

SENATE BILL No. 371

DIGEST OF INTRODUCED BILL

Citations Affected: IC 22-4; IC 22-4.1.

Synopsis: Workforce matters. Amends the definitions of "deductible income", "discharge for just cause", "employment", and "gross misconduct" for purposes of unemployment insurance. Provides that an unemployment claimant: (1) is required to verify their identity before a claim can be filed, and as a condition for continued eligibility; and (2) has the right to request a wage investigation and to appeal the results of the investigation to a liability administrative law judge. Allows an unemployment claimant or employing unit to appeal regarding the claimant's status as an insured worker. Requires that all hearings before an administrative law judge or the unemployment insurance review board concerning disputed unemployment claims be set as telephone hearings, unless an objection is made. Allows a disputed unemployment claim to be directly filed with a liability administrative law judge. Provides that administrative records of the department of workforce development (department) are self-authenticating and admissible in an administrative hearing. Provides that the department may release certain confidential records to the extent permitted by federal law. Repeals the requirement that all individuals receiving unemployment benefits visit a one stop center within a specific period of time. Eliminates professional employer organization level reporting in regard to unemployment insurance taxation. Allows the special employment and training fund to be used for modernizing and maintaining the unemployment insurance system. Alters certain fees and payment provisions. Removes or alters notice and delivery requirements and extends certain deadlines. Requires the department to issue a written notice of violation to a person who fails to comply
(Continued next page)

Effective: July 1, 2025.

Rogers

January 13, 2025, read first time and referred to Committee on Pensions and Labor.



Digest Continued

with certain authorization requirements. Provides that the department may assess a civil penalty against a person under certain circumstances. Requires civil penalties collected by the department to be deposited in the proprietary educational institution authorization fund. Makes conforming changes.



Introduced

First Regular Session of the 124th General Assembly (2025)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in *this style type*, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2024 Regular Session of the General Assembly.

SENATE BILL No. 371



A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 22-4-5-1, AS AMENDED BY P.L.85-2023,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2025]: Sec. 1. (a) "Deductible income" wherever used in this
4 article, means income deductible from the weekly benefit amount of an
5 individual in any week, and shall include, but shall not be limited to,
6 any of the following:
7 (1) Remuneration for services from employing units, whether or
8 not such remuneration is subject to contribution under this article,
9 except as provided in subsection (c).
10 (2) Dismissal pay or severance pay, including:
11 (A) money that an employer pays to a dismissed employee to
12 compensate the employee for income lost due to
13 unemployment; and
14 (B) remuneration paid to a dismissed employee under a
15 separation agreement.



- 1 ~~(3)~~ **Vacation pay.**
 2 ~~(4)~~ **(3)** Pay for idle time.
 3 ~~(5)~~ **Sick pay.**
 4 ~~(6)~~ **(4)** Traveling expenses granted to an individual by a
 5 employing unit and not fully accounted for by such individual.
 6 ~~(7)~~ **(5)** Net earnings from self-employment.
 7 ~~(8)~~ **(6)** Payments in lieu of compensation for services.
 8 ~~(9)~~ **(7)** Awards by the National Labor Relations Board of
 9 additional pay, back pay, or for loss of employment, or any such
 10 payments made under an agreement entered into by an employer,
 11 a union, and the National Labor Relations Board.
 12 ~~(10)~~ **(8)** Payments made to an individual by an employing unit
 13 pursuant to the terms of the Fair Labor Standards Act (Federal
 14 Wage and Hour Law, 29 U.S.C. 201 et seq.).
 15 (b) Deductible income shall not include one hundred dollars (\$100)
 16 of remuneration paid or payable to an individual with respect to any
 17 week.
 18 (c) For the purpose of deductible income only, remuneration for
 19 services from employing units does not include holiday pay, **sick pay,**
 20 **vacation pay,** bonuses, gifts, or prizes awarded to an employee by an
 21 employing unit.
 22 (d) Deductible income does not include a supplemental
 23 unemployment insurance benefit made under a valid negotiated
 24 contract or agreement.
 25 (e) Deductible income does not include any payments made to an
 26 individual by a court system under a summons for jury service.
 27 SECTION 2. IC 22-4-5-2, AS AMENDED BY P.L.9-2024,
 28 SECTION 439, IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2025]: Sec. 2. ~~(a)~~ **Payments in lieu of a vacation**
 30 **awarded to an employee by an employing unit shall be considered as**
 31 **deductible income in and with respect to the week in which the**
 32 **vacation occurs:**
 33 ~~(b)~~ **(a)** The payment of ~~accrued vacation pay,~~ dismissal pay or
 34 severance pay to an individual separated from employment by an
 35 employing unit shall be allocated to the period of time for which such
 36 payment is made immediately following the date of separation, and an
 37 individual receiving such payments shall not be deemed unemployed
 38 with respect to a week during which such allocated deductible income
 39 equals or exceeds the weekly benefit amount of the individual's claim.
 40 ~~(c)~~ **(b)** Pay for:
 41 (1) idle time;
 42 ~~(2)~~ **sick pay;**



1 ~~(3)~~ **(2)** traveling expenses granted to an individual by an
 2 employing unit and not fully accounted for by such individual;
 3 ~~(4)~~ **(3)** earnings from self-employment;
 4 ~~(5)~~ **(4)** awards by the National Labor Relations Board of
 5 additional pay, back pay, or for loss of employment;
 6 ~~(6)~~ **(5)** payments made under an agreement entered into by an
 7 employer, a union, and the National Labor Relations Board; or
 8 ~~(7)~~ **(6)** payments to an employee by an employing unit made
 9 pursuant to the terms and provisions of the Fair Labor Standards
 10 Act;

11 shall be deemed to constitute deductible income with respect to the
 12 week or weeks for which such payments are made. However, if
 13 payments made under subdivision ~~(5)~~ **(4)** or ~~(6)~~ **(5)** are not, by the
 14 terms of the order or agreement under which the payments are made,
 15 allocated to any designated week or weeks, then, and in such cases,
 16 such payments shall be considered as deductible income in and with
 17 respect to the week in which the same is actually paid.

18 ~~(d) Payment of vacation pay shall be deemed deductible income~~
 19 ~~with respect to the week or weeks falling within such vacation period~~
 20 ~~for which vacation payment is made.~~

21 SECTION 3. IC 22-4-6.5-2, AS ADDED BY P.L.33-2013,
 22 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2025]: Sec. 2. As used in this chapter, "client level reporting
 24 method" ~~has the meaning set forth in section 11(a) of this chapter.~~
 25 **means a method of reporting that uses the state employer account**
 26 **number and contribution rate of the client to report and pay all**
 27 **required contributions to the unemployment compensation fund as**
 28 **required by IC 22-4-10.**

29 SECTION 4. IC 22-4-6.5-6 IS REPEALED [EFFECTIVE JULY 1,
 30 2025]. Sec. 6: ~~As used in this chapter, "PEO level reporting method"~~
 31 ~~has the meaning set forth in section 9(a) of this chapter.~~

32 SECTION 5. IC 22-4-6.5-8, AS ADDED BY P.L.33-2013,
 33 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2025]: Sec. 8. ~~(a)~~ A PEO shall use the client level reporting
 35 method to report and pay all required contributions to the
 36 unemployment compensation fund as required by IC 22-4-10. ~~unless~~
 37 ~~the PEO elects the PEO level reporting method under section 9 of this~~
 38 ~~chapter.~~

39 ~~(b) A PEO that initially elects the PEO level reporting method under~~
 40 ~~section 9 of this chapter may subsequently elect the client level~~
 41 ~~reporting method under section 11 of this chapter.~~

42 ~~(c) A PEO using the client level reporting method may not change~~



1 its reporting method:

2 (d) Except as provided by IC 22-4-32-21(d), a PEO and its related
3 entities shall use the same reporting method for all clients:

4 SECTION 6. IC 22-4-6.5-9 IS REPEALED [EFFECTIVE JULY 1,
5 2025]. Sec. 9: (a) A PEO may elect the PEO level reporting method;
6 which uses the state employer account number and contribution rate of
7 the PEO to report and pay all required contributions to the
8 unemployment compensation fund as required by IC 22-4-10:

9 (b) A PEO shall make the election required by subsection (a) not
10 later than the following:

11 (1) December 1, 2013, if the PEO is doing business in Indiana on
12 July 1, 2013:

13 (2) The first date the PEO is liable to make contributions under
14 this article for at least one (1) covered employee, if the PEO
15 begins doing business in Indiana after July 1, 2013:

16 (e) The election required by subsection (a) must be made in the
17 form and manner prescribed by the department:

18 (d) A PEO that does not make an election under this section shall
19 use the client level reporting method:

20 SECTION 7. IC 22-4-6.5-10 IS REPEALED [EFFECTIVE JULY
21 1, 2025]. Sec. 10: (a) The following apply to a PEO that elects to use
22 the PEO level reporting method:

23 (1) The PEO shall file all quarterly reports in accordance with
24 IC 22-4-10-1:

25 (2) Whenever the PEO enters into a professional employer
26 agreement with a client, the PEO:

27 (A) shall notify the department not later than fifteen (15) days
28 after the end of the quarter in which the professional employer
29 agreement became effective; and

30 (B) is subject to IC 22-4-10-6 and IC 22-4-11.5; beginning on
31 the effective date of the professional employer agreement:

32 (3) The PEO shall notify the department in the form and manner
33 prescribed by the department not later than fifteen (15) days after
34 the date of the following:

35 (A) The PEO and a client terminate a professional employer
36 agreement:

37 (B) The PEO elects the client level reporting method under
38 section 11 of this chapter:

39 After receiving a notice under this subdivision, the department
40 shall make any changes required by IC 22-4-10-6 and
41 IC 22-4-11.5:

42 (b) Except as provided by IC 22-4-32-21(d), a PEO that elects to use



1 the PEO level reporting method is liable for all contributions, interest,
2 penalties, and surcharges until the effective date of an election under
3 section 11 of this chapter by the PEO to change to the client level
4 reporting method.

5 SECTION 8. IC 22-4-6.5-11 IS REPEALED [EFFECTIVE JULY
6 1, 2025]. Sec. 11: (a) A PEO using the PEO level reporting method
7 may elect the client level reporting method, which uses the state
8 employer account number and contribution rate of the client to report
9 and pay all required contributions to the unemployment compensation
10 fund as required by IC 22-4-10:

11 (b) A PEO shall make an election under subsection (a) not later than
12 December 1 of the calendar year before the calendar year in which the
13 election is effective.

14 (c) An election under subsection (a) must be made in the form and
15 manner prescribed by the department:

16 (d) An election under subsection (a) is effective on January 1 of the
17 calendar year immediately following the year in which the department
18 receives the notice described in subsection (c):

19 SECTION 9. IC 22-4-6.5-12, AS ADDED BY P.L.33-2013,
20 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2025]: Sec. 12. The following apply to a PEO: ~~that elects to~~
22 ~~use the client level reporting method:~~

23 (1) Whenever the PEO enters into a professional employer
24 agreement with a client, the PEO shall notify the department not
25 later than fifteen (15) days after the end of the quarter in which
26 the professional employer agreement became effective.

27 (2) If a client is an employing unit on the date the professional
28 employer agreement becomes effective, the client retains its
29 experience balance, liabilities, and wage credits, and IC 22-4-10-6
30 does not apply to the client.

31 (3) If a client is not an employing unit on the date the professional
32 employer agreement becomes effective, the client immediately
33 qualifies for an employer experience account under IC 22-4-7-2(f)
34 and is subject to IC 22-4-11-2(b)(2) for purposes of establishing
35 an initial contribution rate.

36 (4) A client is associated with the PEO's employer experience
37 account by means of the PEO's primary federal employer
38 identification number (FEIN) for purposes of liability under this
39 article and federal certification.

40 (5) Upon the termination of a professional employer agreement
41 between the PEO and a client:

42 (A) the client retains the experience balance, liabilities, and



- 1 wage credits for the client's employing unit account;
 2 (B) the client's federal employer identification number (FEIN)
 3 becomes the primary FEIN on the employing unit's account;
 4 and
 5 (C) the PEO's FEIN is not associated with the client's
 6 employing unit account after the date:
 7 (i) all outstanding reports are submitted; and
 8 (ii) all outstanding liabilities are paid in full.

9 SECTION 10. IC 22-4-6.5-13 IS REPEALED [EFFECTIVE JULY
 10 1, 2025]. ~~Sec. 13. (a) A client that transfers between PEOs is not~~
 11 ~~subject to IC 22-4-10-6 and IC 22-4-11.5 whenever:~~

12 ~~(1) the PEOs are not commonly owned, managed, or controlled;~~
 13 ~~and~~

14 ~~(2) both PEOs have elected to use the PEO level reporting~~
 15 ~~method.~~

16 ~~(b) The client of a PEO that has elected to use the client level~~
 17 ~~reporting method may elect to become liable for payments in lieu of~~
 18 ~~contributions (as defined in IC 22-4-2-32) whenever:~~

19 ~~(1) the client is otherwise eligible to make the election; and~~

20 ~~(2) the requirements of IC 22-4-10-1 are met.~~

21 SECTION 11. IC 22-4-8-2, AS AMENDED BY P.L.175-2009,
 22 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2025]: Sec. 2. The term "employment" shall include:

24 (a) An individual's entire service performed within or both within
 25 and without Indiana if the service is localized in Indiana.

26 (b) An individual's entire service performed within or both within
 27 and without Indiana if the service is not localized in any state, but some
 28 of the service is performed in Indiana and:

29 (1) the base of operations, or, if there is no base of operations,
 30 then the place from which such service is directed or controlled
 31 is in Indiana;

32 (2) the base of operations or place from which such service is
 33 directed or controlled is not in any state in which some part of the
 34 service is performed but the individual's residence is in Indiana;
 35 or

36 (3) such service is not covered under the unemployment
 37 compensation law of any other state or Canada, and the place
 38 from which the service is directed or controlled is in Indiana.

39 (c) Services not covered under subsections (a) and (b) and
 40 performed entirely without Indiana, with respect to no part of which
 41 contributions are required and paid under an unemployment
 42 compensation law of any other state or of the United States, shall be



1 deemed to be employment subject to this article if the department
2 approves the election of the individual performing such services and
3 the employing unit for which such services are performed, that the
4 entire services of such individual shall be deemed to be employment
5 subject to this article.

6 (d) Services covered by an election duly approved by the
7 department, in accordance with an agreement pursuant to IC 22-4-22-1
8 through IC 22-4-22-5, shall be deemed to be employment during the
9 effective period of such election.

10 (e) Service shall be deemed to be localized within a state if:

11 (1) the service is performed entirely within such state; or

12 (2) the service is performed both within and without such state,
13 but the service performed without such state is incidental to the
14 individual's service within the state, such as is temporary or
15 transitory in nature or consists of isolated transactions.

16 (f) Periods of vacation with pay or leave with pay, other than
17 military leave granted or given to an individual by an employer.

18 (g) Notwithstanding any other provisions of this article, the term
19 employment shall also include all services performed by an officer or
20 member of the crew of an American vessel or American aircraft, on or
21 in connection with such vessel or such aircraft, provided that the
22 operating office, from which the operations of such vessel operating on
23 navigable waters within or the operations of such aircraft within, or the
24 operation of such vessel or aircraft within and without the United States
25 are ordinarily and regularly supervised, managed, directed, and
26 controlled, is within this state.

27 (h) Services performed for an employer which is subject to
28 contribution solely by reason of liability for any federal tax against
29 which credit may be taken for contributions paid into a state
30 unemployment compensation fund.

31 (i) The following:

32 (1) Service performed after December 31, 1971, by an individual
33 in the employ of this state or any of its instrumentalities (or in the
34 employ of this state and one (1) or more other states or their
35 instrumentalities) for a hospital or eligible postsecondary
36 educational institution located in Indiana.

37 (2) Service performed after December 31, 1977, by an individual
38 in the employ of this state or a political subdivision of the state or
39 any instrumentality of the state or a political subdivision, or any
40 instrumentality which is wholly owned by the state and one (1) or
41 more other states or political subdivisions, if the service is
42 excluded from "employment" as defined in Section 3306(c)(7) of



1 the Federal Unemployment Tax Act (26 U.S.C. 3306(c)(7)).
 2 However, service performed after December 31, 1977, as the
 3 following is excluded:

4 (A) An elected official.

5 (B) A member of a legislative body or of the judiciary of a
 6 state or political subdivision.

7 (C) A member of the state national guard or air national guard.

8 (D) An employee serving on a temporary basis in the case of
 9 fire, snow, storm, earthquake, flood, or similar emergency.

10 (E) An individual in a position which, under the laws of the
 11 state, is designated as:

12 (i) a major nontenured policymaking or advisory position; or

13 (ii) a policymaking or advisory position the performance of
 14 the duties of which ordinarily does not require more than
 15 eight (8) hours per week.

16 (3) Service performed after March 31, 1981, by an individual
 17 whose service is part of an unemployment work relief or work
 18 training program assisted or financed in whole by any federal
 19 agency or an agency of this state or a political subdivision of this
 20 state, by an individual receiving such work relief or work training
 21 is excluded.

22 (j) Service performed after December 31, 1971, by an individual in
 23 the employ of a religious, charitable, educational, or other organization,
 24 but only if the following conditions are met:

25 (1) The service is excluded from "employment" as defined in the
 26 Federal Unemployment Tax Act solely by reason of Section
 27 3306(c)(8) of that act (26 U.S.C. 3306(c)(8)).

28 (2) The organization had four (4) or more individuals in
 29 employment, **within the state of Indiana**, for some portion of a
 30 day in each of twenty (20) different weeks, whether or not such
 31 weeks were consecutive, within either the current or preceding
 32 calendar year, regardless of whether they were employed at the
 33 same moment of time.

34 (3) For the purposes of subdivisions (1) and (2), the term
 35 "employment" does not apply to service performed as follows:

36 (A) In the employ of:

37 (i) a church or convention or association of churches; or

38 (ii) an organization which is operated primarily for religious
 39 purposes and which is operated, supervised, controlled, or
 40 principally supported by a church or convention or
 41 association of churches.

42 (B) By a duly ordained, commissioned, or licensed minister of



- 1 a church in the exercise of his ministry or by a member of a
 2 religious order in the exercise of duties required by such order.
 3 (C) Before January 1, 1978, in the employ of a school which
 4 is not an eligible postsecondary educational institution.
 5 (D) In a facility conducted for the purpose of carrying out a
 6 program of rehabilitation for individuals whose earning
 7 capacity is impaired by age or physical or mental deficiency or
 8 injury or providing remunerative work for individuals who
 9 because of their impaired physical or mental capacity cannot
 10 be readily absorbed in the competitive labor market by an
 11 individual receiving such rehabilitation or remunerative work.
 12 (E) As part of an unemployment work relief or work training
 13 program assisted or financed in whole or in part by any federal
 14 agency or an agency of a state or political subdivision thereof,
 15 by an individual receiving such work relief or work training.
- 16 (k) The service of an individual who is a citizen of the United
 17 States, performed outside the United States (except in Canada), after
 18 December 31, 1971, in the employ of an American employer (other
 19 than service which is deemed "employment" under the provisions of
 20 subsection (a), (b), or (e) or the parallel provisions of another state's
 21 law), if the following apply:
- 22 (1) The employer's principal place of business in the United States
 23 is located in this state.
- 24 (2) The employer has no place of business in the United States,
 25 but the employer is:
- 26 (A) an individual who is a resident of this state;
 27 (B) a corporation which is organized under the laws of this
 28 state;
 29 (C) a partnership, limited liability partnership, or a trust and
 30 the number of the partners or trustees who are residents of this
 31 state is greater than the number who are residents of any one
 32 (1) other state; or
 33 (D) an association, a joint venture, an estate, a limited liability
 34 company, a joint stock company, or an insurance company
 35 (referred to as an "entity" in this clause), and either:
 36 (i) the entity is organized under the laws of this state; or
 37 (ii) the number of owners, members, or beneficiaries who
 38 are residents of this state is greater than the number who are
 39 residents of any one (1) other state.
- 40 (3) None of the criteria of subdivisions (1) and (2) is met but the
 41 employer has elected coverage in this state or, the employer
 42 having failed to elect coverage in any state, the individual has



1 filed a claim for benefits, based on such service, under the law of
2 this state.

3 (4) An "American employer," for purposes of this subsection,
4 means:

5 (A) an individual who is a resident of the United States;

6 (B) a partnership or limited liability partnership, if two-thirds
7 (2/3) or more of the partners are residents of the United States;

8 (C) a trust, if all of the trustees are residents of the United
9 States; or

10 (D) a corporation, an association, a joint venture, an estate, a
11 limited liability company, a joint stock company, or an
12 insurance company organized or established under the laws of
13 the United States or of any state.

14 (l) The term "employment" also includes the following:

15 (1) Service performed after December 31, 1977, by an individual
16 in agricultural labor (as defined in section 3(c) of this chapter)
17 when the service is performed for an employing unit which:

18 (A) during any calendar quarter in either the current or
19 preceding calendar year paid cash remuneration of twenty
20 thousand dollars (\$20,000) or more to individuals employed in
21 agricultural labor; or

22 (B) for some portion of a day in each of twenty (20) different
23 calendar weeks, whether or not the weeks were consecutive, in
24 either the current or the preceding calendar year, employed in
25 agricultural labor ten (10) or more individuals, regardless of
26 whether they were employed at the same time.

27 (2) For the purposes of this subsection, any individual who is a
28 member of a crew furnished by a crew leader to perform service
29 in agricultural labor for any other person shall be treated as an
30 employee of the crew leader:

31 (A) if the crew leader holds a valid certificate of registration
32 under the Farm Labor Contractor Registration Act of 1963, or
33 substantially all the members of the crew operate or maintain
34 tractors, mechanized harvesting or crop dusting equipment, or
35 any other mechanized equipment, which is provided by the
36 crew leader; and

37 (B) if the individual is not an employee of another person
38 within the meaning of section 1 of this chapter.

39 (3) For the purposes of subdivision (1), in the case of an
40 individual who is furnished by a crew leader to perform service
41 in agricultural labor for any other person and who is not treated as
42 an employee of the crew leader under subdivision (2):



- 1 (A) the other person and not the crew leader shall be treated as
- 2 the employer of the individual; and
- 3 (B) the other person shall be treated as having paid cash
- 4 remuneration to the individual in an amount equal to the
- 5 amount of cash remuneration paid to the individual by the
- 6 crew leader (either on the individual's own behalf or on behalf
- 7 of the other person) for the service in agricultural labor
- 8 performed for the other person.
- 9 (4) For the purposes of this subsection, the term "crew leader"
- 10 means an individual who:
 - 11 (A) furnishes individuals to perform service in agricultural
 - 12 labor for any other person;
 - 13 (B) pays (either on the individual's own behalf or on behalf of
 - 14 the other person) the agricultural laborers furnished by the
 - 15 individual for the service in agricultural labor performed by
 - 16 them; and
 - 17 (C) has not entered into a written agreement with the other
 - 18 person under which the individual is designated as an
 - 19 employee of the other person.
- 20 (m) The term "employment" includes domestic service after
- 21 December 31, 1977, in a private home, local college club, or local
- 22 chapter of a college fraternity or sorority performed for a person who
- 23 paid cash remuneration of one thousand dollars (\$1,000) or more after
- 24 December 31, 1977, in the current calendar year or the preceding
- 25 calendar year to individuals employed in the domestic service in any
- 26 calendar quarter.
- 27 SECTION 12. IC 22-4-11-2, AS AMENDED BY P.L.171-2016,
- 28 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 29 JULY 1, 2025]: Sec. 2. (a) Except as provided in IC 22-4-10-6 and
- 30 IC 22-4-11.5, the department shall for each year determine the
- 31 contribution rate applicable to each employer.
- 32 (b) The balance shall include contributions with respect to the
- 33 period ending on the computation date and actually paid on or before
- 34 July 31 immediately following the computation date and benefits
- 35 actually paid on or before the computation date and shall also include
- 36 any voluntary payments made in accordance with IC 22-4-10-5 or
- 37 IC 22-4-10-5.5 (repealed):
 - 38 (1) for each calendar year, an employer's rate shall be determined
 - 39 in accordance with the rate schedules in section 3.3 or 3.5 of this
 - 40 chapter; and
 - 41 (2) for each calendar year, an employer's rate shall be two and
 - 42 five-tenths percent (2.5%), except as otherwise provided in



- 1 subsection (g) or IC 22-4-37-3, unless:
- 2 (A) the employer has been subject to this article throughout
- 3 the thirty-six (36) consecutive calendar months immediately
- 4 preceding the computation date;
- 5 (B) there has been some annual payroll in each of the three (3)
- 6 twelve (12) month periods immediately preceding the
- 7 computation date; and
- 8 (C) the employer has properly filed all required contribution
- 9 and wage reports, and all contributions, penalties, and interest
- 10 due and owing by the employer or the employer's predecessors
- 11 have been paid.
- 12 (c) In addition to the conditions and requirements set forth and
- 13 provided in subsection (b)(2)(A), (b)(2)(B), and (b)(2)(C), an
- 14 employer's rate is equal to the sum of the employer's contribution rate
- 15 determined or estimated by the department under this article plus two
- 16 percent (2%) unless all required contributions and wage reports have
- 17 been filed within thirty-one (31) days following the computation date
- 18 and all contributions, penalties, and interest due and owing by the
- 19 employer or the employer's predecessor for periods before and
- 20 including the computation date have been paid:
- 21 (1) within thirty-one (31) days following the computation date; or
- 22 (2) within ten (10) days after the department has given the
- 23 employer a written notice by registered mail to the employer's last
- 24 known address of:
- 25 (A) the delinquency; or
- 26 (B) failure to file the reports;
- 27 whichever is the later date. The department or the department's
- 28 designee may waive the imposition of rates under this subsection if the
- 29 department finds the employer's failure to meet the deadlines was for
- 30 excusable cause. The department shall give written notice to the
- 31 employer before this additional condition or requirement shall apply.
- 32 An employer's rate under this subsection may not exceed twelve
- 33 percent (12%).
- 34 (d) However, if the employer is the state or a political subdivision
- 35 of the state or any instrumentality of a state or a political subdivision,
- 36 or any instrumentality which is wholly owned by the state and one (1)
- 37 or more other states or political subdivisions, the employer may
- 38 contribute at a rate of one and six-tenths percent (1.6%) until it has
- 39 been subject to this article throughout the thirty-six (36) consecutive
- 40 calendar months immediately preceding the computation date.
- 41 (e) On the computation date every employer who had taxable wages
- 42 in the previous calendar year shall have the employer's experience



1 account charged with the amount determined under the following
2 formula:

3 STEP ONE: Divide:

4 (A) the employer's taxable wages for the preceding calendar
5 year; by

6 (B) the total taxable wages for the preceding calendar year.

7 STEP TWO: Subtract:

8 (A) the amount described in IC 22-4-10-4.5(e)(2), if any; from

9 (B) the total amount of benefits charged to the fund under
10 section 1 of this chapter.

11 STEP THREE: Multiply the quotient determined under STEP
12 ONE by the difference determined under STEP TWO.

13 (f) One (1) percentage point of the rate imposed under subsection
14 (c), or the amount of the employer's payment that is attributable to the
15 increase in the contribution rate, whichever is less, shall be imposed as
16 a penalty that is due and shall be deposited upon collection into the
17 special employment and training services fund established under
18 IC 22-4-25-1. The remainder of the contributions paid by an employer
19 pursuant to the maximum rate shall be:

20 (1) considered a contribution for the purposes of this article; and

21 (2) deposited in the unemployment insurance benefit fund
22 established under IC 22-4-26.

23 (g) Except as otherwise provided in IC 22-4-37-3, this subsection,
24 instead of subsection (b)(2), applies to an employer in the construction
25 industry. As used in the subsection, "construction industry" means
26 business establishments whose proper primary classification in the
27 current edition of the North American Industry Classification System
28 Manual - United States, published by the National Technical
29 Information Service of the United States Department of Commerce is
30 23 (construction). For each calendar year beginning after December 31,
31 2013, an employer's rate shall be equal to the lesser of four percent
32 (4%) or the average of the contribution rates paid by all employers in
33 the construction industry subject to this article during the twelve (12)
34 months preceding the computation date, unless:

35 (1) the employer has been subject to this article throughout the
36 thirty-six (36) consecutive calendar months immediately
37 preceding the computation date;

38 (2) there has been some annual payroll in each of the three (3)
39 twelve (12) month periods immediately preceding the
40 computation date; and

41 (3) the employer has properly filed all required contribution and
42 wage reports, and all contributions, penalties, and interest due and



1 owing by the employer or the employer's predecessors have been
2 paid.

3 **(h) The department shall satisfy the notice requirement in**
4 **subsection (c) by sending:**

- 5 **(1) physical mail to the employer's last known address; or**
6 **(2) electronic mail to an electronic mail address provided to**
7 **the department by the employer or a representative of the**
8 **employer.**

9 **However, if electronic mail is used and the department does not**
10 **receive a receipt or electronic confirmation within five (5) days of**
11 **transmission, the notice is insufficient and notice must be sent by**
12 **physical mail as soon as practicable.**

13 SECTION 13. IC 22-4-14-3, AS AMENDED BY P.L.93-2024,
14 SECTION 157, IS AMENDED TO READ AS FOLLOWS
15 [EFFECTIVE JULY 1, 2025]: Sec. 3. (a) An individual who is
16 receiving benefits as determined under IC 22-4-15-1(c)(8) may restrict
17 the individual's availability because of the individual's need to address
18 the physical, psychological, or legal effects of being a victim of
19 domestic or family violence (as defined in IC 31-9-2-42).

20 (b) An unemployed individual shall be eligible to receive benefits
21 with respect to any week only if the individual:

- 22 (1) is physically and mentally able to work;
23 (2) is available for work;
24 (3) is found by the department to be making an effort to secure
25 full-time work; and
26 (4) participates in reemployment services and reemployment and
27 eligibility assessment activities ~~as required by section 3.2 of this~~
28 ~~chapter or~~ when directed by the department as provided under
29 section 3.5 of this chapter, unless the department determines that:

- 30 (A) the individual has completed the reemployment services;
31 or
32 (B) failure by the individual to participate in or complete the
33 reemployment services is excused by the director under
34 IC 22-4-14-2(b).

35 (c) For the purpose of this article, unavailability for work of an
36 individual exists in, but is not limited to, any case in which, with
37 respect to any week, it is found:

- 38 (1) that such individual is engaged by any unit, agency, or
39 instrumentality of the United States, in charge of public works or
40 assistance through public employment, or any unit, agency, or
41 instrumentality of this state, or any political subdivision thereof,
42 in charge of any public works or assistance through public



- 1 employment;
- 2 (2) that such individual is in full-time active military service of
3 the United States, or is enrolled in civilian service as a
4 conscientious objector to military service;
- 5 (3) that such individual is suspended for misconduct in
6 connection with the individual's work; or
- 7 (4) that such individual is in attendance at a regularly established
8 public or private school during the customary hours of the
9 individual's occupation or is in any vacation period intervening
10 between regular school terms during which the individual is a
11 student. However, this subdivision does not apply to any
12 individual who is attending a regularly established school, has
13 been regularly employed and upon becoming unemployed makes
14 an effort to secure full-time work and is available for suitable
15 full-time work with the individual's last employer, or is available
16 for any other full-time employment deemed suitable.
- 17 (d) Notwithstanding any other provisions in this section or
18 IC 22-4-15-2, no otherwise eligible individual shall be denied benefits
19 for any week because the individual is in training with the approval of
20 the department, nor shall such individual be denied benefits with
21 respect to any week in which the individual is in training with the
22 approval of the department by reason of the application of the
23 provisions of this section with respect to the availability for work or
24 active search for work or by reason of the application of the provisions
25 of IC 22-4-15-2 relating to failure to apply for, or the refusal to accept,
26 suitable work. The department shall by rule prescribe the conditions
27 under which approval of such training will be granted.
- 28 (e) Notwithstanding subsection (b), (c), or (d), or IC 22-4-15-2, an
29 otherwise eligible individual shall not be denied benefits for any week
30 or determined not able, available, and actively seeking work, because
31 the individual is responding to a summons for jury service. The
32 individual shall:
- 33 (1) obtain from the court proof of the individual's jury service;
34 and
- 35 (2) provide to the department, in the manner the department
36 prescribes by rule, proof of the individual's jury service.
- 37 (f) If an otherwise eligible individual is unable to work or
38 unavailable for work on any normal work day of the week, the
39 individual shall be eligible to receive benefits with respect to such
40 week reduced by one-third (1/3) of the individual's weekly benefit
41 amount for each day of such inability to work or unavailability for
42 work.



- 1 (g) An individual has made an effort to secure full-time work with
- 2 respect to any week in which the individual has:
- 3 (1) completed activities directed by the department under ~~sections~~
- 4 ~~3.2 and section 3.5~~ of this chapter;
- 5 (2) completed any work search activities as directed by the
- 6 department under rules adopted by the department; ~~under~~
- 7 ~~subsection (h)~~; and
- 8 (3) affirmed the individual has made an effort to secure full-time
- 9 work.
- 10 (h) ~~Not later than December 31, 2021, the department shall adopt~~
- 11 ~~rules under IC 4-22-2 to define:~~
- 12 (1) ~~the acceptable types of work search activities;~~
- 13 (2) ~~the number of work search activities required to be completed~~
- 14 ~~in any week;~~
- 15 (3) ~~the requirements for producing documentation; and~~
- 16 (4) ~~the requirement to apply to, and accept if offered, suitable jobs~~
- 17 ~~referred by the department.~~
- 18 (i) ~~The rules adopted by the department under subsection (h) shall:~~
- 19 (1) ~~take into consideration whether an individual has a reasonable~~
- 20 ~~assurance of reemployment and, if so, the length of the~~
- 21 ~~prospective period of unemployment; and~~
- 22 (2) ~~be consistent with the guidance provided by the United States~~
- 23 ~~Department of Labor in Training and Employment Notice No.~~
- 24 ~~17-19, dated February 10, 2020.~~
- 25 SECTION 14. IC 22-4-14-3.2 IS REPEALED [EFFECTIVE JULY
- 26 1, 2025]. Sec. 3-2: (a) For purposes of section 3 of this chapter, not
- 27 later than the fourth week after the week an individual begins receiving
- 28 benefits, the individual must be scheduled to visit and receive an
- 29 orientation to the services available through a one stop center (as
- 30 defined by IC 22-4.1-1-5). The individual must appear when scheduled;
- 31 but in any event, the individual's orientation must be completed not
- 32 later than the sixth week after the week the individual begins receiving
- 33 benefits:
- 34 (b) The department may waive the requirements of subsection (a)
- 35 only when one (1) of the following applies to an individual:
- 36 (1) The individual is attending training or retraining approved by
- 37 the department.
- 38 (2) The individual is a job-attached worker with a specific recall
- 39 date that is not more than sixty (60) days after the individual's
- 40 separation date.
- 41 (3) The individual is using:
- 42 (A) a hiring service;



- 1 ~~(B) a referral service; or~~
 2 ~~(C) another job placement service as determined by the~~
 3 ~~department.~~
 4 ~~(4) The individual is receiving a supplemental unemployment~~
 5 ~~benefit under a contract or agreement.~~

6 SECTION 15. IC 22-4-15-1, AS AMENDED BY P.L.117-2023,
 7 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2025]: Sec. 1. (a) Regarding an individual's most recent
 9 separation from employment before filing an initial or additional claim
 10 for benefits, an individual who voluntarily left the employment without
 11 good cause in connection with the work or was discharged from the
 12 employment for just cause is ineligible for waiting period or benefit
 13 rights for the week in which the disqualifying separation occurred and
 14 until:

- 15 (1) the individual has earned remuneration in employment in at
 16 least eight (8) weeks; and
 17 (2) the remuneration earned equals or exceeds the product of the
 18 weekly benefit amount multiplied by eight (8).

19 If the qualification amount has not been earned at the expiration of an
 20 individual's benefit period, the unearned amount shall be carried
 21 forward to an extended benefit period or to the benefit period of a
 22 subsequent claim.

23 (b) When it has been determined that an individual has been
 24 separated from employment under disqualifying conditions as outlined
 25 in this section, the maximum benefit amount of the individual's current
 26 claim, as initially determined, shall be reduced by an amount
 27 determined as follows:

28 (1) For the first separation from employment under disqualifying
 29 conditions, the maximum benefit amount of the individual's
 30 current claim is equal to the result of:

- 31 (A) the maximum benefit amount of the individual's current
 32 claim, as initially determined; multiplied by
 33 (B) seventy-five percent (75%);
 34 rounded (if not already a multiple of one dollar (\$1)) to the next
 35 higher dollar.

36 (2) For the second separation from employment under
 37 disqualifying conditions, the maximum benefit amount of the
 38 individual's current claim is equal to the result of:

- 39 (A) the maximum benefit amount of the individual's current
 40 claim determined under subdivision (1); multiplied by
 41 (B) eighty-five percent (85%);
 42 rounded (if not already a multiple of one dollar (\$1)) to the next



- 1 higher dollar.
- 2 (3) For the third and any subsequent separation from employment
- 3 under disqualifying conditions, the maximum benefit amount of
- 4 the individual's current claim is equal to the result of:
- 5 (A) the maximum benefit amount of the individual's current
- 6 claim determined under subdivision (2); multiplied by
- 7 (B) ninety percent (90%);
- 8 rounded (if not already a multiple of one dollar (\$1)) to the next
- 9 higher dollar.
- 10 (c) The disqualifications provided in this section shall be subject to
- 11 the following modifications:
- 12 (1) An individual shall not be subject to disqualification because
- 13 of separation from the individual's employment if:
- 14 (A) the individual left to accept with another employer
- 15 previously secured permanent full-time work which offered
- 16 reasonable expectation of continued covered employment and
- 17 betterment of wages or working conditions and thereafter was
- 18 employed on said job;
- 19 (B) having been simultaneously employed by two (2)
- 20 employers, the individual leaves one (1) such employer
- 21 voluntarily without good cause in connection with the work
- 22 but remains in employment with the second employer with a
- 23 reasonable expectation of continued employment; or
- 24 (C) the individual left to accept recall made by a base period
- 25 employer.
- 26 (2) An individual whose unemployment is the result of medically
- 27 substantiated physical disability and who is involuntarily
- 28 unemployed after having made reasonable efforts to maintain the
- 29 employment relationship shall not be subject to disqualification
- 30 under this section for such separation.
- 31 (3) An individual who left work to enter the armed forces of the
- 32 United States shall not be subject to disqualification under this
- 33 section for such leaving of work.
- 34 (4) An individual whose employment is terminated under the
- 35 compulsory retirement provision of a collective bargaining
- 36 agreement to which the employer is a party, or under any other
- 37 plan, system, or program, public or private, providing for
- 38 compulsory retirement and who is otherwise eligible shall not be
- 39 deemed to have left the individual's work voluntarily without
- 40 good cause in connection with the work. However, if such
- 41 individual subsequently becomes reemployed and thereafter
- 42 voluntarily leaves work without good cause in connection with the



- 1 work, the individual shall be deemed ineligible as outlined in this
2 section.
- 3 (5) An otherwise eligible individual shall not be denied benefits
4 for any week because the individual is in training approved under
5 Section 236(a)(1) of the Trade Act of 1974, nor shall the
6 individual be denied benefits by reason of leaving work to enter
7 such training, provided the work left is not suitable employment,
8 or because of the application to any week in training of provisions
9 in this law (or any applicable federal unemployment
10 compensation law), relating to availability for work, active search
11 for work, or refusal to accept work. For purposes of this
12 subdivision, the term "suitable employment" means with respect
13 to an individual, work of a substantially equal or higher skill level
14 than the individual's past adversely affected employment (as
15 defined for purposes of the Trade Act of 1974), and wages for
16 such work at not less than eighty percent (80%) of the individual's
17 average weekly wage as determined for the purposes of the Trade
18 Act of 1974.
- 19 (6) An individual is not subject to disqualification because of
20 separation from the individual's employment if:
- 21 (A) the employment was outside the individual's labor market;
 - 22 (B) the individual left to accept previously secured full-time
23 work with an employer in the individual's labor market; and
 - 24 (C) the individual actually became employed with the
25 employer in the individual's labor market.
- 26 (7) An individual who, but for the voluntary separation to move
27 to another labor market to join a spouse who had moved to that
28 labor market, shall not be disqualified for that voluntary
29 separation, if the individual is otherwise eligible for benefits.
30 Benefits paid to the spouse whose eligibility is established under
31 this subdivision shall not be charged against the employer from
32 whom the spouse voluntarily separated.
- 33 (8) An individual shall not be subject to disqualification if the
34 individual voluntarily left employment or was discharged due to
35 circumstances directly caused by domestic or family violence (as
36 defined in IC 31-9-2-42). An individual who may be entitled to
37 benefits based on this modification may apply to the office of the
38 attorney general under IC 5-26.5 to have an address designated by
39 the office of the attorney general to serve as the individual's
40 address for purposes of this article.
- 41 (9) An individual shall not be subject to disqualification if the
42 individual:



- 1 (A) has requested an exemption from an employer's
 2 COVID-19 immunization requirement;
 3 (B) has complied with the requirements set forth in
 4 IC 22-5-4.6; and
 5 (C) was discharged from employment for failing or refusing to
 6 receive an immunization against COVID-19.

7 As used in this subsection, "labor market" means the area surrounding
 8 an individual's permanent residence, outside which the individual
 9 cannot reasonably commute on a daily basis. In determining whether
 10 an individual can reasonably commute under this subdivision, the
 11 department shall consider the nature of the individual's job.

12 (d) "Discharge for just cause" as used in this section is defined to
 13 include but not be limited to:

- 14 (1) separation initiated by an employer for falsification of an
 15 employment application to obtain employment through
 16 subterfuge;
 17 (2) knowing violation of a reasonable and uniformly enforced rule
 18 of an employer, including a rule regarding attendance;
 19 (3) if an employer does not have a rule regarding attendance, an
 20 individual's unsatisfactory attendance, if good cause for absences
 21 or tardiness is not established;
 22 (4) damaging the employer's property through willful ~~negligence;~~
 23 **and wanton misconduct;**
 24 (5) refusing to obey instructions;
 25 (6) ~~reporting to work under the influence of alcohol or drugs or~~
 26 ~~consuming alcohol or drugs on employer's premises during~~
 27 ~~working hours;~~
 28 (7) ~~(6)~~ conduct endangering safety of self or coworkers;
 29 (8) ~~(7)~~ incarceration in jail following conviction of a
 30 misdemeanor or felony by a court of competent jurisdiction; or
 31 (9) ~~(8)~~ any breach of duty in connection with work which is
 32 reasonably owed an employer by an employee.

33 (e) To verify that domestic or family violence has occurred, an
 34 individual who applies for benefits under subsection (c)(8) shall
 35 provide one (1) of the following:

- 36 (1) A report of a law enforcement agency (as defined in
 37 IC 10-13-3-10).
 38 (2) A protection order issued under IC 34-26-5.
 39 (3) A foreign protection order (as defined in IC 34-6-2-48.5).
 40 (4) An affidavit from a domestic violence service provider
 41 verifying services provided to the individual by the domestic
 42 violence service provider.



1 SECTION 16. IC 22-4-15-6.1, AS AMENDED BY P.L.121-2014,
 2 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2025]: Sec. 6.1. (a) Notwithstanding any other provisions of
 4 this article, all of the individual's wage credits established prior to the
 5 day upon which the individual was discharged for gross misconduct in
 6 connection with work are canceled.

7 (b) As used in this section, "gross misconduct" means any of the
 8 following committed in connection with work, as determined by the
 9 department by a preponderance of the evidence:

10 (1) A felony.

11 (2) A Class A misdemeanor.

12 (3) Working, or reporting for work, in a state of intoxication
 13 caused by the individual's use of alcohol or a controlled substance
 14 (as defined in IC 35-48-1-9), **or consuming alcohol or a**
 15 **controlled substance (as defined in IC 35-48-1-9) on the**
 16 **employer's premises without employer permission.**

17 (4) Battery on another individual while on the employer's property
 18 or during working hours.

19 (5) Theft or embezzlement.

20 (6) Fraud.

21 (c) If evidence is presented that an action or requirement of the
 22 employer may have caused the conduct that is the basis for the
 23 employee's discharge, the conduct is not gross misconduct under this
 24 section.

25 (d) Lawful conduct not otherwise prohibited by an employer is not
 26 gross misconduct under this section.

27 SECTION 17. IC 22-4-17-2, AS AMENDED BY P.L.122-2019,
 28 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2025]: Sec. 2. (a) When an individual files an initial claim, the
 30 department shall promptly make a determination of the individual's
 31 status as an insured worker. A notice of the determination of insured
 32 status shall be furnished to the individual promptly. Each determination
 33 shall be based on and include a statement showing the amount of wages
 34 paid to the individual for insured work by each employer during the
 35 individual's base period and shall include a finding as to whether the
 36 wages meet the requirements for the individual to be an insured
 37 worker, and, if so, the week ending date of the first week of the
 38 individual's benefit period, the individual's weekly benefit amount, and
 39 the maximum amount of benefits that may be paid to the individual for
 40 weeks of unemployment in the individual's benefit period. For the
 41 individual who is not insured, the notice shall include the reason for the
 42 determination. **The following apply in regard to the determination:**



1 (1) Unless the individual, within ~~ten (10)~~ **fifteen (15)** days after
 2 the determination was sent by the department to the individual,
 3 asks for a hearing before an administrative law judge, the
 4 determination shall be final and benefits shall be paid or denied
 5 in accordance with the determination. **The date listed under date**
 6 **sent on the determination of eligibility is prima facie evidence**
 7 **that the determination was sent to the party on that date.**

8 (2) **If an individual asks for a wage investigation, the**
 9 **unemployment insurance tax division shall promptly perform**
 10 **an investigation to determine whether wages from insured**
 11 **work should be added or subtracted from the claim. A**
 12 **determination of the wage investigation shall be furnished to**
 13 **the individual promptly upon completion. Unless the**
 14 **individual, within fifteen (15) days after the determination**
 15 **was sent by the unemployment insurance tax division,**
 16 **requests an appeal to a liability administrative law judge**
 17 **under IC 22-4-32-1, the determination shall be final.**

18 (b) The department shall promptly furnish each employer in the base
 19 period whose experience or reimbursable account is potentially
 20 chargeable with benefits to be paid to the individual with a notice of
 21 the employer's benefit liability. The notice shall contain the date, the
 22 name and Social Security account number of the individual, the ending
 23 date of the individual's base period, and the week ending date of the
 24 first week of the individual's benefit period. The notice shall further
 25 contain information as to the proportion of benefits chargeable to the
 26 employer's experience or reimbursable account in ratio to the earnings
 27 of the individual from the employer. Unless the employer within ~~ten~~
 28 **(15)** days after the notice of benefit liability was sent by the
 29 department to the employer, asks for a hearing before ~~an~~ **a liability**
 30 **administrative law judge, the determination shall be final and benefits**
 31 **paid shall be charged in accordance with the determination.**

32 (c) An employing unit, including an employer, having knowledge
 33 of any facts which may affect an individual's eligibility or right to
 34 waiting period credits or benefits, shall notify the department in the
 35 form and manner prescribed by the department of those facts within ten
 36 (10) days after the claim for benefits was sent by the department.

37 (d) In addition to the foregoing determination of insured status by
 38 the department, the deputy shall, throughout the benefit period,
 39 determine the claimant's eligibility with respect to each week for which
 40 the claimant claims waiting period credit or benefit rights, the validity
 41 of the claimant's claim, and the cause for which the claimant left the
 42 claimant's work, or may refer the claim to an administrative law judge



1 who shall make the initial determination in accordance with the
2 procedure in section 3 of this chapter.

3 (e) In cases where the claimant's benefit eligibility or
4 disqualification is disputed, the department shall promptly notify the
5 claimant and the employer or employers directly involved or connected
6 with the issue raised as to the validity of the claim, the eligibility of the
7 claimant for waiting period credit or benefits, or the imposition of a
8 disqualification period or penalty, or the denial of the claim, and of the
9 cause for which the claimant left the claimant's work, of the
10 determination and the reasons for the determination.

11 (f) Except as otherwise provided in this section regarding parties
12 located in Alaska, Hawaii, and Puerto Rico, unless the claimant or the
13 employer, within ten (10) days after the notification required by
14 subsection (e), was sent by the department to the claimant or the
15 employer, asks for a hearing before an administrative law judge, the
16 decision shall be final and benefits shall be paid or denied in
17 accordance with the decision.

18 (g) For a notice of disputed administrative determination or decision
19 sent by the department to the claimant or employer either of whom is
20 located in Alaska, Hawaii, or Puerto Rico, unless the claimant or
21 employer, within fifteen (15) days after the notification required by
22 subsection (e) was sent to the claimant or employer, asks for a hearing
23 before an administrative law judge, the decision shall be final and
24 benefits shall be paid or denied in accordance with the decision.

25 (h) If a claimant or an employer requests a hearing under subsection
26 (f) or (g), the request shall be filed with the department within the
27 prescribed periods provided in this section and shall be in the form and
28 manner prescribed by the department. In the event a hearing is
29 requested by an employer or the department after it has been
30 administratively determined that benefits should be allowed to a
31 claimant, entitled benefits shall continue to be paid to the claimant
32 unless the administrative determination has been reversed by a due
33 process hearing. Benefits with respect to any week not in dispute shall
34 be paid promptly regardless of any appeal.

35 (i) A person may not participate on behalf of the department in any
36 case in which the person is an interested party.

37 (j) Solely on the ground of obvious administrative error appearing
38 on the face of an original determination, and within the benefit year of
39 the affected claims, the commissioner, or a representative authorized
40 by the commissioner to act in the commissioner's behalf, may
41 reconsider and direct the deputy to revise the original determination so
42 as to correct the obvious error. Time for filing an appeal and requesting



1 a hearing before an administrative law judge regarding the
 2 determinations handed down pursuant to this subsection shall begin on
 3 the date following the date of revision of the original determination and
 4 shall be filed with the commissioner in the form and manner prescribed
 5 by the department within the prescribed periods provided in subsection
 6 (c).

7 (k) Notice to the employer and the claimant that the determination
 8 of the department is final if a hearing is not requested shall be
 9 prominently displayed on the notice of the determination which is sent
 10 to the employer and the claimant.

11 (l) If an allegation of the applicability of IC 22-4-15-1(c)(8) is made
 12 by the individual at the time of the claim for benefits, the department
 13 shall not notify the employer of the claimant's current address or
 14 physical location.

15 **(m) All individuals who have not previously verified their
 16 identity with the department shall, prior to filing a new claim for
 17 unemployment benefits, verify their identity in the form and
 18 manner prescribed by the department.**

19 **(n) An individual is ineligible for unemployment benefits or
 20 extended benefits unless the individual has verified the individual's
 21 identity in the form and manner prescribed by the department.**

22 SECTION 18. IC 22-4-17-6, AS AMENDED BY P.L.119-2020,
 23 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2025]: Sec. 6. (a) The manner in which disputed claims shall
 25 be presented and the conduct of hearings and appeals, including the
 26 conduct of administrative law judges, review board members, and other
 27 individuals who adjudicate claims during a hearing or other
 28 adjudicative process, shall be in accordance with rules adopted by the
 29 department for determining the rights of the parties, whether or not the
 30 rules conform to common law or statutory rules of evidence and other
 31 technical rules of procedure.

32 (b) The proceedings before an administrative law judge are de novo,
 33 except as provided in subsection (c).

34 (c) Administrative law judges, review board members, and other
 35 individuals who adjudicate claims during a hearing or other
 36 adjudicative process may consider as evidence and include in the
 37 record described in subsection (d) records of the department that are
 38 material to the issues being considered in the hearing if the records are
 39 made available to the interested parties prior to the hearing. ~~through the~~
 40 following:

41 (1) The United States mail.

42 (2) The department's electronic portal.



1 (d) A full and complete record shall be kept of all proceedings in
 2 connection with a disputed claim. The testimony at any hearing upon
 3 a disputed claim need not be transcribed unless the disputed claim is
 4 further appealed.

5 (e) Each party to a hearing before an administrative law judge held
 6 under section 3 of this chapter shall be sent a notice of the hearing at
 7 least ten (10) days before the date of the hearing specifying the date,
 8 place, and time of the hearing, identifying the issues to be decided, and
 9 providing complete information about the rules of evidence and
 10 standards of proof that the administrative law judge will use to
 11 determine the validity of the claim.

12 (f) If a hearing so scheduled has not commenced within at least sixty
 13 (60) minutes of the time for which it was scheduled, then a party
 14 involved in the hearing may request a continuance of the hearing. Upon
 15 submission of a request for continuance of a hearing under
 16 circumstances provided in this section, the continuance shall be
 17 granted unless the party requesting the continuance was responsible for
 18 the delay in the commencement of the hearing as originally scheduled.
 19 In the latter instance, the continuance shall be discretionary with the
 20 administrative law judge. Testimony or other evidence introduced by
 21 a party at a hearing before an administrative law judge or the review
 22 board that another party to the hearing:

23 (1) is not prepared to meet; and

24 (2) by ordinary prudence could not be expected to have
 25 anticipated;

26 shall be good cause for continuance of the hearing and upon motion
 27 such continuance shall be granted.

28 **(g) The administrative records of the department are**
 29 **self-authenticating and admissible in the administrative hearing.**

30 SECTION 19. IC 22-4-17-8.5, AS AMENDED BY P.L.108-2006,
 31 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2025]: Sec. 8.5. (a) As used in this section, "interested party"
 33 has the meaning set forth in ~~646 IAC 3-12-1~~. **646 IAC 5-10-2.**

34 **(b) Except as otherwise provided in this section, all hearings**
 35 **scheduled before an administrative law judge or the review board**
 36 **shall be set as telephone hearings, in which all parties to the appeal**
 37 **shall participate by telephone or other means of electronic**
 38 **communication.**

39 **(c) A party to a hearing scheduled by telephone has a right to**
 40 **object to telephone or electronic participation and be allowed to**
 41 **participate in the hearing in person. An objection shall be filed in**
 42 **accordance with the procedures set out in 646 IAC 5-10-24.**



1 (d) An administrative law judge or the review board may, at
2 their discretion, schedule and conduct an in-person hearing.

3 (b) An administrative law judge or the review board may hold a
4 hearing under this chapter by telephone if any of the following
5 conditions exist:

6 (1) The claimant or the employer is not located in Indiana;

7 (2) An interested party requests without an objection being filed
8 as provided in 646 IAC 3-12-21 that the hearing be held by
9 telephone;

10 (3) An interested party cannot appear in person because of an
11 illness or injury to the party;

12 (4) In the case of a hearing before an administrative law judge, the
13 administrative law judge determines without any interested party
14 filing an objection as provided in 646 IAC 3-12-21 that a hearing
15 by telephone is proper and just;

16 (5) In the case of a hearing before the review board, the issue to
17 be adjudicated does not require both parties to be present;

18 (6) In the case of a hearing before the review board, the review
19 board has determined that a hearing by telephone is proper and
20 just.

21 SECTION 20. IC 22-4-18-1, AS AMENDED BY P.L.177-2017,
22 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JULY 1, 2025]: Sec. 1. (a) There is created a department under
24 IC 22-4.1-2-1 which shall be known as the department of workforce
25 development.

26 (b) The department of workforce development may do the
27 following:

28 (1) Administer the unemployment insurance program.

29 (2) Enter into agreements with the United States government that
30 may be required as a condition of obtaining federal funds related
31 to activities of the department under this article.

32 (3) Enter into contracts or agreements and cooperate with local
33 governmental units or corporations, including profit or nonprofit
34 corporations, or combinations of units and corporations to carry
35 out the duties of the department imposed by this article, including
36 contracts for the delegation of the department's administrative,
37 monitoring, and program responsibilities and duties set forth in
38 this article.

39 (c) The payment of unemployment insurance benefits must be made
40 in accordance with 26 U.S.C. 3304.

41 (d) The department of workforce development may do all acts and
42 things necessary or proper to carry out the powers expressly granted



1 under this article, including the adoption of rules under IC 4-22-2.

2 (e) The department of workforce development may not charge any
3 claimant for benefits for providing services under this article, except as
4 provided in IC 22-4-17-12.

5 (f) The department of workforce development shall do the
6 following:

7 (1) Submit a report to the general assembly in an electronic
8 format under IC 5-14-6 and to the governor before December 1 of
9 each year concerning the status of the unemployment
10 compensation system, including the following:

11 (A) Recommendations for maintaining the solvency of the
12 unemployment insurance benefit fund established under
13 IC 22-4-26-1.

14 (B) Information regarding expenditures from the special
15 employment and training services fund.

16 (C) Information regarding money released under
17 ~~IC 22-4-25-1(e)~~: **IC 22-4-25-1(b)**.

18 (2) Make a presentation before November 1 of each year to the
19 interim study committee on employment and labor (established
20 under IC 2-5-1.3-4) concerning the status of the unemployment
21 compensation system, including the following:

22 (A) Recommendations for maintaining the solvency of the
23 unemployment insurance benefit fund established under
24 IC 22-4-26-1.

25 (B) Information regarding expenditures from the special
26 employment and training services fund.

27 (C) Information regarding money released under
28 ~~IC 22-4-25-1(e)~~: **IC 22-4-25-1(b)**.

29 (D) Any other information requested by the interim study
30 committee on employment and labor.

31 (g) In addition to the duties prescribed in subsections (a) through (f),
32 the department of workforce development shall establish, implement,
33 and maintain a training program in the nature and dynamics of
34 domestic and family violence for training of all employees of the
35 department who interact with a claimant for benefits to determine
36 whether the claim of the individual for unemployment benefits is valid
37 and to determine that employment separations stemming from domestic
38 or family violence are reliably screened, identified, and adjudicated and
39 that victims of domestic or family violence are able to take advantage
40 of the full range of job services provided by the department. The
41 training presenters shall include domestic violence experts with
42 expertise in the delivery of direct services to victims of domestic



1 violence, including using the staff of shelters for battered women in the
 2 presentation of the training. The initial training shall consist of
 3 instruction of not less than six (6) hours. Refresher training shall be
 4 required annually and shall consist of instruction of not less than three
 5 (3) hours.

6 SECTION 21. IC 22-4-19-6, AS AMENDED BY P.L.122-2019,
 7 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2025]: Sec. 6. (a) Each employing unit shall keep true and
 9 accurate records containing information the department considers
 10 necessary. These records are:

- 11 (1) open to inspection; and
 12 (2) subject to being copied;

13 by an authorized representative of the department at any reasonable
 14 time and as often as may be necessary. The department, the review
 15 board, or an administrative law judge may require from any employing
 16 unit any verified or unverified report, with respect to persons employed
 17 by it, which is considered necessary for the effective administration of
 18 this article.

19 (b) Except as provided in this section, information obtained or
 20 obtained from any person in the administration of this article and the
 21 records of the department relating to the unemployment tax or the
 22 payment of benefits is confidential and may not be published or be
 23 open to public inspection in any manner revealing the individual's or
 24 the employing unit's identity, except in obedience to an order of a court
 25 or as provided in this section.

26 (c) A claimant or an employer at a hearing before an administrative
 27 law judge or the review board shall be supplied with information from
 28 the records referred to in this section to the extent necessary for the
 29 proper presentation of the subject matter of the appearance:

30 (d) (c) The department may release the following information
 31 **described in subsection (b) to the extent permitted by 20 CFR 603.**

- 32 (1) Summary statistical data may be released to the public.
 33 (2) Employer specific information known as Quarterly Census of
 34 Employment and Wages data and data resulting from
 35 enhancements made through the business establishment list
 36 improvement project may be released to the Indiana economic
 37 development corporation only for the following purposes:

- 38 (A) The purpose of conducting a survey.
 39 (B) The purpose of aiding the officers or employees of the
 40 Indiana economic development corporation in providing
 41 economic development assistance through program
 42 development, research, or other methods.



1 (C) Other purposes consistent with the goals of the Indiana
 2 economic development corporation and not inconsistent with
 3 those of the department, including the purposes of IC 5-28-6-7.

4 (3) Employer specific information known as Quarterly Census of
 5 Employment and Wages data and data resulting from
 6 enhancements made through the business establishment list
 7 improvement project may be released to:

8 (A) the budget agency and the legislative services agency only
 9 for aiding the employees of the budget agency or the
 10 legislative services agency in forecasting tax revenues; and

11 (B) the Indiana department of labor for the purpose of
 12 conducting a survey and reporting to the United States
 13 Department of Labor or the federal Bureau of Labor Statistics.

14 (e) The department may make information available under
 15 subsection (d) only:

16 (1) if:

17 (A) under subsection (d)(1), data provided in summary form
 18 cannot be used to identify information relating to a specific
 19 employer or specific employee; or

20 (B) under subsection (d)(2) and (d)(3), there is an agreement
 21 that the employer specific information released will be treated
 22 as confidential and will be released only in summary form that
 23 cannot be used to identify information relating to a specific
 24 employer or a specific employee; and

25 (2) after the cost of making the information available to the
 26 person requesting the information is paid under IC 5-14-3.

27 (f) The department may disclose confidential information:

28 (1) to an individual or employer as provided in 20 CFR 603.5(c);
 29 upon request and proper identification of the individual or
 30 employer;

31 (2) through informed consent of a party as provided in 20 CFR
 32 603.5(d);

33 (3) to a public official as provided in 20 CFR 603.5(e);

34 (4) to an agent or contractor of a public official as provided in 20
 35 CFR 603.5(f); or

36 (5) to the Bureau of Labor Statistics as provided in 20 CFR
 37 603.5(g);

38 after the cost of making the information available to the party
 39 requesting the information is paid under IC 5-14-3.

40 (g) (d) In addition to the confidentiality provisions of subsection (b),
 41 the fact that a claim has been made under IC 22-4-15-1(c)(8) and any
 42 information furnished by the claimant or an agent to the department to



1 verify a claim of domestic or family violence are confidential.
 2 Information concerning the claimant's current address or physical
 3 location shall not be disclosed to the employer or any other person.
 4 Disclosure is subject to the following additional restrictions:

5 (1) The claimant must be notified before any release of
 6 information.

7 (2) Any disclosure is subject to redaction of unnecessary
 8 identifying information, including the claimant's address.

9 ~~(h)~~ **An employee**

10 ~~(1) of the department who recklessly violates subsection (a); (c);~~
 11 ~~(d); (e); (f); or (g); or~~

12 ~~(2) of any governmental entity listed in subsection (f) who~~
 13 ~~recklessly violates subsection (f);~~

14 ~~commits a Class B misdemeanor.~~

15 ~~(i) (e) An employee of the Indiana economic development~~
 16 ~~corporation, the budget agency, or the legislative services agency who~~
 17 ~~violates subsection (d); (e); or (f) An individual who recklessly~~
 18 ~~violates the confidentiality provisions of this section commits a~~
 19 ~~Class B misdemeanor.~~

20 ~~(j) (f) An employer or agent of an employer that becomes aware that~~
 21 ~~a claim has been made under IC 22-4-15-1(c)(8) shall maintain that~~
 22 ~~information as confidential.~~

23 ~~(k) (g) The department may shall charge a reasonable processing fee~~
 24 ~~not to exceed two dollars (\$2) of ten dollars (\$10) for each record that~~
 25 ~~provides information about an individual's last known employer~~
 26 ~~released in compliance with a court order under subsection (b).~~

27 SECTION 22. IC 22-4-19-8, AS AMENDED BY P.L.171-2016,
 28 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2025]: Sec. 8. (a) The department, the review board, or the
 30 administrative law judge, or the duly authorized representative of any
 31 of them, at any such hearing shall have power to administer oaths to
 32 any such person or persons. When any person called as a witness by
 33 such subpoena, duly signed, and served upon the witness by any duly
 34 authorized person or by the sheriff of the county of which such person
 35 is a resident, or wherein is located the principal office of such
 36 employing unit or wherein such records are located or kept, shall fail
 37 to obey such subpoena to appear before the department, the review
 38 board, or the administrative law judge, or the authorized representative
 39 of any of them, or shall refuse to testify or to answer any questions, or
 40 to produce any book, record, paper, or other data when notified and
 41 demanded so to do, such failure or refusal shall be reported to the
 42 attorney general for the state who shall thereupon institute proceedings



1 by the filing of a petition in the name of the state on the relation of the
 2 department, in the circuit court or superior or other court of competent
 3 jurisdiction of the county where such witness resides, or wherein such
 4 records are located or kept, to compel obedience of and by such
 5 witness.

6 (b) Such petition shall set forth the facts and circumstances of the
 7 demand for and refusal or failure to permit the examination or copying
 8 of such records or the failure or refusal of such witness to testify in
 9 answer to such subpoena or to produce the records so required by such
 10 subpoena. Such court, upon the filing and docketing of such petition
 11 shall thereupon promptly issue an order to the defendants named in
 12 said petition, to produce forthwith in such court or at a place in such
 13 county designated in such order, for the examination or copying by the
 14 department, the review board, an administrative law judge, or the duly
 15 authorized representative of any of them, the records, books, or
 16 documents so described and to testify concerning matters described in
 17 such petition. Unless such defendants to such petition shall appear in
 18 said court upon a day specified in such order, which said day shall be
 19 not more than ten (10) days after the date of issuance of such order, and
 20 offer, under oath, good and sufficient reasons why such examination or
 21 copying should not be permitted, or why such subpoena should not be
 22 obeyed, such court shall thereupon deliver to the department, the
 23 review board, the administrative law judge, or representative of any of
 24 them, for examination or copying, the records, books and documents
 25 so described in said petition and so produced in such court and shall
 26 order said defendants to appear in answer to the subpoena, and to
 27 testify concerning the subject matter of the inquiry. Any employing
 28 unit, or any officer, member, or agent of the employing unit, or any
 29 other persons having possession of the records thereof who shall
 30 willfully disobey such order of the court after the same shall have been
 31 served upon the employing unit, any officer, member, or agent of the
 32 employing unit, or any other person having possession of the records
 33 shall be guilty of indirect contempt of such court from which such
 34 order shall have issued and may be adjudged in contempt of said court
 35 and punished therefor as provided by law.

36 (c) **The department may not provide more than thirty dollars**
 37 **(\$30) to an entity for the costs of compliance with a subpoena**
 38 **under this chapter.**

39 SECTION 23. IC 22-4-19-10, AS AMENDED BY P.L.122-2019,
 40 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2025]: Sec. 10. Any employing unit which negligently or
 42 willfully fails to submit any report of information required for the



1 proper administration of this article demanded by the commissioner
 2 within ten (10) days after request for the same is sent to the employing
 3 unit by registered mail shall be assessed a penalty of twenty-five dollars
 4 (\$25).

5 SECTION 24. IC 22-4-19-13, AS AMENDED BY P.L.122-2019,
 6 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2025]: Sec. 13. (a) An employer that is required to be
 8 provided a notice or report under this section is entitled to delivery of
 9 the notice or report by the United States Postal Service using first class
 10 mail: If an employer wants to receive notices and reports by mail, the
 11 employer shall notify the department in the form and manner
 12 prescribed by the department.

13 (b) (a) Where an employer makes an offer of employment directly
 14 to a claimant, promptly giving written notice to the department of the
 15 offer, or when the employer makes an offer of employment in writing
 16 through the department, the commissioner, the deputy, or an authorized
 17 representative of the state or the United States employment service,
 18 which offer shall specify the claimant by name, and when the claimant
 19 fails to register subsequent to the receipt of the offer of employment by
 20 the department, the commissioner, the deputy, or an authorized
 21 representative of the state or the United States employment service,
 22 then a notice shall promptly be sent to the employer of the claimant's
 23 failure to return and to register. If the claimant, in the claimant's benefit
 24 period, again registers or renews and continues the claimant's claim for
 25 benefits, the employer shall promptly be provided with notice of the
 26 fact in order that the employer may have an opportunity to renew and
 27 remake an offer of employment to the claimant.

28 (c) (b) Upon the filing by an individual of an additional claim for
 29 benefits, a notice shall be promptly provided to an employer from
 30 whose employ the individual claims to have been last separated.

31 (d) (c) Upon the filing by an individual of an initial claim for
 32 benefits, a notice shall be promptly provided to the base period
 33 employer or base period employers and to the employing units
 34 including an employer from whose employ the individual claims to
 35 have been last separated. The computation of the benefit rights of the
 36 individual shall be made as promptly as possible and, if the claim is
 37 deemed valid, then a notice of benefit liability shall be provided to each
 38 employer whose experience account is potentially chargeable with
 39 benefits to be paid to the individual. The notice shall contain the date,
 40 the name and Social Security number of the individual, the ending date
 41 of the individual's base period, and the week ending date of the first
 42 week of the individual's benefit year. The notice shall further contain



1 information as to the proportion of benefits chargeable to the
 2 employer's experience account in ratio to the earnings of the individual
 3 from the employer and shall advise the employer of the employer's
 4 right to protest the claim and the payment of any benefits and of the
 5 place and time within which the protest must be made in the form and
 6 manner prescribed by the department and of the contents of the protest.

7 ~~(e)~~ **(d)** Whenever a determination is made with respect to the
 8 validity of any claim for benefits, or the eligibility of any claimant for
 9 benefits, which involves the cancellation of wage credits or benefit
 10 rights, the imposition of any disqualification, period of ineligibility or
 11 penalty, or the denial of the claim, a notice shall promptly be provided
 12 to the claimant and to each employer directly involved or connected
 13 with the issue raised as to the validity of the claim, the eligibility of the
 14 claimant for benefits, or the imposition of a disqualification period of
 15 ineligibility or penalty, or the denial of the claim. The employer or the
 16 claimant may protest a determination within the time limits and in the
 17 manner as provided in IC 22-4-17-2 and upon the protest shall be
 18 entitled to a hearing as provided in IC 22-4-17-2 and IC 22-4-17-3.

19 ~~(f)~~ **(e)** Every employer shall be provided with a monthly report of
 20 benefit charges which shall contain an itemized statement showing the
 21 names of individuals to whom benefits were paid and charged to the
 22 experience account of such employer, the weeks with respect to which
 23 each individual received benefits, the amount of the benefits, and the
 24 total amount of benefits charged to the employer's account during the
 25 period covered by the report.

26 ~~(g)~~ **(f)** Following the computation of rates of contribution for
 27 employers for each calendar year, each employer shall be provided with
 28 notice not later than ninety (90) days after the effective date of the
 29 rates, setting out the employer's rate of contribution for the year,
 30 computed by the department as of the preceding June 30, together with
 31 sufficient information for the employer to determine and compute the
 32 amount of a voluntary payment required from the employer in order to
 33 qualify for and obtain a lower rate of contribution for the year and also
 34 advising the employer of the length of time within which or last date
 35 upon which the voluntary payment will be received or can be made.

36 SECTION 25. IC 22-4-25-1, AS AMENDED BY P.L.165-2021,
 37 SECTION 183, IS AMENDED TO READ AS FOLLOWS
 38 [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) There is created in the state
 39 treasury a special fund to be known as the special employment and
 40 training services fund. All interest on delinquent contributions and
 41 penalties collected under this article, together with any voluntary
 42 contributions tendered as a contribution to this fund, shall be paid into



1 this fund. The money shall not be expended or available for
2 expenditure in any manner which would permit their substitution for
3 (or a corresponding reduction in) federal funds which would in the
4 absence of the money be available to finance expenditures for the
5 administration of this article, but nothing in this section shall prevent
6 the money from being used as a revolving fund to cover expenditures
7 necessary and proper under the law for which federal funds have been
8 duly requested but not yet received, subject to the charging of
9 expenditures against the funds when received, **and for modernizing**
10 **and maintaining the unemployment insurance system.** The money
11 in this fund shall be used by the department for the payment of refunds
12 of interest on delinquent contributions and penalties so collected, for
13 the payment of costs of administration which are found not to have
14 been properly and validly chargeable against federal grants or other
15 funds received for or in the employment and training services
16 administration fund, on and after July 1, 1945. The money shall be
17 available either to satisfy the obligations incurred by the department
18 directly, or by transfer by the department of the required amount from
19 the special employment and training services fund to the employment
20 and training services administration fund. The department shall order
21 the transfer of the funds or the payment of any obligation or
22 expenditure and the funds shall be paid by the treasurer of state on
23 requisition drawn by the department and certified by the commissioner.
24 The money in this fund is specifically made available to replace within
25 a reasonable time any money received by this state pursuant to 42
26 U.S.C. 502, as amended, which, because of any action or contingency,
27 has been lost or has been expended for purposes other than or in
28 amounts in excess of those approved by the United States Department
29 of Labor. The money in this fund shall be continuously available to the
30 department for expenditures in accordance with the provisions of this
31 section and for the prevention, detection, and recovery of delinquent
32 contributions, penalties, and improper benefit payments, and shall not
33 lapse at any time or be transferred to any other fund, except as provided
34 in this article. Except as provided in subsection (e), after making the
35 grants required under subsection (c), the department may expend an
36 amount not to exceed eleven million five hundred thousand dollars
37 (\$11,500,000) in a state fiscal year for the purpose of prevention,
38 detection, and recovery of delinquent contributions, penalties, and
39 improper benefit payments, unless an additional amount is approved by
40 the budget committee. Nothing in this section shall be construed to
41 limit, alter, or amend the liability of the state assumed and created by
42 IC 22-4-28, or to change the procedure prescribed in IC 22-4-28 for the



1 satisfaction of the liability, except to the extent that the liability may be
 2 satisfied by and out of the funds of the special employment and training
 3 services fund created by this section. Each state fiscal year, the
 4 commissioner shall make the training grants required under subsection
 5 (c) before amounts are expended from the fund in accordance with this
 6 section for any other purpose. **The department may preserve and use**
 7 **funds for the purposes of building, maintaining, and modernizing**
 8 **the unemployment insurance system.**

9 (b) ~~If on December 31 the balance in the special employment and~~
 10 ~~training services fund exceeds eleven million five hundred thousand~~
 11 ~~dollars (\$11,500,000); the department shall order, not later than thirty~~
 12 ~~(30) days after December 31, payment of the amount that exceeds~~
 13 ~~eleven million five hundred thousand dollars (\$11,500,000) into the~~
 14 ~~unemployment insurance benefit fund.~~

15 (c) (b) Subject to the availability of funds, on July 1 each year the
 16 commissioner shall release the following amounts before expenditures
 17 are made in accordance with this section for any other purpose:

18 (1) Four million dollars (\$4,000,000) to the state educational
 19 institution established under IC 21-25-2-1 for training provided
 20 to participants in apprenticeship programs approved by the United
 21 States Department of Labor, Bureau of Apprenticeship and
 22 Training.

23 (2) Four million dollars (\$4,000,000) to the state educational
 24 institution instituted and incorporated under IC 21-22-2-1 for
 25 training provided to participants in joint labor and management
 26 apprenticeship programs approved by the United States
 27 Department of Labor, Bureau of Apprenticeship and Training.

28 (3) Two hundred fifty thousand dollars (\$250,000) for
 29 journeyman upgrade training to each of the state educational
 30 institutions described in subdivisions (1) and (2).

31 (4) Four hundred thousand dollars (\$400,000) annually for
 32 training and counseling assistance:

33 (A) provided by Hometown Plans under 41 CFR 60-4.5; and

34 (B) approved by the United States Department of Labor,
 35 Bureau of Apprenticeship and Training;

36 to individuals who have been unemployed for at least four (4)
 37 weeks or whose annual income is less than twenty thousand
 38 dollars (\$20,000).

39 (5) Three hundred thousand dollars (\$300,000) annually for
 40 training and counseling assistance provided by the state
 41 institution established under IC 21-25-2-1 to individuals who
 42 have been unemployed for at least four (4) weeks or whose annual



1 income is less than twenty thousand dollars (\$20,000) for the
 2 purpose of enabling those individuals to apply for admission to
 3 apprenticeship programs offered by providers approved by the
 4 United States Department of Labor, Bureau of Apprenticeship and
 5 Training.

6 ~~(d)~~ (c) Each state educational institution described in subsection ~~(e)~~
 7 (b) is entitled to keep ten percent (10%) of the funds released under
 8 subsection ~~(e)~~ (b) for the payment of costs of administering the funds.
 9 On each June 30 following the release of the funds, any funds released
 10 under subsection ~~(e)~~ (b) not used by the state educational institutions
 11 under subsection ~~(e)~~ (b) shall be returned to the special employment
 12 and training services fund.

13 SECTION 26. IC 22-4-32-1, AS AMENDED BY P.L.122-2019,
 14 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2025]: Sec. 1. A liability administrative law judge shall hear
 16 all matters pertaining to:

- 17 (1) the assessment of contributions, payment in lieu of
 18 contributions, surcharge, penalties, and interest;
- 19 (2) which accounts, if any, benefits paid, or finally ordered to be
 20 paid, should be charged;
- 21 (3) successorships, and related matters arising from a
 22 successorship, including but not limited to:
 - 23 (A) the transfer of accounts;
 - 24 (B) the determination of rates of contribution; and
 - 25 (C) determinations under IC 22-4-11.5;
- 26 (4) claims for refunds of contributions or adjustments; and
- 27 (5) the definition of employment under IC 22-4-8;

28 for which an **employing unit interested party** has timely filed a protest
 29 under section 4 of this chapter.

30 SECTION 27. IC 22-4-32-4, AS AMENDED BY P.L.122-2019,
 31 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2025]: Sec. 4. (a) An **employing unit interested party** shall
 33 have fifteen (15) calendar days, beginning on the date an initial
 34 determination is sent to the **employing unit, interested party**, within
 35 which to protest in writing an initial determination of the department
 36 with respect to section 1 of this chapter.

37 (b) If a notice under this chapter is served through the United States
 38 Postal Service, three (3) days must be added to a period that
 39 commences upon service of notice.

40 (c) The filing of a document with the unemployment insurance
 41 appeals division is complete on the earliest of the following dates that
 42 apply to the filing:



1 (1) The date on which the document is delivered to the
2 unemployment insurance appeals division.

3 (2) The date of the postmark on the envelope containing the
4 document if the document is mailed to the unemployment
5 insurance appeals division by the United States Postal Service.

6 (3) The date on which the document is deposited with a private
7 carrier, as shown by a receipt issued by the carrier, if the
8 document is sent to the unemployment insurance appeals division
9 by a private carrier.

10 SECTION 28. IC 22-4-32-5, AS AMENDED BY P.L.171-2016,
11 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2025]: Sec. 5. Upon receipt of such protest in writing, ~~the~~
13 ~~commissioner promptly shall refer the written protest to~~ the liability
14 administrative law judge ~~who~~ shall set a date for a hearing before the
15 liability administrative law judge and **will** notify the interested parties.
16 ~~thereof by registered mail.~~ Unless such written protest is withdrawn,
17 the liability administrative law judge, after affording the parties a
18 reasonable opportunity for a fair hearing, shall make findings and
19 conclusions, and, on the basis thereof, affirm, modify, or reverse the
20 initial determination of the department.

21 SECTION 29. IC 22-4-32-6 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 6. Any interested party
23 to the dispute shall mean and include:

24 (1) the protesting employing unit;

25 (2) **the individual protesting the definition of employment**
26 **under IC 22-4-8;**

27 (3) the commissioner; and

28 (4) any person appearing to the liability administrative law judge
29 to be necessary or indispensable to the determination of the issues
30 involved in the hearing.

31 SECTION 30. IC 22-4.1-1-7, AS AMENDED BY P.L.106-2024,
32 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2025]: Sec. 7. (a) Except as provided in subsection (b),
34 "workforce related program" means a program operated, delivered, or
35 enabled, in whole or in part, by a state provider using public funds to
36 offer incentives, funding, support, or guidance for any of the following
37 purposes:

38 (1) Job training.

39 (2) The attainment of an industry recognized certification or
40 credential.

41 (3) The attainment of a postsecondary degree, certificate, or
42 credential.



- 1 (4) The provision of other types of employment assistance.
- 2 (5) The promotion of Indiana to workers or the provision of
- 3 assistance to a worker relocating to Indiana for employment.
- 4 (6) Any other program that:
- 5 (A) has, at least in part, the goal of securing employment or
- 6 better employment for an individual; and
- 7 (B) receives funding through WIOA or a state appropriation.
- 8 (b) For purposes of IC 22-4.1-24-3, "workforce related program"
- 9 means a program offering incentives, funding, support, or guidance for
- 10 any of the following purposes:
- 11 (1) Job training.
- 12 (2) The attainment of an industry recognized certification or
- 13 credential.
- 14 (3) The attainment of a postsecondary degree, certificate, or
- 15 credential.
- 16 (4) The provision of other types of employment assistance.
- 17 (5) The promotion of Indiana to workers or the provision of
- 18 assistance to a worker relocating to Indiana for employment.
- 19 (6) Any other program that has, at least in part, the goal of
- 20 securing employment or better employment for an individual.
- 21 The term does not include an apprenticeship program for which
- 22 funding is received under ~~IC 22-4-25-1(e)~~. **IC 22-4-25-1(b)**.
- 23 SECTION 31. IC 22-4.1-21-12, AS AMENDED BY P.L.157-2023,
- 24 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 25 JULY 1, 2025]: Sec. 12. **(a)** A person may not do business as a
- 26 postsecondary proprietary educational institution in Indiana without
- 27 having obtained authorization under this chapter.
- 28 **(b) Upon discovery by the department, the department shall**
- 29 **issue a written notice of violation to a person who fails to obtain**
- 30 **authorization under this chapter.**
- 31 **(c) A person who receives a written notice of violation under**
- 32 **subsection (b) has fifteen (15) days from the date the notice is**
- 33 **issued by the department to obtain authorization under this**
- 34 **chapter.**
- 35 **(d) If a person described in subsection (c) fails to obtain**
- 36 **authorization under this chapter from the department within**
- 37 **fifteen (15) days from the date the notice is issued, the department**
- 38 **may assess a civil penalty of one hundred dollars (\$100) per student**
- 39 **who:**
- 40 **(1) attends the subject postsecondary proprietary educational**
- 41 **institution; and**
- 42 **(2) resides in Indiana.**



1 **(e) Civil penalties collected under this section shall be deposited**
2 **in the proprietary educational institution authorization fund**
3 **established by section 39 of this chapter.**
4 SECTION 32. IC 22-4.1-21-39, AS AMENDED BY P.L.157-2023,
5 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 JULY 1, 2025]: Sec. 39. (a) The proprietary educational institution
7 authorization fund is established.
8 (b) The proprietary educational institution authorization fund shall
9 be administered by the department.
10 (c) Money in the proprietary educational institution authorization
11 fund at the end of a state fiscal year does not revert to the general fund.
12 (d) All fees **and civil penalties** collected by the department under
13 this chapter shall be deposited in the proprietary educational institution
14 authorization fund.
15 (e) Money in the proprietary educational institution authorization
16 fund shall be used by the department to administer this chapter.

