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Bill Analysis
Legislative Service Commission

H.B. 50

124th General Assembly
(As Introduced)

Reps. Goodman, Evans, Willamowski, Jolivette, Carey, Patton, Core, Damschroder, Britton, DePiero, Collier, Flowers, Seitz, Allen, Aslanides, Webster, Grendell, Hartnett, Redfern, Ford, Blasdel, Calvert, Brinkman, Williams, Setzer, Hollister, Husted, Barrett, Sulzer, Jones, Coates, Jerse, Latell

BILL SUMMARY

- Prohibits the Director of Job and Family Services from assessing more than one forfeiture per quarter against an employer who fails to file certain reports required by Unemployment Compensation Law.

CONTENT AND OPERATION

Background

Contributory employers must file wage reports and contribution reports

Under current Unemployment Compensation Law, "contributory" employers who must make regular contributions (accordingly to a formula) to the Unemployment Compensation Fund are required to file a quarterly contribution report and a quarterly wage report with the Director of Job and Family Services. The term "contributory employers" encompasses private, for-profit employers, and certain public and non-profit employers that have elected contributory status (secs. 4141.01(L)(1) and 4141.25, not in the bill). The report must be filed no later than the last day of the first month following the close of the calendar quarter covered by the report. The contribution report must contain the total and taxable remuneration paid to all employees during the quarter. The report of wages must contain the name and social security number of each individual employed during the calendar quarter, the total remuneration paid the individual, the number of weeks during the quarter for which the individual was paid remuneration, and any other information as required by section 1137 of the Social Security Act. (Sec. 4141.20(B).)

Employers liable for payments in lieu of contributions

Certain non-profit employers and public employers are permitted to become reimbursing employers who make payments to the Unemployment Compensation Fund in lieu of contributions (secs. 4141.01(L)(2), 4141.241, and 4141.242, not in the bill). Unlike a "contributory" employer, an employer who makes "payments in lieu of contributions," is permitted to reimburse the Unemployment Compensation Fund, after the fact, for benefits paid that are chargeable to the employer. Employers who are liable for payments instead of contributions must file a quarterly payroll report and a quarterly wage report with the Director of Job and Family Services. The payroll report must include the total remuneration paid to all employees during the quarter and the total wages that would have been taxable had the employer been subject to contributions. The information required in the wage report is identical to the information required in the wage report of a contributory employer. (Sec. 4141.20(C).)

Employers subject to a forfeiture for failure to file a quarterly report

Under current law, both contributory and reimbursing employers are subject to a forfeiture for the failure to file either of the two reports required of them with all the necessary information within the allowed time period. An employer who fails to file both reports is subject to two forfeitures. For each incomplete report, employers are subject to a forfeiture amounting to 25 one hundredths of one per cent of the total remuneration paid by the employer, provided that the amount is not less than \$30 or more than \$500 per report. The Director may waive the forfeiture only if the employer provides the Director with a written statement showing good cause for failure to file the required quarterly report. (Sec. 4141.20(B) and (C).)

Employers subject to one forfeiture under the bill

Under the bill, effective with the calendar quarter beginning January 1, 2001, the Director is not permitted to assess more than one forfeiture against an employer for failure to file one or both quarterly reports. The amount of the forfeiture is the same as the amount established in current law for the failure to file a single report. As in current law, the Director may waive the forfeiture only if the employer provides a written statement showing good cause for failure to file a report. (Sec. 4141.20(D).)

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	02-01-01	p. 112

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