

1                                   **UNEMPLOYMENT INSURANCE AMENDMENTS**

2   2024 GENERAL SESSION

3   STATE OF UTAH

4   **Chief Sponsor: Trevor Lee**

5   Senate Sponsor: Todd D. Weiler

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7   **LONG TITLE**

8   **General Description:**

9                   This bill modifies the Employment Security Act.

10 **Highlighted Provisions:**

11                  This bill:

12                   ▶ identifies certain conduct that may disqualify an individual from receiving  
13 unemployment benefits;

14                   ▶ requires the Unemployment Insurance Division within the Department of  
15 Workforce Services to make rules governing certain disqualifications for  
16 unemployment benefits;

17                   ▶ requires the Department of Workforce Services to develop and maintain a website  
18 for employers to access information and report possible fraud in relation to  
19 unemployment insurance; and

20                   ▶ makes technical changes.

21 **Money Appropriated in this Bill:**

22                  None

23 **Other Special Clauses:**

24                  None

25 **Utah Code Sections Affected:**

26 AMENDS:

27                  **35A-4-405**, as last amended by Laws of Utah 2013, Chapter 315



28 ENACTS:

29 **35A-4-509**, Utah Code Annotated 1953

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31 *Be it enacted by the Legislature of the state of Utah:*

32 Section 1. Section **35A-4-405** is amended to read:

33 **35A-4-405. Ineligibility for benefits.**

34 Except as otherwise provided in Subsection (5), an individual is ineligible for benefits  
35 or for purposes of establishing a waiting period:

36 (1) (a) For the week in which the claimant left work voluntarily without good cause, if  
37 so found by the division, and for each week thereafter until the claimant has performed services  
38 in bona fide, covered employment and earned wages for those services equal to at least six  
39 times the claimant's weekly benefit amount.

40 (b) A claimant may not be denied eligibility for benefits if the claimant leaves work  
41 under circumstances where it would be contrary to equity and good conscience to impose a  
42 disqualification.

43 (c) Using available information from employers and the claimant, the division shall  
44 consider for the purposes of this chapter the reasonableness of the claimant's actions, and the  
45 extent to which the actions evidence a genuine continuing attachment to the labor market in  
46 reaching a determination of whether the ineligibility of a claimant is contrary to equity and  
47 good conscience.

48 (d) Except as provided in Subsection (1)(e), a claimant who has left work voluntarily to  
49 accompany or follow the claimant's spouse to a new locality does so without good cause for  
50 purposes of this Subsection (1).

51 (e) A claimant who has left work voluntarily to accompany or follow the claimant's  
52 spouse to a new locality does so with good cause for purposes of this Subsection (1) and is  
53 eligible to receive benefits if:

54 (i) the claimant's spouse is a member of the United States armed forces and the  
55 claimant's spouse has been relocated by a full-time assignment scheduled to last at least 180  
56 days while on:

57 (A) active duty as defined in 10 U.S.C. Sec. 101(d)(1); or

58 (B) active guard or reserve duty as defined in 10 U.S.C. Sec. 101(d)(6);

59 (ii) it is impractical as determined by the division for the claimant to commute to the  
60 previous work from the new locality;

61 (iii) the claimant left work voluntarily no earlier than 15 days before the scheduled start  
62 date of the spouse's active-duty assignment; and

63 (iv) the claimant otherwise meets and follows the eligibility and reporting requirements  
64 of this chapter, including registering for work with the division or, if the claimant has relocated  
65 to another state, the equivalent agency of that state.

66 (2) (a) For the week in which the claimant was discharged for just cause or for an act or  
67 omission in connection with employment, not constituting a crime, which is deliberate, willful,  
68 or wanton and adverse to the employer's rightful interest, if so found by the division, and  
69 thereafter until the claimant has earned an amount equal to at least six times the claimant's  
70 weekly benefit amount in bona fide covered employment.

71 (b) For the week in which the claimant was discharged for dishonesty constituting a  
72 crime or any felony or class A misdemeanor in connection with the claimant's work as shown  
73 by the facts, together with the claimant's admission, or as shown by the claimant's conviction of  
74 that crime in a court of competent jurisdiction and for the 51 next following weeks.

75 (c) Wage credits shall be deleted from the claimant's base period, and are not available  
76 for this or any subsequent claim for benefits.

77 (3) (a) (i) If the division finds that the claimant has failed without good cause to  
78 properly:

79 (A) apply for available suitable work[;];

80 (B) appear for a scheduled interview for suitable work;

81 (C) [to] accept a referral to suitable work offered by the employment office[;]; or

82 (D) [to] accept suitable work offered by an employer or the employment office.

83 (ii) For purposes of Subsection (3)(a)(i)(D), the division shall consider a claimant's  
84 failure to accept an offer of suitable work from an employer or the employment office within  
85 Ŝ → ~~two~~ three business ← Ŝ days after the day on which the offer is sent as a failure to accept  
85a suitable work.

86 [(ii)] (iii) The ineligibility continues until the claimant has performed services in bona  
87 fide covered employment and earned wages for the services in an amount equal to at least six  
88 times the claimant's weekly benefit amount.

89 (b) (i) A claimant may not be denied eligibility for benefits for failure to apply, accept

90 referral, or accept available suitable work under circumstances where it would be contrary to  
91 equity and good conscience to impose a disqualification.

92 (ii) The division shall consider the purposes of this chapter, the reasonableness of the  
93 claimant's actions, and the extent to which the actions evidence a genuine continuing  
94 attachment to the labor market in reaching a determination of whether the ineligibility of a  
95 claimant is contrary to equity and good conscience.

96 (c) In determining whether work is suitable for an individual, the division shall  
97 consider the:

98 (i) degree of risk involved to the individual's health, safety, and morals;

99 (ii) individual's physical fitness and prior training;

100 (iii) individual's prior earnings and experience;

101 (iv) individual's length of unemployment;

102 (v) prospects for securing local work in the individual's customary occupation;

103 (vi) wages for similar work in the locality; and

104 (vii) distance of the available work from the individual's residence.

105 (d) Prior earnings shall be considered on the basis of all four quarters used in  
106 establishing eligibility and not just the earnings from the most recent employer. The division  
107 shall be more prone to find work as suitable the longer the claimant has been unemployed and  
108 the less likely the prospects are to secure local work in his customary occupation.

109 (e) Notwithstanding any other provision of this chapter, no work is suitable, and  
110 benefits may not be denied under this chapter to any otherwise eligible individual for refusing  
111 to accept new work under any of the following conditions:

112 (i) if the position offered is vacant due directly to a strike, lockout, or other labor  
113 dispute;

114 (ii) if the wages, hours, or other conditions of the work offered are substantially less  
115 favorable to the individual than those prevailing for similar work in the locality; or

116 (iii) if as a condition of being employed the individual would be required to join a  
117 company union or to resign from or refrain from joining any bona fide labor organization.

118 (f) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
119 division shall make rules governing ineligibility for benefits under this Subsection (3).

120 (4) For any week in which the division finds that the claimant's unemployment is due

121 to a stoppage of work that exists because of a strike involving the claimant's grade, class, or  
122 group of workers at the factory or establishment at which the claimant is or was last employed.

123 (a) If the division finds that a strike has been fomented by a worker of any employer,  
124 none of the workers of the grade, class, or group of workers of the individual who is found to  
125 be a party to the plan, or agreement to foment a strike, shall be eligible for benefits. However,  
126 if the division finds that the strike is caused by the failure or refusal of any employer to  
127 conform to any law of the state or of the United States pertaining to hours, wages, or other  
128 conditions of work, the strike may not render the workers ineligible for benefits.

129 (b) If the division finds that the employer, the employer's agent or representative has  
130 conspired, planned, or agreed with any of the employer's workers, their agents or  
131 representatives to foment a strike, that strike may not render the workers ineligible for benefits.

132 (c) A worker may receive benefits if, subsequent to the worker's unemployment  
133 because of a strike as defined in this Subsection (4), the worker has obtained employment and  
134 has been paid wages of not less than the amount specified in Subsection 35A-4-401(4) and has  
135 worked as specified in Subsection 35A-4-403(1)(f). During the existence of the stoppage of  
136 work due to this strike the wages of the worker used for the determination of his benefit rights  
137 may not include any wages the worker earned from the employer involved in the strike.

138 (5) (a) For each week a claimant obtains a benefit under this chapter by willfully  
139 making a false statement or representation or by knowingly failing to report a material fact, and  
140 a penalty of no more than 49 additional weeks as follows:

141 (i) 13 weeks for the first week the false statement or representation was made or fact  
142 withheld to receive a benefit; and

143 (ii) six weeks for each additional week the false statement or representation was made  
144 or fact withheld to receive a benefit.

145 (b) The additional penalty weeks shall begin on the Sunday of the week the  
146 determination finding the claimant in violation of this Subsection (5) is issued.

147 (c) (i) Each claimant found in violation of this Subsection (5) shall repay to the  
148 division the overpayment and, as a civil penalty for fraud, an amount equal to the overpayment.

149 (ii) The overpayment is the amount of benefits the claimant received by direct reason  
150 of fraud.

151 (iii) Subject to the requirements of Subsection 35A-4-506(7), the civil penalty for fraud

152 amount shall be treated as any other penalty under this chapter.

153 (iv) The repayment of an overpayment and a civil penalty for fraud shall be collectible  
154 by civil action or warrant in the manner provided in Subsections 35A-4-305(3) and (5).

155 (d) A claimant is ineligible for future benefits or waiting week credit, and any wage  
156 credits earned by the claimant shall be unavailable for purposes of paying benefits, if any  
157 amount owed under this Subsection (5) remains unpaid.

158 (e) Determinations under this Subsection (5) shall be appealable in the manner  
159 provided by this chapter for appeals from other benefit determinations.

160 (f) If the fraud determination is based solely on unreported or underreported work or  
161 earnings, or both, and the claimant would have been eligible for benefits if the work or  
162 earnings, or both, had been correctly reported, the individual does not lose eligibility for that  
163 week because of the misreporting but is liable for the overpayment and subject to the penalties  
164 in Subsection (5)(c) and the disqualification periods for future weeks in Subsection (5)(a).

165 (6) For any week with respect to which or a part of which the claimant has received or  
166 is seeking unemployment benefits under an unemployment compensation law of another state  
167 or the United States. If the appropriate agency of the other state or of the United States finally  
168 determines that the claimant is not entitled to those unemployment benefits, this  
169 disqualification does not apply.

170 (7) (a) For any week with respect to which the claimant is receiving, has received, or is  
171 entitled to receive remuneration in the form of:

- 172 (i) wages in lieu of notice, or a dismissal or separation payment; or
- 173 (ii) accrued vacation or terminal leave payment.

174 (b) If the remuneration is less than the benefits that would otherwise be due, the  
175 claimant is entitled to receive for that week, if otherwise eligible, benefits reduced as provided  
176 in Subsection 35A-4-401(3).

177 (8) (a) For any week in which the individual's benefits are based on service for an  
178 educational institution in an instructional, research, or principal administrative capacity and  
179 that begins during the period between two successive academic years, or during a similar  
180 period between two regular terms, whether or not successive, or during a period of paid  
181 sabbatical leave provided for in the individual's contract if the individual performs services in  
182 the first of those academic years or terms and if there is a contract or reasonable assurance that

183 the individual will perform services in that capacity for an educational institution in the second  
184 of the academic years or terms.

185 (b) (i) For any week in which the individual's benefits are based on service in any other  
186 capacity for an educational institution, and that week begins during a period between two  
187 successive academic years or terms if the individual performs those services in the first of the  
188 academic years or terms and there is a reasonable assurance that the individual will perform the  
189 services in the second of the academic years or terms.

190 (ii) If compensation is denied to any individual under this Subsection (8) and the  
191 individual was not offered an opportunity to perform the services for the educational institution  
192 for the second of the academic years or terms, the individual shall be entitled to a retroactive  
193 payment of compensation for each week for which the individual filed a timely claim for  
194 compensation and for which compensation was denied solely by reason of this Subsection (8).

195 (c) With respect to any services described in Subsection (8)(a) or (b), compensation  
196 payable on the basis of those services shall be denied to an individual for any week that  
197 commences during an established and customary vacation period or holiday recess if the  
198 individual performs the services in the period immediately before the vacation period or  
199 holiday recess, and there is a reasonable assurance that the individual will perform the services  
200 in the period immediately following the vacation period or holiday recess.

201 (d) (i) With respect to services described in Subsection (8)(a) or (b), compensation  
202 payable on the basis of those services as provided in Subsection (8)(a), (b), or (c) shall be  
203 denied to an individual who performed those services in an educational institution while in the  
204 employ of an educational service agency in accordance with the Federal Unemployment Tax  
205 Act, 26 U.S.C. Sec. 3304(a)(6)(A)(iv).

206 (ii) For purposes of this Subsection (8)(d), "educational service agency" means a  
207 governmental agency or entity established and operated exclusively for the purpose of  
208 providing the services described in Subsection (8)(a) or (b) to an educational institution.

209 (e) With respect to services described in Subsection (8)(a) or (b), compensation  
210 payable on the basis of those services as provided in Subsection (8)(a), (b), or (c) shall be  
211 denied to an individual who performed those services:

212 (i) to or on behalf of an educational institution in accordance with the Federal  
213 Unemployment Tax Act, 26 U.S.C. Sec. 3304(a)(6)(A)(v); and

214 (ii) while employed by a governmental entity, Indian tribe, or nonprofit organization, to  
215 which the Federal Unemployment Tax Act, 26 U.S.C. Sec. 3309(a)(1) applies.

216 (f) Benefits based on service in employment, defined in Subsections 35A-4-204(2)(d)  
217 and (e) are payable in the same amount, on the same terms and subject to the same conditions  
218 as compensation payable on the basis of other services subject to this chapter.

219 (9) For any week that commences during the period between two successive sport  
220 seasons or similar periods if the individual performed any services, substantially all of which  
221 consist of participating in sports or athletic events or training or preparing to participate in the  
222 first of those seasons or similar periods and there is a reasonable assurance that individual will  
223 perform those services in the later of the seasons or similar periods.

224 (10) (a) For any week in which the benefits are based upon services performed by an  
225 alien, unless the alien is an individual who has been lawfully admitted for permanent residence  
226 at the time the services were performed, was lawfully present for purposes of performing the  
227 services or was permanently residing in the United States under color of law at the time the  
228 services were performed, including an alien who is lawfully present in the United States as a  
229 result of the application of Subsection 212(d)(5) of the Immigration and Nationality Act, 8  
230 U.S.C. 1182(d)(5)(A).

231 (b) Any data or information required of individuals applying for benefits to determine  
232 whether benefits are not payable to them because of their alien status shall be uniformly  
233 required from all applicants for benefits.

234 (c) In the case of an individual whose application for benefits would otherwise be  
235 approved, no determination that benefits to the individual are not payable because of his alien  
236 status shall be made except upon a preponderance of the evidence.

237 Section 2. Section 35A-4-509 is enacted to read:

238 **35A-4-509. Department to maintain website for employers.**

239 (1) The department shall develop and maintain a website through which employers  
240 may:

241 (a) access the following information:

242 (i) the division's rules and processes for the administration of this chapter;

243 (ii) a description of conduct that disqualifies a claimant from receiving benefits under

244 Section 35A-4-405;



245 (iii) instructions for detecting and reporting possible violations of Section 35A-4-405;  
246 (iv) information about the process for determining whether a claimant has violated  
247 Section 35A-4-405, including the factors considered by the division in making the  
248 determination;  
249 (v) any other resources available to employers to assist in understanding the  
250 requirements of this chapter; and  
251 (vi) the division contact information;  
252 (b) report possible violations of Section 35A-4-405 to the division; and  
253 (c) communicate directly with the division.  
254 (2) The department shall ensure that the website described in Subsection (1):  
255 (a) is developed in a user-friendly manner with simple, easy-to-understand language;  
256 and  
257 (b) is directly accessible via a link from the main page of the division's website.  
258 **Section 3. Effective date.**  
259 This bill takes effect on May 1, 2024.