As Passed by the House

133rd General Assembly

Regular Session 2019-2020

Sub. H. B. No. 614

Representatives Fraizer, Richardson

Cosponsors: Representatives Merrin, Rogers, McClain, Roemer, Baldridge, Carfagna, Carruthers, Cupp, Cutrona, Edwards, Galonski, Ghanbari, Ginter, Green, Greenspan, Grendell, Hillyer, Holmes, A., Jones, Koehler, Lanese, LaRe, Liston, Patterson, Perales, Riedel, Robinson, Romanchuk, Scherer, Seitz, Stein, Stephens, Stoltzfus, Swearingen, Sweeney, Wilkin

A BILL

То	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	4141.1	.3 and 414	1.28 b∈	e amended	13
and	sections	4141.12	and 5101.	04 of t	the Revise	d Code	be enacted	14
t.o	read as fo	ollows:						1.5

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,	4 C
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

<u>executive session of the council. The notice provided by the</u>	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
$\frac{A}{A}$ 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
$\frac{(D)}{(4)}$ Amend and modify any of the director's rules from	161

employees employed and the regularity of their employment, the

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number of employees hired, laid off, and discharged from time to

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time and the reasons therefor and the numbers that quit

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voluntarily, and other and further information respecting any

other facts required for the proper administration of this

chapter;

(H)—(8) Classify generally industries, businesses,

occupations, and employments, and employers individually, as to

the hazard of unemployment in each business, industry,

occupation, or employment, and as to the particular hazard of

each employer, having special reference to the conditions of

regularity and irregularity of the employment provided by such

employer and of the fluctuations in payrolls of such employer;

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(I) <u>(9)</u>	_Determine	the	contribution	rates	upon	employers	
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subject to this chapter, and provide for the levy and collection	191
of the contributions from such employers;	192
$\frac{\text{(J)}}{\text{(10)}}$ Receive, hear, and decide claims for unemployment	193
benefits, and provide for the payment of such claims as are	194
allowed;	195
$\frac{K}{K}$ Promote the regularization of employment and the	196
prevention of unemployment;	197
$\frac{\text{(L)}}{\text{(12)}}$ Encourage and assist in the adoption of practical	198
methods of vocational training, retraining, and vocational	199
guidance;	200
$\frac{\text{(M)}}{\text{(13)}}$ 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
$\frac{\text{(N)}}{\text{(14)}}$ 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
$\frac{(0)}{(15)}$ Carry on and publish the results of any	210
investigations and research that the director deems relevant;	211
$\frac{P}{D}$ 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
$\frac{(Q)}{(17)}$ 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
$\frac{R}{R}$ 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
$\frac{\text{(T)}}{\text{(20)}}$ 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:

(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
<pre>chapter;</pre>	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
<pre>employers;</pre>	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

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

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enying 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 381 382 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:

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contain in writing, a statement that identifies either a source

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who has firsthand knowledge of the information or an informant

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who can identify the source; provide specific and detailed

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information that may potentially disqualify the claimant;

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provide the name and address of the source or the informant; and

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appear to the director to be reliable and credible.

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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 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	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	455
report of the examination that does all of the following:	456
(1) Creates a breakdown of revenues and expenditures	457
illustrating how funding for administering claims for benefits	458
is received and spent;	459
(2) Compares administrative funding and cost distributions	460
to states that process a similar number of claims, on average,	461
as this state;	462
(3) Reviews trends in federal funding provided for	463
administering claims for benefits over a period of time	464
established by the Auditor of State;	465
(4) Compares provided federal funding to the total cost of	466
administering claims for benefits over the same period of time	467
established by the Auditor of State under division (A)(3) of	468
this section;	469
(5) Identifies the amount of state funds necessary to	470
supplement federal funding for the purpose of administering	471
claims for benefits;	472
(6) Calculates the average amount of time that elapses	473
between the date an application for a determination of benefit	474
rights is filed and the determination on the validity of the	475
application is made as required under division (D) of section	476
4141.28 of the Revised Code;	477
(7) Calculates the average amount of time that elapses	478
between the date a first claim or any additional claim for	479

benefits is filed and the determination on the claim required	480
under division (E) of section 4141.28 of the Revised Code is	481
made;	482
(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

Unemployment Compensation Modernization and Improvement Council.

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Sub. H. B. No. 614