

# PROPOSED AMENDMENT

## HB 1243 # 11

### DIGEST

Workforce reporting. Modernizes the language of the new hire and rehire reporting statute. Requires new hire reports to be filed electronically. Provides that each workforce focused agency shall deliver a workforce related program report to the management performance hub. Sets out the information to be included in the workforce related program report. Requires the management performance hub to: (1) compile the workforce related program reports into an annual data product; and (2) make the data product available to the department of workforce development and the governor's workforce cabinet. Provides that a workforce focused agency may not enter into a contract with a person to conduct, operate, or administer a workforce related program unless the contract contains certain requirements. Makes conforming amendments.

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- 1 Page 1, line 9, delete "submissions" and insert **"reports"**.
- 2 Page 56, delete lines 22 through 42.
- 3 Delete pages 57 through 58.
- 4 Page 59, delete lines 1 through 5, begin a new paragraph and insert:
- 5 "SECTION 63 IC 22-4-10-8, AS AMENDED BY P.L.183-2017,
- 6 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 7 JULY 1, 2024]: Sec. 8. (a) This section applies only to an employer
- 8 who employs individuals within the state.
- 9 (b) As used in this section, ~~"date of hire"~~ is: **"newly hired**
- 10 **employee" means an employee who:**
- 11 ~~(1) the first date that an employee provides labor or services to an~~
- 12 ~~employer; or~~
- 13 ~~(2) the first date that an employee resumes providing labor or~~
- 14 ~~services to an employer after a separation from service with the~~
- 15 ~~employer of at least sixty (60) days.~~
- 16 **(1) has not previously been employed by the employer; or**
- 17 **(2) was previously employed by the employer but has been**
- 18 **separated from such prior employment for at least sixty (60)**
- 19 **consecutive days.**
- 20 (c) As used in this section, "employee":
- 21 (1) has the meaning set forth in Section 3401(c) of the Internal
- 22 Revenue Code; and
- 23 ~~(2) includes any individual:~~

1 (A) required under Internal Revenue Service regulations to  
2 complete a federal form W-4; and

3 (B) who has provided services to an employer.

4 The term does not include an employee of a federal or state agency who  
5 performs intelligence or counter intelligence functions if the head of  
6 the agency determines that the reporting information required under  
7 this section could endanger the safety of the employee or compromise  
8 an ongoing investigation or intelligence mission.

9 **(2) does not include an employee of a federal or state agency**  
10 **who performs intelligence or counter intelligence functions if**  
11 **the head of the agency determines that the reporting**  
12 **information required under this section could endanger the**  
13 **safety of the employee or compromise an ongoing**  
14 **investigation or intelligence mission.**

15 (d) As used in this section, "employer" has the meaning set forth in  
16 Section 3401(d) of the Internal Revenue Code. The term includes:

17 (1) governmental agencies;

18 (2) labor organizations; or

19 (3) a person doing business in the state as identified by:

20 (A) the person's federal employer identification number; or

21 (B) if applicable, the common paymaster, as defined in Section  
22 3121 of the Internal Revenue Code or the payroll reporting  
23 agent of the employer, as described in IRS Rev. Proc. 70-6,  
24 1970-1 C.B. 420.

25 (e) As used in this section, "Internal Revenue Code" has the  
26 meaning set forth in ~~IC 6-3-1-11~~.

27 (f) (e) As used in this section, "labor organization" has the meaning  
28 set forth in 42 U.S.C. 653a(a)(2)(B)(ii).

29 (g) As used in this section, "newly hired employee" means an  
30 employee who:

31 (1) has not previously been employed by an employer; or

32 (2) resumes service with an employer after a separation from  
33 service of at least sixty (60) days.

34 (h) (f) The department shall maintain a directory of new hires as  
35 required under 42 U.S.C. 653a.

36 (i) (g) The directory under subsection (h) (f) must contain the  
37 information for each newly hired employee that an employer must  
38 provide to the department under subsection (h) (i).

39 (j) (h) An employer must transmit the information required under  
40 subsection (h) (i)

- 1           (†) within twenty (20) business days of the employee's date of  
 2           hire. ~~or~~
- 3           (2) if the information is transmitted magnetically or electronically,  
 4           in two (2) monthly transactions that are:
- 5                 (A) not less than twelve (12) days apart; and
- 6                 (B) not more than sixteen (16) days apart.
- 7           (k) A report containing the information required under subsection  
 8           (†) is considered timely:
- 9                 (1) if it is postmarked on or before the due date, whenever the  
 10                 report is mailed; or
- 11                 (2) if it is received on or before the due date, whenever the report  
 12                 is transmitted by:
- 13                     (A) facsimile machine; or
- 14                     (B) electronic or magnetic media:
- 15           (†) (i) The employer shall provide the **following** information  
 16           required under this section on an employee's withholding allowance  
 17           certificate (Internal Revenue Service form W-4) or, at the employer's  
 18           option, an equivalent form. The report must include at least the  
 19           following: **for a newly hired employee to the department**  
 20           **electronically, in a manner prescribed by the department:**
- 21                 (1) The name, address, and Social Security number of the  
 22                 employee.
- 23                 (2) The name, address, and federal tax identification number of  
 24                 the employer.
- 25                 (3) The date of hire of the employee: **services for remuneration**  
 26                 **were first performed by the employee.**
- 27                 (4) **The current primary standardized occupational**  
 28                 **classification code of the employee.**
- 29                 (5) **The starting compensation of the employee.**
- 30           (m) (j) An employer that has employees in two (2) or more states  
 31           and that transmits reports under this section electronically or  
 32           magnetically may comply with this section by doing the following:
- 33                 (1) Designating one (1) state to receive each report.
- 34                 (2) Notifying the Secretary of the United States Department of  
 35                 Health and Human Services which state will receive the reports.
- 36                 (3) Transmitting the reports to the agency in the designated state  
 37                 that is charged with receiving the reports.
- 38           (n) (k) The department may impose the following as a civil penalty:
- 39                 (1) Twenty-five dollars (\$25) on an employer that fails to comply  
 40                 with this section.

1 (2) Five hundred dollars (\$500) on an employer that fails to  
 2 comply with this section if the failure is a result of a conspiracy  
 3 between the employer and the employee to:

4 (A) not provide the required report; or

5 (B) provide a false or an incomplete report.

6 ~~(o)~~ The department shall do the following with information received  
 7 from an employer regarding newly hired employees:

8 ~~(1)~~ Enter the information into the state's directory of new hires  
 9 within five ~~(5)~~ business days of receipt.

10 ~~(2)~~ Forward the information to the national directory of new hires  
 11 not later than three ~~(3)~~ business days after the information is  
 12 entered into the state's directory.

13 The state shall use quality control standards established by the  
 14 administrators of the national directory of new hires:

15 ~~(p)~~ **(l)** The information contained in the directory maintained under  
 16 subsection ~~(h)~~ **(f)** is available only for use by the department for  
 17 purposes required by 42 U.S.C. 653a, unless otherwise provided by  
 18 law. **for use by the department in a manner consistent with state  
 19 and federal law.**

20 ~~(q)~~ **(m)** The department of child services (established under  
 21 IC 31-25-1-1) shall:

22 (1) reimburse the department for a pro rata share of the costs  
 23 incurred in carrying out this section using a cost allocation  
 24 method described in 45 CFR 75.405; and

25 (2) enter into a purchase of service agreement with the  
 26 department that establishes procedures necessary to administer  
 27 this section.

28 SECTION 64. IC 22-4.1-1-6.5 IS ADDED TO THE INDIANA  
 29 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 30 [EFFECTIVE JULY 1, 2024]: **Sec. 6.5. "Workforce focused agency"**  
 31 **means the following:**

32 **(1) The department.**

33 **(2) The department of education established by IC 20-19-3-1.**

34 **(3) The commission for higher education established by  
 35 IC 21-18-2-1.**

36 **(4) The governor's workforce cabinet established by  
 37 IC 4-3-27-3.**

38 **(5) The office of the secretary of family and social services  
 39 established by IC 12-8-1.5-1.**

40 **(6) Another state agency identified by the department."**

1 Page 59, delete lines 36 through 40, begin a new line block indented  
2 and insert:

3 **"(6) Any other program that has, at least in part, the goal of**  
4 **securing employment or better employment for an**  
5 **individual."**

6 Page 60, delete lines 17 through 42.

7 Page 61, delete lines 1 through 20, begin a new paragraph and  
8 insert:

9 "SECTION 67. IC 22-4.1-24-3 IS ADDED TO THE INDIANA  
10 CODE AS A NEW SECTION TO READ AS FOLLOWS  
11 [EFFECTIVE JULY 1, 2024]: **Sec. 3. (a) As used in this section,**  
12 **"management performance hub" refers to the management**  
13 **performance hub established by IC 4-3-26-8.**

14 **(b) Not later than July 1, 2025, and before July 1 of each year**  
15 **thereafter, each workforce focused agency shall deliver to the**  
16 **management performance hub a workforce related program**  
17 **report.**

18 **(c) The report described in subsection (b) must contain the**  
19 **following information regarding every individual who has**  
20 **participated in a workforce related program that was operated,**  
21 **delivered, or enabled by the workforce focused agency using public**  
22 **funds during the twelve (12) month period ending on the preceding**  
23 **March 31:**

24 **(1) The individual's name and date of birth.**

25 **(2) Either:**

26 **(A) the individual's Social Security number; or**

27 **(B) another identifier for the individual, so long as the**  
28 **department has approved the manner of identification for**  
29 **purposes of reporting under this section.**

30 **(3) The name of the program in which the individual enrolled.**

31 **(4) The date the individual began the program.**

32 **(5) The date the individual completed the program, or if the**  
33 **individual failed to complete the program, the date the**  
34 **individual exited the program.**

35 **(6) Any certificate or credential the individual earned through**  
36 **participation in the program.**

37 **(7) Any other relevant information specifically requested by**  
38 **the department or the governor's workforce cabinet not later**  
39 **than April 1 of each year.**

40 **(d) A workforce focused agency shall deliver a report described**

1 in subsection (b) in a secure manner, as determined by the  
2 management performance hub.

3 (e) This subsection applies to a contract entered into or renewed  
4 after June 30, 2024. A workforce focused agency may not enter  
5 into a contract with a person to conduct, operate, or administer a  
6 workforce related program, unless the contract requires the person  
7 to transmit the information described in subsection (c)(1) through  
8 (c)(7) for all individuals participating in the workforce related  
9 program."

10 Renumber all SECTIONS consecutively.

(Reference is to HB 1243 as reprinted January 31, 2024.)