

PROPOSED AMENDMENT

ES 162 # 3

DIGEST

Conflict resolution. Amends SECTIONS 12, 13, and 17 of the bill to resolve conflicts with SB 214.

- 1 Page 15, delete lines 31 through 42.
- 2 Delete page 16.
- 3 Page 17, delete line 1, begin a new paragraph and insert:
- 4 "SECTION 12. IC 22-4-12-1, AS AMENDED BY P.L.108-2006,
- 5 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 6 JULY 1, 2026]: Sec. 1. **(a)** Benefits designated as unemployment
- 7 insurance benefits shall become payable from the fund to any
- 8 ~~individual~~ **claimant** who is or becomes unemployed and eligible for
- 9 benefits under the terms of this article.
- 10 **(b)** All benefits shall be paid through the department or such other
- 11 agencies as the department by rule may designate at such times and in
- 12 such manner as the department may prescribe.
- 13 **(c) Except as provided in subsection (d), the department may**
- 14 **make direct deposit disbursements with respect to the payment of**
- 15 **benefits to a financial institution account designated by an**
- 16 **individual only if the financial institution:**
- 17 **(1) has a physical branch location in Indiana; or**
- 18 **(2) is designated as an approved depository by the treasurer**
- 19 **of state.**
- 20 **(d) The department may approve a financial institution that**
- 21 **does not qualify under subsection (c)(1) or (c)(2) if the financial**
- 22 **institution is in compliance with IC 22-4-17-7, IC 22-4-17-8, and**
- 23 **IC 22-4-19.**
- 24 **(e)** The department may adopt rules to provide for the payment of
- 25 benefits due and payable on executed vouchers to persons since
- 26 deceased; benefits so due and payable may be paid to the legal
- 27 representative, dependents, or next of kin of the deceased as are found
- 28 to be entitled thereto, which rules need not conform with the laws of

1 the state governing decedent estates, and every such payment shall be
2 deemed a valid payment to the same extent as if made to the legal
3 representative of the deceased.

4 **(f) If there is an executor or administrator of the estate of the**
5 **decedent, payments must be made to the executor or**
6 **administrator. If it is shown to the satisfaction of the department**
7 **that there is no executor, and no administrator has been appointed,**
8 **and in all probability no administrator will be appointed, payment**
9 **may be made to the next of kin, with due regard being given to the**
10 **following order of preference:**

11 **(1) The surviving spouse.**

12 **(2) Children.**

13 **(3) Parents.**

14 **(4) Brothers and sisters.**

15 **(5) Other relatives.**

16 **However, the department is not bound to follow this order of**
17 **preference.**

18 **(g) Whenever there is more than one (1) legal heir in any of the**
19 **classes established in subsection (f), payment may be made to any**
20 **one (1) of that group as agent for the others upon submission of**
21 **proper evidence of authority and identification.**

22 **(h) Application for payment of benefits must be made in writing**
23 **and on the prescribed form within six (6) months after the death of**
24 **the deceased, provided that the department, upon good cause, may**
25 **extend the time for filing.**

26 **(i) In cases where the claimant's benefit eligibility, or**
27 **disqualification, is disputed, the department shall promptly notify**
28 **the claimant and the employer, or employers, directly involved**
29 **with the issue or issues raised, and the determination will set forth**
30 **the right to appeal of the party receiving the adverse**
31 **determination. In the event of the death of the claimant between**
32 **the:**

33 **(1) filing of a valid claim for benefits; and**

34 **(2) issuance of an eligibility determination by the department;**
35 **all notices filed or issued under this section shall be served upon the**
36 **authorized representative of the deceased claimant, as determined**
37 **under subsection (f).**

38 **(j) In the event a hearing is scheduled in an appeal involving a**
39 **deceased claimant, the claimant's authorized representative of the**
40 **estate shall be allowed to participate in the hearing in place of the**

1 **claimant, and the appeal shall proceed as set forth under this**
 2 **section.**

3 SECTION 13. IC 22-4-12-2, AS AMENDED BY P.L.2-2011,
 4 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 2026]: Sec. 2. ~~(a) With respect to initial claims filed for any~~
 6 ~~week beginning on and after July 1, 1997, and before July 1, 2012;~~
 7 ~~each eligible individual who is totally unemployed (as defined in~~
 8 ~~IC 22-4-3-1) in any week in the individual's benefit period shall be paid~~
 9 ~~for the week, if properly claimed, benefits at the rate of:~~

10 ~~(1) five percent (5%) of the first two thousand dollars (\$2,000) of~~
 11 ~~the individual's wage credits in the calendar quarter during the~~
 12 ~~individual's base period in which the wage credits were highest;~~
 13 ~~and~~

14 ~~(2) four percent (4%) of the individual's remaining wage credits~~
 15 ~~in the calendar quarter during the individual's base period in~~
 16 ~~which the wage credits were highest.~~

17 ~~(b) (a) With respect to initial claims filed for any week beginning on~~
 18 ~~and after July 1, 2012; Each eligible individual **claimant** who is totally~~
 19 ~~unemployed (as defined in IC 22-4-3-1) in any week in the individual's~~
 20 ~~**claimant's** benefit period shall be paid for the week, if properly~~
 21 ~~claimed, an amount equal to forty-seven percent (47%) of the~~
 22 ~~individual's **claimant's** prior average weekly wage, rounded (if not~~
 23 ~~already a multiple of one dollar (\$1)) to the next lower dollar.~~
 24 ~~However, the maximum weekly benefit amount may not exceed three~~
 25 ~~hundred ninety dollars (\$390).~~

26 ~~(c) (b) For purposes of this section, "prior average weekly wage"~~
 27 ~~means the result of:~~

28 ~~(1) the individual's **claimant's** total wage credits during the~~
 29 ~~individual's **claimant's** base period; divided by~~

30 ~~(2) fifty-two (52).~~

31 ~~(c) In cases where a claimant is paid the statutory minimum~~
 32 ~~weekly benefit amount established under this section, although the~~
 33 ~~claimant's actual weekly benefit amount computes to less than the~~
 34 ~~statutory minimum, the additional benefits paid shall not increase~~
 35 ~~the claimant's maximum benefit amount.~~

36 ~~(d) If the claimant is partially unemployed, the amount of~~
 37 ~~benefits computed and paid to the claimant will be the difference~~
 38 ~~between the statutory minimum and the claimant's deductible~~
 39 ~~income for a particular week.~~

40 ~~(e) In cases where a claimant's actual computed weekly benefit~~

1 **amount is less than the statutory minimum, and a penalty**
 2 **suspension has been imposed under IC 22-4-15-1 or IC 22-4-15-2,**
 3 **the statutory weekly benefit amount, relating to the lifting of the**
 4 **suspension, refers to the claimant's actual computed weekly benefit**
 5 **amount, not to the statutory minimum."**

6 Page 20, delete lines 33 through 42, begin a new paragraph and
 7 insert:

8 "SECTION 17. IC 22-4-17-2, AS AMENDED BY P.L.200-2025,
 9 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2026]: Sec. 2. (a) When ~~an individual a claimant~~ files an
 11 initial claim, the department shall promptly make a determination of
 12 the ~~individual's claimant's~~ status as an insured worker. A notice of the
 13 determination of insured status shall be furnished to the ~~individual~~
 14 **claimant** promptly. Each determination shall be based on and include
 15 a statement showing the amount of wages paid to the ~~individual~~
 16 **claimant** for insured work by each employer during the ~~individual's~~
 17 **claimant's** base period and shall include a finding as to whether the
 18 wages meet the requirements for the ~~individual claimant~~ to be an
 19 insured worker, and, if so, the week ending date of the first week of the
 20 ~~individual's claimant's~~ benefit period, the ~~individual's claimant's~~
 21 weekly benefit amount, and the maximum amount of benefits that may
 22 be paid to the ~~individual claimant~~ for weeks of unemployment in the
 23 ~~individual's claimant's~~ benefit period. For the ~~individual claimant~~ who
 24 is not insured, the notice shall include the reason for the determination.
 25 The following apply in regard to the determination:

26 (1) Unless the ~~individual, claimant,~~ within fifteen (15) days after
 27 the determination was sent by the department to the ~~individual;~~
 28 **claimant,** asks for a hearing before an administrative law judge,
 29 the determination shall be final and benefits shall be paid or
 30 denied in accordance with the determination. ~~The date listed~~
 31 ~~under date sent on the determination of eligibility is prima facie~~
 32 ~~evidence that the determination was sent to the party on that date.~~

33 (2) If ~~an individual a claimant~~ asks for a wage investigation, the
 34 unemployment insurance tax division shall promptly perform an
 35 investigation to determine whether wages from insured work
 36 should be added or subtracted from the claim. A determination of
 37 the wage investigation shall be furnished to the ~~individual~~
 38 **claimant** promptly upon completion. Unless the ~~individual;~~
 39 **claimant,** within fifteen (15) days after the determination was
 40 sent by the unemployment insurance tax division, requests an

1 appeal to a liability administrative law judge under IC 22-4-32-1,
2 the determination shall be final.

3 (b) The department shall promptly furnish **the claimant's last**
4 **employer prior to filing of a claim and** each employer in the base
5 period whose experience or reimbursable account is potentially
6 chargeable with benefits to be paid to the ~~individual~~ **claimant** with a
7 notice of the employer's benefit liability. The notice shall contain the
8 date, the name and Social Security account number of the ~~individual~~;
9 **claimant**, the ending date of the ~~individual's~~ **claimant's** base period,
10 and the week ending date of the first week of the ~~individual's~~
11 **claimant's** benefit period. The notice shall further contain information
12 as to the proportion of benefits chargeable to the employer's experience
13 or reimbursable account in ratio to the earnings of the ~~individual~~
14 **claimant** from the employer. Unless the employer within fifteen (15)
15 days after the notice of benefit liability was sent by the department to
16 the employer, asks for a hearing before a liability administrative law
17 judge, the determination shall be final and benefits paid shall be
18 charged in accordance with the determination.

19 (c) An employing unit, including an employer, having knowledge
20 of any facts which may affect ~~an individual's~~ **a claimant's** eligibility or
21 right to waiting period credits or benefits, shall notify the department
22 in the form and manner prescribed by the department of those facts
23 within ten (10) days after the claim for benefits was sent by the
24 department.

25 **(d) If the claimant has been separated for any of the following**
26 **reasons, the employer shall notify the department of the separation**
27 **circumstances in the form and manner prescribed by the**
28 **department:**

- 29 **(1) Voluntarily left the employment without good cause in**
30 **connection with the work.**
31 **(2) Was discharged for just cause.**
32 **(3) Was discharged for gross misconduct in connection with**
33 **the claimant's work.**
34 **(4) Left due to the claimant's physical condition.**
35 **(5) Left to accept other employment.**
36 **(6) Left to enter self-employment.**

37 (e) An employer shall notify the department when the following
38 circumstances exist with regard to a separated claimant in the
39 form and manner prescribed by the department:

- 40 **(1) The claimant is entitled to:**

- 1 **(A) vacation pay;**
 2 **(B) payment in lieu of vacation;**
 3 **(C) standby pay; or**
 4 **(D) wages in lieu of notice.**
 5 **(2) The claimant is receiving, or will receive, retirement pay.**
 6 **(3) There are other circumstances, of which the employer is**
 7 **aware, that are potentially disqualifying for claimant benefits.**
 8 ~~(d)~~ **(f)** In addition to the foregoing determination of insured status
 9 by the department, the deputy shall, throughout the benefit period,
 10 determine the claimant's eligibility with respect to each week for which
 11 the claimant claims waiting period credit or benefit rights, the validity
 12 of the claimant's claim, and the cause for which the claimant left the
 13 claimant's work, or may refer the claim to an administrative law judge
 14 who shall make the initial determination in accordance with the
 15 procedure in section 3 of this chapter.
 16 ~~(e)~~ **(g)** In cases where the claimant's benefit eligibility or
 17 disqualification is disputed, the department shall promptly notify the
 18 claimant and the employer or employers directly involved or connected
 19 with the issue raised as to the validity of the claim, the eligibility of the
 20 claimant for waiting period credit or benefits, or the imposition of a
 21 disqualification period or penalty, or the denial of the claim, and of the
 22 cause for which the claimant left the claimant's work, of the
 23 determination and the reasons for the determination.
 24 ~~(f)~~ **(h)** Except as otherwise provided in this section regarding parties
 25 located in Alaska, Hawaii, and Puerto Rico, unless the claimant or the
 26 employer, within fifteen (15) days after the notification required by
 27 subsection ~~(e)~~; **(g)**, was sent by the department to the claimant or the
 28 employer, asks for a hearing before an administrative law judge, the
 29 decision shall be final and benefits shall be paid or denied in
 30 accordance with the decision.
 31 ~~(g)~~ **(i)** For a notice of disputed administrative determination or
 32 decision sent by the department to the claimant or employer either of
 33 whom is located in Alaska, Hawaii, or Puerto Rico, unless the claimant
 34 or employer, within fifteen (15) days after the notification required by
 35 subsection ~~(e)~~ **(g)** was sent to the claimant or employer, asks for a
 36 hearing before an administrative law judge, the decision shall be final
 37 and benefits shall be paid or denied in accordance with the decision.
 38 ~~(h)~~ **(j)** If a claimant or an employer requests a hearing under
 39 subsection ~~(f)~~ or ~~(g)~~; **(h)** or **(i)**, the request shall be filed with the
 40 department within the prescribed periods provided in this section and

1 shall be in the form and manner prescribed by the department. **The**
 2 **party requesting the hearing shall include with its request a copy**
 3 **of the determination being appealed or the identification number**
 4 **of the determination being appealed.** In the event a hearing is
 5 requested by an employer or the department after it has been
 6 administratively determined that benefits should be allowed to a
 7 claimant, entitled benefits shall continue to be paid to the claimant
 8 unless the administrative determination has been reversed by a due
 9 process hearing. Benefits with respect to any week not in dispute shall
 10 be paid promptly regardless of any appeal.

11 ~~(i)~~ **(k)** A person may not participate on behalf of the department in
 12 any case in which the person is an interested party.

13 ~~(j)~~ **(l)** Solely on the ground of obvious administrative error
 14 appearing on the face of an original determination, and within the
 15 benefit year of the affected claims, the commissioner, or a
 16 representative authorized by the commissioner to act in the
 17 commissioner's behalf, may reconsider and direct the deputy to revise
 18 the original determination so as to correct the obvious error. Time for
 19 filing an appeal and requesting a hearing before an administrative law
 20 judge regarding the determinations handed down pursuant to this
 21 subsection shall begin on the date following the date of revision of the
 22 original determination and shall be filed with the commissioner in the
 23 form and manner prescribed by the department within the prescribed
 24 periods provided in subsection (c).

25 ~~(k)~~ **(m)** Notice to the employer and the claimant that the
 26 determination of the department is final if a hearing is not requested
 27 shall be prominently displayed on the notice of the determination
 28 which is sent to the employer and the claimant.

29 ~~(l)~~ **(n)** If an allegation of the applicability of IC 22-4-15-1(c)(8) is
 30 made by the ~~individual~~ **claimant** at the time of the claim for benefits,
 31 the department shall not notify the employer of the claimant's current
 32 address or physical location.

33 ~~(m)~~ **(o)** All ~~individuals~~ **claimants** who have not previously verified
 34 their identity with the department shall, prior to filing a new claim for
 35 unemployment benefits, verify their identity in the form and manner
 36 prescribed by the department.

37 **(p) No claimant will be eligible for a monetary determination of**
 38 **benefits without first providing the department with the claimant's**
 39 **Social Security number.**

40 ~~(n)~~ **(q)** ~~An individual~~ **A claimant** is ineligible for unemployment

1 benefits or extended benefits unless the ~~individual~~ **claimant** has
2 verified the ~~individual's~~ **claimant's** identity in the form and manner
3 prescribed by the department.

4 **(r) Once a valid claim has been filed by a claimant, during the**
5 **benefit period established the claimant cannot cancel, withdraw, or**
6 **change the time of filing of:**

- 7 **(1) the initial claim;**
8 **(2) a reopened claim; or**
9 **(3) an additional claim;**

10 **for any purpose, other than administrative error on the part of**
11 **department staff or to backdate a combined wage claim to the**
12 **effective date of a combined wage claim originally filed in another**
13 **state.**

14 **(s) The date listed under date sent on a determination of**
15 **eligibility issued under this section is prima facie evidence that the**
16 **determination was sent to the party on that date."**

17 Delete pages 21 through 23.

18 Renumber all SECTIONS consecutively.

(Reference is to ESB 162 as printed February 12, 2026.)