officer shall affirm, modify, or reverse the determination of the director in the manner that appears just and proper. The hearing officer's written decision shall be sent to all interested parties. The decision shall state the right of an interested party to request a review by the commission.

A request for review shall be filed within twenty-one days after the decision was sent to the party, or within an extended period as provided under division (D)(9) of this section. The hearing officer's decision shall become final unless a request for review is filed and allowed or the commission removes the appeal to itself within twenty-one days after the hearing officer's decision is sent.

### (4) REVIEW LEVEL

At the review level, the commission may affirm, modify, or reverse previous determinations by the director or at the hearing officer level. At the review level, the commission may affirm, modify, or reverse a hearing officer's decision or remand the decision to the hearing officer level for further hearing. The commission shall consider an appeal at the review level under the following circumstances: when an appeal is required to be heard initially at the review level under this chapter; when the commission on its own motion removes an appeal to itself within twenty-one days after the hearing officer's decision is sent; when the assigned hearing officer refers an appeal to the commission before the hearing officer's decision is sent; or when an interested party files a request for review with the commission within twenty-one days after the hearing officer's decision is sent.

### (5) COMMISSION EXAMINATION

The commission shall consider a request for review by an interested party, including the reasons for the request. The commission may adopt rules prescribing the methods for requesting a review. The commission may allow or disallow the request for review. The disallowance of a request for review constitutes a final decision by the commission.

### (6) REVIEW PROCEDURE

If the commission allows a request for review, the commission shall notify all interested parties of that fact and provide a reasonable period of time, as the commission defines by rule, in which interested parties may file a response. After that period of time, the commission, based on the record before it, may do one of the following: affirm the decision of the hearing officer; provide for the appeal to be heard or reheard at the hearing officer or review level; provide for the appeal to be heard at the review level as a potential precedential decision; or provide for the decision to be rewritten without further hearing at the review level. When a further hearing is provided or the decision is rewritten, the commission may affirm, modify, or reverse the previous decision.

If a member of the commission is unable or unavailable to consider an appeal allowed by the commission, the other members of the commission may appoint a hearing officer as a temporary commissioner to fulfill the unable or unavailable commissioner's duties with respect to the appeal. The members of the commission may not appoint the hearing officer who decided the appeal at the

hearing officer level.

## (7) NOTICES

The commission shall send written notice to all interested parties when it orders an appeal to be heard or reheard. The notice shall include the reasons for the hearing or rehearing.

## (8) PRECEDENTIAL

An appeal the commission identifies as potentially precedential shall be heard at the review level. In the notice for that type of hearing, the commission shall notify the director, all interested parties, and any other parties, as the commission determines appropriate, that the appeal is designated as potentially precedential. After the hearing, parties shall be given the opportunity to submit briefs on the issue or issues involved. The commission may designate a decision as precedential after issuing the decision or at any point in the appeal process, even if the commission does not initially identify the appeal as potentially precedential.

## (9) MASS APPEALS

When the commission determines that it has five appeals pending that have common facts or common issues, the commission may transfer the appeals to the review level on its own motion to be heard as a mass appeal, including appeals from claimants separated due to a labor dispute, on the condition that there are fewer than twenty-five claimants involved.

To facilitate a mass hearing, the commission may allow an authorized agent to accept notice of hearing on behalf of claimants. An authorized agent may waive this notice of hearing and also the sending of decisions to individual claimants represented by the agent.

## (D) SPECIAL PROVISIONS

## (1) TIMELINESS OF APPEALS

The date of the mailing provided by the director or the commission is sufficient evidence upon which to conclude that a determination, redetermination, or decision was sent to the party on that date. Appeals may be filed with the director, commission, with an employee of another state or federal agency charged with the duty of accepting claims, or with the unemployment insurance commission of Canada. Any timely written notice by an interested party indicating a desire to appeal shall be accepted.

The director, commission, or authorized agent must receive the appeal within the specified appeal period in order for the appeal to be deemed timely filed, except that: if the United States postal service is used as the means of delivery, the enclosing envelope must have a postmark date or postal meter postmark that is on or before the last day of the specified appeal period; and where the postmark is illegible or missing, the appeal is timely filed if received not later than the end of the fifth calendar day following the last day of the specified appeal period.

The director and the commission may adopt rules pertaining to alternate methods of filing appeals under this section.

## (2) WAIVER

Interested parties may waive, in writing, a hearing at either the hearing officer or review level. If the parties waive a hearing, the hearing officer shall issue a decision based on the evidence of record.

## (3) TELEPHONE HEARINGS

Hearing officers may conduct hearings at either the hearing officer or review level in person

or by telephone. The commission shall adopt rules that designate the circumstances under which hearing officers may conduct a hearing by telephone or grant a party to the hearing the opportunity to object to a hearing by telephone. An interested party whose hearing would be by telephone may elect to have an in-person hearing, provided that the party agrees to have the hearing at the time and place the commission determines pursuant to rule.

(4) EVENING HEARINGS

~~Where a party requests that a hearing~~ Unless the commission grants a request for an evening telephone hearing, hearing officers shall conduct hearings at either the hearing officer or and review level be scheduled in the evening because the during normal business hours. An interested party who is regularly employed during the day, the commission shall schedule the throughout those hours may request to have a hearing by telephone during hours that the party is not employed the evening. The commission shall grant or deny a request for an evening telephone hearing. If a conflict concerning a request for an evening hearing and an in-person hearing arises, the commission shall schedule the hearing by telephone during evening hours.

(5) NO APPEARANCE -- APPELLANT

For hearings at either the hearing officer or review level, if the appealing party fails to appear at the hearing, the hearing officer shall dismiss the appeal. The commission shall vacate the dismissal upon a showing that written notice of the hearing was not sent to that party's last known address, or good cause for the appellant's failure to appear is shown to the commission within fourteen days after the hearing date.

If the commission finds that the appealing party's reason for failing to appear does not constitute good cause for failing to appear, the commission shall send written notice of that finding, and the appealing party may request a hearing to present testimony on the issue of good cause for failing to appear. The appealing party shall file a request for a hearing on the issue of good cause for failing to appear within ten days after the commission sends written notice indicating a finding of no good cause for failing to appear.

(6) NO APPEARANCE -- APPELLEE

For hearings at either the hearing officer or review level, if the appellee fails to appear at the hearing, the hearing officer shall proceed with the hearing and shall issue a decision based on the evidence of record. The commission shall vacate the decision upon a showing that written notice of the hearing was not sent to the appellee's last known address, or good cause for the appellee's failure to appear is shown to the commission within fourteen days after the hearing date.

(7) AGENT

Any appeal or request for review may be executed on behalf of any party or any group of claimants by an agent.

(8) COLLATERAL ESTOPPEL

No finding of fact or law, decision, or order of the director, hearing officer, the commission, or a reviewing court under this section or section 4141.28 of the Revised Code shall be given collateral estoppel or res judicata effect in any separate or subsequent judicial, administrative, or arbitration proceeding, other than a proceeding arising under this chapter.

(9) EXTENSION OF APPEAL PERIODS

The time for filing an appeal or a request for review under this section or a court appeal under

section 4141.282 of the Revised Code shall be extended in the manner described in the following four sentences. When the last day of an appeal period is a Saturday, Sunday, or legal holiday, the appeal period is extended to the next work day after the Saturday, Sunday, or legal holiday. When an interested party provides certified medical evidence stating that the interested party's physical condition or mental capacity prevented the interested party from filing an appeal or request for review under this section within the appropriate twenty-one-day period, the appeal period is extended to twenty-one days after the end of the physical or mental condition, and the appeal or request for review is considered timely filed if filed within that extended period. When an interested party provides evidence, which evidence may consist of testimony from the interested party, that is sufficient to establish that the party did not actually receive the determination or decision within the applicable appeal period under this section, and the director or the commission finds that the interested party did not actually receive the determination or decision within the applicable appeal period, then the appeal period is extended to twenty-one days after the interested party actually receives the determination or decision. When an interested party provides evidence, which evidence may consist of testimony from the interested party, that is sufficient to establish that the party did not actually receive a decision within the thirty-day appeal period provided in section 4141.282 of the Revised Code, and a court of common pleas finds that the interested party did not actually receive the decision within that thirty-day appeal period, then the appeal period is extended to thirty days after the interested party actually receives the decision.

Sec. 4141.287. The director of job and family services shall enter into a data matching agreement with the department of rehabilitation and correction. The agreement shall require the director of rehabilitation and correction to provide the director of job and family services with a searchable list, updated weekly, identifying all persons committed to the several institutions governed by the department of rehabilitation and correction.

In addition to other information available, the director of job and family services shall check the list provided under this section when determining whether an application for determination of benefit rights or a claim for benefits is valid.

Sec. 4141.288. The director of job and family services shall enter into a data matching agreement with the director of health under which the director of health shall allow the director of job and family services to match death records maintained in accordance with section 3705.02 of the Revised Code.

The director of job and family services shall check the death records when determining whether an application for determination of benefit rights or claim for benefits is valid.

Sec. 4141.302. If the director of job and family services establishes a direct deposit system under which an individual may agree to benefits being disbursed through electronic transfer to an account in a financial institution designated by the individual, the director shall make disbursements only to a financial institution that has a physical location in this state that the individual can access for the purpose of resolving disputes with the institution. This section does not prohibit the director from establishing other systems for disbursing benefits.

Sec. 4141.34. The director of job and family services shall establish and maintain a process for an employer to report that an applicant for or recipient of benefits has failed or is failing to meet any of the eligibility requirements described in division (A) of section 4141.29 of the Revised Code.

The process shall allow an employer to make a complaint through a conspicuous internet link located on the internet web site maintained by the department of job and family services. The director shall review all complaints received through this process in a timely manner.

Sec. 4141.60. (A) Beginning on the last day of February that occurs after the effective date of this section, and annually thereafter, the director of job and family services shall prepare and submit a report to the persons listed in division (B) of this section. The director shall include all of the following information in the report with respect to the calendar year preceding the date the report is submitted:

(1) The number of calls received from applicants for and recipients of benefits under this chapter at all call centers operated by the director;

(2) The total number of claims for benefits filed under this chapter;

(3) The number of claims for benefits marked as potentially fraudulent;

(4) The number of complaints submitted by applicants for and recipients of benefits under this chapter through the uniform process created by the director under section 4141.13 of the Revised Code;

(5) A summary of updates or changes to the technology the director uses to administer this chapter that have occurred during the calendar year covered by the report.

(B) The director shall submit the report required under division (A) of this section to the speaker of the house of representatives, president of the senate, the governor, and the members of the unemployment compensation modernization and improvement council.

Sec. 4507.53. Digitalized photographic records of the department of public safety may be released only to the following:

(A) State, local, or federal governmental agencies for criminal justice purposes;

(B) Any court;

(C) The American association of motor vehicle administrators to allow state department of motor vehicles participating in the association's state-to-state verification services and digital image access and exchange program to use the photographic records for identity verification purposes;

(D) The department of job and family services for the purpose of carrying out the department's functions under Chapter 4141. of the Revised Code.

Sec. 5120.212. Notwithstanding division (A) of section 5120.21 of the Revised Code, the department of rehabilitation and correction shall share the records described in that division with the director of job and family services to the extent necessary to effectuate the data matching ~~agreement~~ agreements required under ~~section~~ sections 4141.287 and 5101.041 of the Revised Code.

Sec. 5703.21. (A) Except as provided in divisions (B) and (C) of this section, no agent of the department of taxation, except in the agent's report to the department or when called on to testify in any court or proceeding, shall divulge any information acquired by the agent as to the transactions, property, or business of any person while acting or claiming to act under orders of the department. Whoever violates this provision shall thereafter be disqualified from acting as an officer or employee or in any other capacity under appointment or employment of the department.

(B)(1) For purposes of an audit pursuant to section 117.15 of the Revised Code, or an audit of the department pursuant to Chapter 117. of the Revised Code, or an audit, pursuant to that chapter, the objective of which is to express an opinion on a financial report or statement prepared or issued

pursuant to division (A)(7) or (9) of section 126.21 of the Revised Code, the officers and employees of the auditor of state charged with conducting the audit shall have access to and the right to examine any state tax returns and state tax return information in the possession of the department to the extent that the access and examination are necessary for purposes of the audit. Any information acquired as the result of that access and examination shall not be divulged for any purpose other than as required for the audit or unless the officers and employees are required to testify in a court or proceeding under compulsion of legal process. Whoever violates this provision shall thereafter be disqualified from acting as an officer or employee or in any other capacity under appointment or employment of the auditor of state.

(2) For purposes of an internal audit pursuant to section 126.45 of the Revised Code, the officers and employees of the office of internal audit in the office of budget and management charged with directing the internal audit shall have access to and the right to examine any state tax returns and state tax return information in the possession of the department to the extent that the access and examination are necessary for purposes of the internal audit. Any information acquired as the result of that access and examination shall not be divulged for any purpose other than as required for the internal audit or unless the officers and employees are required to testify in a court or proceeding under compulsion of legal process. Whoever violates this provision shall thereafter be disqualified from acting as an officer or employee or in any other capacity under appointment or employment of the office of internal audit.

(3) As provided by section 6103(d)(2) of the Internal Revenue Code, any federal tax returns or federal tax information that the department has acquired from the internal revenue service, through federal and state statutory authority, may be disclosed to the auditor of state or the office of internal audit solely for purposes of an audit of the department.

(4) For purposes of Chapter 3739. of the Revised Code, an agent of the department of taxation may share information with the division of state fire marshal that the agent finds during the course of an investigation.

(C) Division (A) of this section does not prohibit any of the following:

(1) Divulging information contained in applications, complaints, and related documents filed with the department under section 5715.27 of the Revised Code or in applications filed with the department under section 5715.39 of the Revised Code;

(2) Providing information to the office of child support within the department of job and family services pursuant to section 3125.43 of the Revised Code;

(3) Disclosing to the motor vehicle repair board any information in the possession of the department that is necessary for the board to verify the existence of an applicant's valid vendor's license and current state tax identification number under section 4775.07 of the Revised Code;

(4) Providing information to the administrator of workers' compensation pursuant to sections 4123.271 and 4123.591 of the Revised Code;

(5) Providing to the attorney general information the department obtains under division (J) of section 1346.01 of the Revised Code;

(6) Permitting properly authorized officers, employees, or agents of a municipal corporation from inspecting reports or information pursuant to section 718.84 of the Revised Code or rules adopted under section 5745.16 of the Revised Code;

(7) Providing information regarding the name, account number, or business address of a holder of a vendor's license issued pursuant to section 5739.17 of the Revised Code, a holder of a direct payment permit issued pursuant to section 5739.031 of the Revised Code, or a seller having a use tax account maintained pursuant to section 5741.17 of the Revised Code, or information regarding the active or inactive status of a vendor's license, direct payment permit, or seller's use tax account;

(8) Releasing invoices or invoice information furnished under section 4301.433 of the Revised Code pursuant to that section;

(9) Providing to a county auditor notices or documents concerning or affecting the taxable value of property in the county auditor's county. Unless authorized by law to disclose documents so provided, the county auditor shall not disclose such documents;

(10) Providing to a county auditor sales or use tax return or audit information under section 333.06 of the Revised Code;

(11) Subject to section 4301.441 of the Revised Code, disclosing to the appropriate state agency information in the possession of the department of taxation that is necessary to verify a permit holder's gallonage or noncompliance with taxes levied under Chapter 4301. or 4305. of the Revised Code;

(12) Disclosing to the department of natural resources information in the possession of the department of taxation that is necessary for the department of taxation to verify the taxpayer's compliance with section 5749.02 of the Revised Code or to allow the department of natural resources to enforce Chapter 1509. of the Revised Code;

(13) Disclosing to the department of job and family services, industrial commission, and bureau of workers' compensation information in the possession of the department of taxation solely for the purpose of identifying employers that misclassify employees as independent contractors or that fail to properly report and pay employer tax liabilities. The department of taxation shall disclose only such information that is necessary to verify employer compliance with law administered by those agencies.

(14) Disclosing to the Ohio casino control commission information in the possession of the department of taxation that is necessary to verify a casino operator's or sports gaming proprietor's compliance with section 5747.063, 5753.02, or 5753.021 of the Revised Code and sections related thereto;

(15) Disclosing to the state lottery commission information in the possession of the department of taxation that is necessary to verify a lottery sales agent's compliance with section 5747.064 of the Revised Code.

(16) Disclosing to the department of development information in the possession of the department of taxation that is necessary to ensure compliance with the laws of this state governing taxation and to verify information reported to the department of development for the purpose of evaluating potential tax credits, tax deductions, grants, or loans. Such information shall not include information received from the internal revenue service the disclosure of which is prohibited by section 6103 of the Internal Revenue Code. No officer, employee, or agent of the department of development shall disclose any information provided to the department of development by the department of taxation under division (C)(16) of this section except when disclosure of the

information is necessary for, and made solely for the purpose of facilitating, the evaluation of potential tax credits, tax deductions, grants, or loans.

(17) Disclosing to the department of insurance information in the possession of the department of taxation that is necessary to ensure a taxpayer's compliance with the requirements with any tax credit administered by the department of development and claimed by the taxpayer against any tax administered by the superintendent of insurance. No officer, employee, or agent of the department of insurance shall disclose any information provided to the department of insurance by the department of taxation under division (C)(17) of this section.

(18) Disclosing to the division of liquor control information in the possession of the department of taxation that is necessary for the division and department to comply with the requirements of sections 4303.26 and 4303.271 of the Revised Code.

(19) Disclosing to the department of education, upon that department's request, information in the possession of the department of taxation that is necessary only to verify whether the family income of a student applying for or receiving a scholarship under the educational choice scholarship pilot program is equal to, less than, or greater than the income thresholds prescribed by section 3310.032 of the Revised Code. The department of education shall provide sufficient information about the student and the student's family to enable the department of taxation to make the verification.

(20) Disclosing to the Ohio rail development commission information in the possession of the department of taxation that is necessary to ensure compliance with the laws of this state governing taxation and to verify information reported to the commission for the purpose of evaluating potential grants or loans. Such information shall not include information received from the internal revenue service the disclosure of which is prohibited by section 6103 of the Internal Revenue Code. No member, officer, employee, or agent of the Ohio rail development commission shall disclose any information provided to the commission by the department of taxation under division (C)(20) of this section except when disclosure of the information is necessary for, and made solely for the purpose of facilitating, the evaluation of potential grants or loans.

(21) Disclosing to the state racing commission information in the possession of the department of taxation that is necessary for verification of compliance with and for enforcement and administration of the taxes levied by Chapter 3769. of the Revised Code. Such information shall include information that is necessary for the state racing commission to verify compliance with Chapter 3769. of the Revised Code for the purposes of issuance, denial, suspension, or revocation of a permit pursuant to section 3769.03 or 3769.06 of the Revised Code and related sections. Unless disclosure is otherwise authorized by law, information provided to the state racing commission under this section remains confidential and is not subject to public disclosure pursuant to section 3769.041 of the Revised Code.

(22) Disclosing to the state fire marshal information in the possession of the department of taxation that is necessary for the state fire marshal to verify the compliance of a licensed manufacturer of fireworks or a licensed wholesaler of fireworks with section 3743.22 of the Revised Code. No officer, employee, or agent of the state fire marshal shall disclose any information provided to the state fire marshal by the department of taxation under division (C)(22) of this section.

(23) Disclosing to the department of job and family services information in the possession of

the department of taxation for either of the following purposes:

(a) Making a determination under section 4141.28 of the Revised Code;

(b) Verifying an individual's eligibility for a federal program described in section 4141.163 of the Revised Code.

Such information shall not include information received from the internal revenue service the disclosure of which is prohibited by section 6103 of the Internal Revenue Code.

Sec. 5747.065. (A) If a taxpayer has elected under section 4141.321 of the Revised Code to have the director of job and family services deduct and withhold state income tax from the unemployment compensation benefits payable to the taxpayer, the director shall deduct and withhold such tax at the rate or rates that the director shall prescribe in consultation with the tax commissioner.

(B)(1) ~~On or before the tenth day of each month, the director of job and family services shall file a return electronically with the tax commissioner identifying each taxpayer from whose unemployment compensation amounts were deducted and withheld under this section during the preceding month, the amount of each such deduction and withholding, the amount of the unemployment compensation from which each such amount was withheld, and any other information required by the commissioner, in the form prescribed by the commissioner. With the return, the director shall remit electronically to the commissioner all the amounts deducted and withheld under this section during the preceding month.~~

(2) On or before the thirty-first day of January of each year, beginning in 2026, the director shall electronically file an annual return with the commissioner, in the form prescribed by the commissioner, indicating the total amount deducted and withheld under this section during the preceding calendar year. At the time of filing that return, the director shall remit any amount deducted and withheld during the preceding calendar year that was not previously remitted.

(3) Annually, on or before the thirty-first day of January, the director shall issue an information return to each taxpayer with respect to whom an amount has been deducted and withheld under this section during the preceding calendar year. The information return shall show the total amount deducted from the taxpayer's unemployment compensation benefits during the preceding calendar year and any other information the tax commissioner requires. If the director is required under the Internal Revenue Code to report federal income tax deducted and withheld from unemployment compensation benefits, then the director may report the information required under this section on that report, as authorized by the Internal Revenue Code.

(4) Annually, on or before the thirty-first day of January, beginning in 2026, the director shall provide to the commissioner a copy of each information return issued under division (B)(3) of this section for the preceding calendar year. The commissioner may require that the copies be transmitted electronically.

(C) Failure of the director to deduct and withhold the required amounts from unemployment compensation benefits or to remit amounts withheld as required by this section does not relieve a taxpayer from liability for the tax imposed by section 5747.02 of the Revised Code.

(D) The director of job and family services may adopt rules as necessary to administer this section.

Sec. 5747.18. The tax commissioner shall enforce and administer this chapter. In addition to any other powers conferred upon the commissioner by law, the commissioner may:

- (A) Prescribe all forms required to be filed pursuant to this chapter;
- (B) Adopt such rules as the commissioner finds necessary to carry out this chapter;
- (C) Appoint and employ such personnel as are necessary to carry out the duties imposed upon the commissioner by this chapter.

Any information gained as the result of returns, investigations, hearings, or verifications required or authorized by this chapter is confidential, and no person shall disclose such information, except for official purposes, or as provided by section 3125.43, 4123.271, 4123.591, 4141.163, 4141.28, 4507.023, 5101.182, or 5703.21 of the Revised Code, or in accordance with a proper judicial order. The tax commissioner may furnish the internal revenue service with copies of returns or reports filed and may furnish the officer of a municipal corporation charged with the duty of enforcing a tax subject to Chapter 718. of the Revised Code with the names, addresses, and identification numbers of taxpayers who may be subject to such tax. A municipal corporation shall use this information for tax collection purposes only. This section does not prohibit the publication of statistics in a form which does not disclose information with respect to individual taxpayers.

SECTION 2. That existing sections 4141.26, 4141.28, 4141.281, 4507.53, 5120.212, 5703.21, 5747.065, and 5747.18 of the Revised Code are hereby repealed.

SECTION 3. Section 4141.163 of the Revised Code, as enacted by this act, and division (B) of section 4141.28 of the Revised Code, as amended by this act, apply to requests made on or after January 1, 2024.

SECTION 4. That Section 8 of S.B. 18 of the 134th General Assembly (as amended by H.B. 110 of the 134th General Assembly) be amended to read as follows:

Sec. 8. The election authorized under section 4141.321 of the Revised Code to withhold state income taxes applies to unemployment compensation benefits paid on or after January 1, ~~2023~~2025.

On or before December 1, ~~2022~~2024, the Director of Job and Family Services shall notify each individual that was receiving on that date, and that continues to receive, unemployment compensation benefits and that made an election under division (B) of that section with respect to federal income tax that the individual may elect to have state income tax withheld from those benefits for benefits paid on or after January 1, ~~2023~~2025, in accordance with that division. Such an election is not a change in withholding status for the purpose of division (A)(4) of that section.

SECTION 5. That existing Section 8 of S.B. 18 of the 134th General Assembly (as amended by H.B. 110 of the 134th General Assembly) is hereby repealed.

SECTION 6. Section 5703.21 of the Revised Code is presented in this act as a composite of the section as amended by H.B. 29, H.B. 74, H.B. 110, and H.B. 172 of the 134th General Assembly and H.B. 166 of the 133rd General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably

capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in this act.

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*Speaker* \_\_\_\_\_ *of the House of Representatives.*

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*President* \_\_\_\_\_ *of the Senate.*

Passed \_\_\_\_\_, 20\_\_\_\_

Approved \_\_\_\_\_, 20\_\_\_\_

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*Governor.*

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

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*Director, Legislative Service Commission.*

Filed in the office of the Secretary of State at Columbus, Ohio, on the \_\_\_\_ day of \_\_\_\_\_, A. D. 20 \_\_\_\_.

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*Secretary of State.*

File No. \_\_\_\_\_ Effective Date \_\_\_\_\_