

SENATE BILL No. 162

AM016201 has been incorporated into introduced printing.

Synopsis: Department of workforce development.

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2026

IN 162—LS 6648/DI 153



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Introduced

Second Regular Session of the 124th General Assembly (2026)

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 2025 Regular Session of the General Assembly.

SENATE BILL No. 162

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 22-4-2-41, AS ADDED BY P.L.200-2025,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2026]: Sec. 41. (a) Except as provided in subsection (b), as
4 used in this article, "suitable work" means the following **with respect**
5 **to extended benefit claims:**

6 (1) For an individual classified as having good job prospects
7 under IC 22-4-14-6.1, any work which would be considered
8 suitable work for the individual under IC 22-4-15-2(e).

9 (2) For an individual classified as having not good job prospects
10 under IC 22-4-14-6.1, any work which the individual has the
11 physical and mental capacity to perform.

12 (b) The term does not include any work that meets the following
13 conditions:

14 (1) If the gross average weekly remuneration payable to the
15 individual for the position would not exceed the sum of:

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(A) the individual's average weekly benefit amount for the individual's benefit year; plus

(B) the amount (if any) of supplemental unemployment compensation benefits (as defined in Section 501(c)(17)(D) of the Internal Revenue Code) payable to the individual for the week.

(2) If the position was not offered to the individual in writing or was not listed with the department.

(3) If failure to accept the new work would not result in a denial of compensation under the provisions of this article, to the extent that the provisions are not inconsistent with the applicable federal law.

(4) If the position pays less than the higher of:

(A) the minimum wage provided by 29 U.S.C. 206(a)(1) (the Fair Labor Standards Act of 1938), without regard to any exception; or

(B) the state minimum wage (IC 22-2-2).

18 SECTION 2. IC 22-4-4-3, AS AMENDED BY P.L.122-2019,
19 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JULY 1, 2026]: Sec. 3. (a) For calendar quarters beginning on and after
21 July 1, 1997, and before July 1, 1998, "wage credits" means
22 remuneration paid for employment by an employer to an individual and
23 remuneration received as tips or gratuities in accordance with Sections
24 3102 and 3301 et seq. of the Internal Revenue Code. Wage credits may
25 not exceed five thousand four hundred dollars (\$5,400) and may not
26 include payments specified in section 2 of this chapter.

27 (b) For calendar quarters beginning on and after July 1, 1998, and
28 before July 1, 1999, "wage credits" means remuneration paid for
29 employment by an employer to an individual and remuneration
30 received as tips or gratuities in accordance with Sections 3102 and
31 3301 et seq. of the Internal Revenue Code. Wage credits may not
32 exceed five thousand six hundred dollars (\$5,600) and may not include
33 payments that are excluded from the definition of wages under section
34 2 of this chapter.

35 (c) For calendar quarters beginning on and after July 1, 1999, and
36 before July 1, 2000, "wage credits" means remuneration paid for
37 employment by an employer to an individual and remuneration
38 received as tips or gratuities in accordance with Sections 3102 and
39 3301 et seq. of the Internal Revenue Code. Wage credits may not
40 exceed five thousand eight hundred dollars (\$5,800) and may not
41 include payments that are excluded from the definition of wages under

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1 section 2 of this chapter.

2 (d) For calendar quarters beginning on and after July 1, 2000, and
3 before July 1, 2001, "wage credits" means remuneration paid for
4 employment by an employer to an individual and remuneration
5 received as tips or gratuities in accordance with Sections 3102 and
6 3301 et seq. of the Internal Revenue Code. Wage credits may not
7 exceed six thousand seven hundred dollars (\$6,700) and may not
8 include payments that are excluded from the definition of wages under
9 section 2 of this chapter.

10 (e) For calendar quarters beginning on and after July 1, 2001, and
11 before July 1, 2002, "wage credits" means remuneration paid for
12 employment by an employer to an individual and remuneration
13 received as tips or gratuities in accordance with Sections 3102 and
14 3301 et seq. of the Internal Revenue Code. Wage credits may not
15 exceed seven thousand three hundred dollars (\$7,300) and may not
16 include payments that are excluded from the definition of wages under
17 section 2 of this chapter.

18 (f) For calendar quarters beginning on and after July 1, 2002, and
19 before July 1, 2003, "wage credits" means remuneration paid for
20 employment by an employer to an individual and remuneration
21 received as tips or gratuities in accordance with Sections 3102 and
22 3301 et seq. of the Internal Revenue Code. Wage credits may not
23 exceed seven thousand nine hundred dollars (\$7,900) and may not
24 include payments that are excluded from the definition of wages under
25 section 2 of this chapter.

26 (g) For calendar quarters beginning on and after July 1, 2003, and
27 before July 1, 2004, "wage credits" means remuneration paid for
28 employment by an employer to an individual and remuneration
29 received as tips or gratuities in accordance with Sections 3102 and
30 3301 et seq. of the Internal Revenue Code. Wage credits may not
31 exceed eight thousand two hundred sixteen dollars (\$8,216) and may
32 not include payments that are excluded from the definition of wages
33 under section 2 of this chapter.

34 (h) For calendar quarters beginning on and after July 1, 2004, and
35 before July 1, 2005, "wage credits" means remuneration paid for
36 employment by an employer to an individual and remuneration
37 received as tips or gratuities in accordance with Sections 3102 and
38 3301 et seq. of the Internal Revenue Code. Wage credits may not
39 exceed eight thousand seven hundred thirty-three dollars (\$8,733) and
40 may not include payments that are excluded from the definition of
41 wages under section 2 of this chapter.



1 (f) For calendar quarters beginning on and after July 1, 2005, and
 2 before July 1, 2012, "wage credits" means remuneration paid for
 3 employment by an employer to an individual and remuneration
 4 received as tips or gratuities in accordance with Sections 3102 and
 5 3301 et seq. of the Internal Revenue Code. Wage credits may not
 6 exceed nine thousand two hundred fifty dollars (\$9,250) and may not
 7 include payments that are excluded from the definition of wages under
 8 section 2 of this chapter.

9 (f) For calendar quarters beginning on and after July 1, 2012,
 10 "Wage credits" means remuneration paid for employment by an
 11 employer to an individual and remuneration received as tips or
 12 gratuities in accordance with Sections 3102 and 3301 et seq. of the
 13 Internal Revenue Code. Wage credits may not include payments that
 14 are excluded from the definition of wages under section 2 of this
 15 chapter.

16 SECTION 3. IC 22-4-5-1, AS AMENDED BY P.L.85-2023,
 17 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2026]: Sec. 1. (a) "Deductible income" wherever used in this
 19 article, means income deductible from the weekly benefit amount of an
 20 individual in any week, and shall include, but shall not be limited to,
 21 any of the following:

22 (1) Remuneration for services from employing units, whether or
 23 not such remuneration is subject to contribution under this
 24 article, except as provided in subsection (c).

25 (2) Dismissal pay or severance pay, including:

26 (A) money that an employer pays to a dismissed employee
 27 to compensate the employee for income lost due to
 28 unemployment; and

29 (B) remuneration paid to a dismissed employee under a
 30 separation agreement.

31 (3) Vacation pay.

32 (4) Pay for idle time.

33 (5) Sick pay.

34 (6) Traveling expenses granted to an individual by an
 35 employing unit and not fully accounted for by such individual.

36 (7) Net earnings from self-employment.

37 (8) Payments in lieu of compensation for services.

38 (9) Awards by the National Labor Relations Board of
 39 additional pay, back pay, or for loss of employment, or any such
 40 payments made under an agreement entered into by an employer,
 41 a union, and the National Labor Relations Board.



1 ~~(10)~~ **(8)** Payments made to an individual by an employing unit
 2 pursuant to the terms of the Fair Labor Standards Act (Federal
 3 Wage and Hour Law, 29 U.S.C. 201 et seq.).

4 (b) Deductible income shall not include one hundred dollars
 5 (\$100) of remuneration paid or payable to an individual with respect to
 6 any week.

7 (c) For the purpose of deductible income only, remuneration for
 8 services from employing units does not include holiday pay, **sick pay**,
 9 **vacation pay**, bonuses, gifts, or prizes awarded to an employee by an
 10 employing unit.

11 (d) Deductible income does not include a supplemental
 12 unemployment insurance benefit made under a valid negotiated
 13 contract or agreement.

14 (e) Deductible income does not include any payments made to an
 15 individual by a court system under a summons for jury service.

16 SECTION 4. IC 22-4-5-2, AS AMENDED BY P.L.9-2024,
 17 SECTION 439, IS AMENDED TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2026]: Sec. 2. ~~(a) Payments in lieu of a vacation
 19 awarded to an employee by an employing unit shall be considered as
 20 deductible income in and with respect to the week in which the
 21 vacation occurs.~~

22 ~~(b)~~ **(a)** The payment of ~~accrued vacation pay~~, dismissal pay or
 23 severance pay to an individual separated from employment by an
 24 employing unit shall be allocated to the period of time for which such
 25 payment is made immediately following the date of separation, and an
 26 individual receiving such payments shall not be deemed unemployed
 27 with respect to a week during which such allocated deductible income
 28 equals or exceeds the weekly benefit amount of the individual's claim.

29 ~~(c)~~ **(b)** Pay for:

30 (1) idle time;
 31 ~~(2)~~ **sick pay**;

32 ~~(3)~~ **(2)** traveling expenses granted to an individual by an
 33 employing unit and not fully accounted for by such individual;
 34 ~~(4)~~ **(3)** earnings from self-employment;

35 ~~(5)~~ **(4)** awards by the National Labor Relations Board of
 36 additional pay, back pay, or for loss of employment;

37 ~~(6)~~ **(5)** payments made under an agreement entered into by an
 38 employer, a union, and the National Labor Relations Board; or

39 ~~(7)~~ **(6)** payments to an employee by an employing unit made
 40 pursuant to the terms and provisions of the Fair Labor Standards
 41 Act;



1 shall be deemed to constitute deductible income with respect to the
 2 week or weeks for which such payments are made. However, if
 3 payments made under subdivision (5) (4) or (6) (5) are not, by the
 4 terms of the order or agreement under which the payments are made,
 5 allocated to any designated week or weeks, then, and in such cases,
 6 such payments shall be considered as deductible income in and with
 7 respect to the week in which the same is actually paid.

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

11 SECTION 5. IC 22-4-5-3, AS AMENDED BY P.L.122-2019,
 12 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2026]: Sec. 3. (a) This section applies for purposes of
 14 deductible income only.

15 (b) If:

16 (1) an employee and an employing unit have agreed in a labor
 17 contract that is negotiated on or before May 10, 1987, and any
 18 renewals of the contract, to establish a work week that is a
 19 different term of seven (7) days than the calendar week;

20 (2) the employing unit has filed a written notice with the
 21 department in the form and manner prescribed by the department
 22 stating that a work week other than the calendar week has been
 23 established under the labor contract between the employing unit
 24 and its employees; and

25 (3) the notice has been filed with the department before an
 26 employee working on the contractual work week files a claim for
 27 unemployment compensation benefits;

28 the work week specified in the contract may be used for purposes of
 29 this chapter.

30 SECTION 6. IC 22-4-7-1, AS AMENDED BY P.L.171-2016,
 31 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2026]: Sec. 1. (a) Before January 1, 2015, "employer" means:

33 (1) any employing unit which for some portion of a day, but not
 34 necessarily simultaneously, in each of twenty (20) different
 35 weeks, whether or not such weeks are or were consecutive within
 36 either the current or the preceding year, has or had in
 37 employment, and/or has incurred liability for wages payable to,
 38 one (1) or more individuals (irrespective of whether the same
 39 individual or individuals are or were employed in each such
 40 day); or

41 (2) any employing unit which in any calendar quarter in either



1 the current or preceding calendar year paid for service in
 2 employment wages of one thousand five hundred dollars
 3 (\$1,500) or more, except as provided in section 2(e), 2(h), and
 4 2(i) of this chapter.

5 **(b) (a)** After December 31, 2014, "Employer" means either of the
 6 following:

7 (1) An employing unit that has incurred liability for wages
 8 payable to one (1) or more individuals.

9 (2) An employing unit that in any calendar quarter during the
 10 current or preceding calendar year paid for service in
 11 employment wages of one dollar (\$1) or more, except as
 12 provided in section 2(e), 2(h), and 2(i) of this chapter.

13 **(c) (b)** For the purpose of this definition, if any week includes both
 14 December 31, and January 1, the days up to January 1 shall be deemed
 15 one (1) calendar week and the days beginning January 1 another such
 16 week.

17 **(d) (c)** For purposes of this section, "employment" shall include
 18 services which would constitute employment but for the fact that such
 19 services are deemed to be performed entirely within another state
 20 pursuant to an election under an arrangement entered into by the
 21 department (pursuant to IC 22-4-22) and an agency charged with the
 22 administration of any other state or federal unemployment
 23 compensation law.

24 SECTION 7. IC 22-4-8-2, AS AMENDED BY P.L.200-2025,
 25 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2026]: Sec. 2. The term "employment" shall include:

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

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

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

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

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



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

15 (1) the service is performed entirely within such state; or
16 (2) the service is performed both within and without such state,
17 but the service performed without such state is incidental to the
18 individual's service within the state, such as is temporary or
19 transitory in nature or consists of isolated transactions.

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

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

35 (i) The following:

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

41 (2) Service performed after December 31, 1977, by an individual



1 in the employ of this state or a political subdivision of the state
2 or any instrumentality of the state or a political subdivision, or
3 any instrumentality which is wholly owned by the state and one
4 (1) or more other states or political subdivisions, if the service is
5 excluded from "employment" as defined in Section 3306(c)(7)
6 of the Federal Unemployment Tax Act (26 U.S.C. 3306(c)(7)).
7 However, service performed after December 31, 1977, as the
8 following is excluded:

- (A) An elected official.
- (B) A member of a legislative body or of the judiciary of a state or political subdivision.
- (C) A member of the state national guard or air national guard.
- (D) An employee serving on a temporary basis in the case of fire, snow, storm, earthquake, flood, or similar emergency.
- (E) An individual in a position which, under the laws of the state, is designated as:
 - (i) a major nontenured policymaking or advisory position; or
 - (ii) a policymaking or advisory position the performance of the duties of which ordinarily does not require more than eight (8) hours per week.

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

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

- (1) The service is excluded from "employment" as defined in the Federal Unemployment Tax Act solely by reason of Section 3306(c)(8) of that act (26 U.S.C. 3306(c)(8)).
- (2) The organization had four (4) or more individuals in employment ~~within the state of Indiana~~, for some portion of a day in each of twenty (20) different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time.

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3 (A) In the employ of:

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

5 or

6 (ii) an organization which is operated primarily for
7 religious purposes and which is operated, supervised,
8 controlled, or principally supported by a church or
9 convention or association of churches.

10 (B) By a duly ordained, commissioned, or licensed minister
11 of a church in the exercise of his ministry or by a member
12 of a religious order in the exercise of duties required by
13 such order.

14 (C) Before January 1, 1978, in the employ of a school which
15 is not an eligible postsecondary educational institution.

16 (D) In a facility conducted for the purpose of carrying out a
17 program of rehabilitation for individuals whose earning
18 capacity is impaired by age or physical or mental deficiency
19 or injury or providing remunerative work for individuals
20 who because of their impaired physical or mental capacity
21 cannot be readily absorbed in the competitive labor market
22 by an individual receiving such rehabilitation or
23 remunerative work.

24 (E) As part of an unemployment work relief or work
25 training program assisted or financed in whole or in part by
26 any federal agency or an agency of a state or political
27 subdivision thereof, by an individual receiving such work
28 relief or work training.

29 (k) The service of an individual who is a citizen of the United
30 States, performed outside the United States (except in Canada), after
31 December 31, 1971, in the employ of an American employer (other
32 than service which is deemed "employment" under the provisions of
33 subsection (a), (b), or (e) or the parallel provisions of another state's
34 law), if the following apply:

35 (1) The employer's principal place of business in the United
36 States is located in this state.

37 (2) The employer has no place of business in the United States,
38 but the employer is:

39 (A) an individual who is a resident of this state;

40 (B) a corporation which is organized under the laws of this
41 state;



(C) a partnership, limited liability partnership, or a trust and the number of the partners or trustees who are residents of this state is greater than the number who are residents of any one (1) other state; or

(D) an association, a joint venture, an estate, a limited liability company, a joint stock company, or an insurance company (referred to as an "entity" in this clause), and either:

(i) the entity is organized under the laws of this state;

or

(ii) the number of owners, members, or beneficiaries who are residents of this state is greater than the number who are residents of any one (1) other state.

(3) None of the criteria of subdivisions (1) and (2) is met but the employer has elected coverage in this state or, the employer having failed to elect coverage in any state, the individual has filed a claim for benefits, based on such service, under the law of this state.

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

- (A) an individual who is a resident of the United States;
- (B) a partnership or limited liability partnership, if two-thirds (2/3) or more of the partners are residents of the United States;
- (C) a trust, if all of the trustees are residents of the United States; or
- (D) a corporation, an association, a joint venture, an estate, a limited liability company, a joint stock company, or an insurance company organized or established under the laws of the United States or of any state.

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

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

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

(B) for some portion of a day in each of twenty (20) different calendar weeks, whether or not the weeks were consecutive, in either the current or the preceding calendar



year, employed in agricultural labor ten (10) or more individuals, regardless of whether they were employed at the same time.

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

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

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

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

(A) the other person and not the crew leader shall be treated as the employer of the individual; and

(B) the other person shall be treated as having paid cash remuneration to the individual in an amount equal to the amount of cash remuneration paid to the individual by the crew leader (either on the individual's own behalf or on behalf of the other person) for the service in agricultural labor performed for the other person.

(4) For the purposes of this subsection, the term "crew leader" means an individual who:

(A) furnishes individuals to perform service in agricultural labor for any other person;

(B) pays (either on the individual's own behalf or on behalf of the other person) the agricultural laborers furnished by the individual for the service in agricultural labor performed by them; and

(C) has not entered into a written agreement with the other person under which the individual is designated as an employee of the other person.

39 (m) The term "employment" includes domestic service after
40 December 31, 1977, in a private home, local college club, or local
41 chapter of a college fraternity or sorority performed for a person who

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1 paid cash remuneration of one thousand dollars (\$1,000) or more after
 2 December 31, 1977, in the current calendar year or the preceding
 3 calendar year to individuals employed in the domestic service in any
 4 calendar quarter.

5 SECTION 8. IC 22-4-10-3, AS AMENDED BY P.L.2-2011,
 6 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2026]: Sec. 3. (a) ~~This subsection applies before January 1,~~
 8 ~~2011. Except as provided in section 1(b) through 1(e) of this chapter,~~
 9 ~~each employer shall pay contributions equal to five and six-tenths~~
 10 ~~percent (5.6%) of wages, except as otherwise provided in IC 22-4-11-2,~~
 11 ~~IC 22-4-11-3, IC 22-4-11.5, and IC 22-4-37-3.~~

12 (b) ~~This subsection applies after December 31, 2010. Except as~~
 13 ~~provided in section 1(b) through 1(e) of this chapter and IC 22-4-37-3,~~
 14 ~~each employer shall pay contributions equal to the amount determined~~
 15 ~~or estimated by the department under section 6 of this chapter,~~
 16 ~~IC 22-4-11-2, IC 22-4-11-3.5, and IC 22-4-11.5.~~

17 SECTION 9. IC 22-4-11-0.1, AS ADDED BY P.L.220-2011,
 18 SECTION 364, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JULY 1, 2026]: Sec. 0.1. The amendments made to
 20 section 1 of this chapter by P.L.172-1991 apply to individuals who file
 21 a disaster unemployment **assistance** claim or a state unemployment
 22 insurance claim after June 1, 1990, and before June 2, 1991, or during
 23 a period to be determined by the general assembly.

24 SECTION 10. IC 22-4-11-2, AS AMENDED BY P.L.200-2025,
 25 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2026]: Sec. 2. (a) Except as provided in IC 22-4-10-6 and
 27 IC 22-4-11.5, the department shall for each year determine the
 28 contribution rate applicable to each employer.

29 (b) The balance shall include contributions with respect to the
 30 period ending on the computation date and actually paid on or before
 31 July 31 immediately following the computation date and benefits
 32 actually paid on or before the computation date and shall also include
 33 any voluntary payments made in accordance with IC 22-4-10-5 or
 34 IC 22-4-10-5.5 (repealed):

35 (1) for each calendar year, an employer's rate shall be determined
 36 in accordance with the rate schedules in section 3.3 or 3.5 of this
 37 chapter; and

38 (2) for each calendar year, an employer's rate shall be two and
 39 five-tenths percent (2.5%), except as otherwise provided in
 40 subsection (g) or IC 22-4-37-3, unless:

41 (A) the employer has been subject to this article throughout



the thirty-six (36) consecutive calendar months immediately preceding the computation date; **and**

(B) there has been some annual payroll in each of the three (3) twelve (12) month periods immediately preceding the computation date. and

(C) the employer has properly filed all required contribution and wage reports, and all contributions, penalties, and interest due and owing by the employer or the employer's predecessors have been paid.

10 (c) In addition to the conditions and requirements set forth and
11 provided in subsection (b)(2)(A) **and** (b)(2)(B), **and** (b)(2)(C), an
12 employer's rate is equal to the sum of the employer's contribution rate
13 determined or estimated by the department under this article plus two
14 percent (2%) unless all required contributions and wage reports have
15 been filed within thirty-one (31) days following the computation date
16 and all contributions, penalties, and interest due and owing by the
17 employer or the employer's predecessor for periods before and
18 including the computation date have been paid:

(1) within thirty-one (31) days following the computation date;
or

(2) within ten (10) days after the department has given the employer a written notice by mail of:

(A) the delinquency; or

(B) failure to file the reports;

25 whichever is the later date. The department or the department's
26 designee may waive the imposition of rates under this subsection if the
27 department finds the employer's failure to meet the deadlines was for
28 excusable cause. The department shall give written notice to the
29 employer before this additional condition or requirement shall apply.
30 An employer's rate under this subsection may not exceed twelve
31 percent (12%).

38 calendar months immediately preceding the computation date.
39 (e) On the computation date every employer who had taxable
40 wages in the previous calendar year shall have the employer's
41 experience account charged with the amount determined under the

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1 following formula:

2 STEP ONE: Divide:

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

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

6 STEP TWO: Subtract:

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



1 wage reports, and all contributions, penalties, and interest due
 2 and owing by the employer or the employer's predecessors have
 3 been paid.

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

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

9 However, if electronic mail is used and the department does not receive
 10 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 11. IC 22-4-12-0.1, AS ADDED BY P.L.220-2011,
 14 SECTION 365, IS AMENDED TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2026]: Sec. 0.1. The amendments made to
 16 section 4 of this chapter by P.L.172-1991 apply to individuals who file
 17 a disaster unemployment **assistance** claim or a state unemployment
 18 insurance claim after June 1, 1990, and before June 2, 1991, or during
 19 a period to be determined by the general assembly.

20 SECTION 12. IC 22-4-12-1, AS AMENDED BY P.L.108-2006,
 21 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2026]: Sec. 1. **(a)** Benefits designated as unemployment
 23 insurance benefits shall become payable from the fund to any
 24 individual who is or becomes unemployed and eligible for benefits
 25 under the terms of this article.

26 **(b)** All benefits shall be paid through the department or such other
 27 agencies as the department by rule may designate at such times and in
 28 such manner as the department may prescribe.

29 **(c) The department may make direct deposit disbursements**
 30 **with respect to the payment of benefits to a financial institution**
 31 **account designated by an individual only if the financial**
 32 **institution:**

33 **(1) has a physical branch location in Indiana; or**
 34 **(2) is designated as an approved depository by the treasurer**
 35 **of state.**

36 **(d)** The department may adopt rules to provide for the payment of
 37 benefits due and payable on executed vouchers to persons since
 38 deceased. Benefits so due and payable may be paid to the legal
 39 representative, dependents, or next of kin of the deceased as are found
 40 to be entitled thereto, which rules need not conform with the laws of
 41 the state governing decedent estates, and every such payment shall be



1 deemed a valid payment to the same extent as if made to the legal
 2 representative of the deceased.

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

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

27 (1) the individual's total wage credits during the individual's base
 28 period; divided by
 29 (2) fifty-two (52).

30 SECTION 14. IC 22-4-12-4, AS AMENDED BY P.L.200-2025,
 31 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2026]: Sec. 4. (a) Benefits shall be computed upon the basis
 33 of wage credits of an individual in the individual's base period. Wage
 34 credits shall be reported by the employer and credited to the individual
 35 in the manner prescribed by the department. With respect to initial
 36 claims filed for any week beginning on and after July 7, 1991, the
 37 maximum total amount of benefits payable to any eligible individual
 38 during any benefit period shall not exceed twenty-six (26) times the
 39 individual's weekly benefit, or twenty-eight percent (28%) of the
 40 individual's wage credits with respect to the individual's base period,
 41 whichever is less. If such maximum total amount of benefits is not a



1 multiple of one dollar (\$1), it shall be computed to the next lower
 2 multiple of one dollar (\$1).

3 (b) Except as provided in subsection (d), the total extended benefit
 4 amount payable to any eligible individual with respect to the
 5 individual's applicable benefit period shall be fifty percent (50%) of the
 6 total amount of regular benefits (~~including dependents' allowances~~)
 7 which were payable to the individual under this article in the applicable
 8 benefit year, or thirteen (13) times the weekly benefit amount
 9 (~~including dependents' allowances~~) which was payable to the individual
 10 under this article for a week of total unemployment in the applicable
 11 benefit year, whichever is the lesser amount.

12 (c) This subsection applies to individuals who file a disaster
 13 unemployment **assistance** claim. ~~or a state unemployment insurance~~
 14 claim after June 1, 1990, and before June 2, 1991; or during another
 15 time specified in another state statute. An individual is entitled to ~~may~~
 16 be eligible for thirteen (13) weeks of additional benefits as originally
 17 determined, if:

18 (1) the individual has established:

19 (A) a disaster unemployment **assistance** claim under the
 20 Stafford Disaster Relief and Emergency Assistance Act; or
 21 (B) a state unemployment insurance claim as a direct result
 22 of a major disaster;

23 (2) all regular benefits and all disaster unemployment assistance
 24 benefits:

25 (A) have been exhausted by the individual; or
 26 (B) are no longer payable to the individual due to the
 27 expiration of the disaster assistance period; and

28 (3) the individual remains unemployed as a direct result of the
 29 disaster.

30 (d) For purposes of this subsection, "high unemployment period"
 31 means a period during which an extended benefit period would be in
 32 effect if IC 22-4-14-6.9(d)(1) were applied by substituting "eight
 33 percent (8%)" for "six and five-tenths percent (6.5%)". Effective with
 34 respect to weeks beginning in a high unemployment period, the total
 35 extended benefit amount payable to an eligible individual with respect
 36 to the applicable benefit year is equal to the least of the following
 37 amounts:

38 (1) Eighty percent (80%) of the total amount of regular benefits
 39 that were payable to the eligible individual under this article in
 40 the applicable benefit year.

41 (2) Twenty (20) times the weekly benefit amount that was



1 payable to the eligible individual under this article for a week of
 2 total unemployment in the applicable benefit year.

3 (3) Forty-six (46) times the weekly benefit amount that was
 4 payable to the eligible individual under this article for a week of
 5 total unemployment in the applicable benefit year, reduced by
 6 the regular unemployment compensation benefits paid (or
 7 deemed paid) during the benefit year.

8 This subsection expires on the later of December 5, 2009, or the week
 9 ending four (4) weeks before the last week for which federal sharing is
 10 authorized by Section 2005(a) of Division B, Title II (the federal
 11 Assistance to Unemployed Workers and Struggling Families Act) of
 12 the federal American Recovery and Reinvestment Act of 2009 (P.L.
 13 111-5).

14 (e) For purposes of this subsection, "high unemployment period"
 15 means a period during which an extended benefit period would be in
 16 effect if IC 22-4-14-6.9(h)(1) were applied by substituting "eight
 17 percent (8%)" for "six and one-half percent (6.5%)". Effective with
 18 respect to weeks of unemployment beginning after March 1, 2011, and
 19 ending on the later of December 10, 2011, or the week ending four (4)
 20 weeks before the last week for which federal sharing is authorized by
 21 Section 2005(a) of Division B, Title II (the federal Assistance to
 22 Unemployed and Struggling Families Act) of the federal American
 23 Recovery and Reinvestment Act of 2009 (P.L. 111-5), in a high
 24 unemployment period, the total extended benefit amount payable to an
 25 eligible individual with respect to the applicable benefit year is equal
 26 to the lesser of the following amounts:

27 (1) Eighty percent (80%) of the total amount of regular benefits
 28 that were payable to the eligible individual under this article in
 29 the applicable benefit year.

30 (2) Twenty (20) times the weekly benefit amount that was
 31 payable to the eligible individual under this article for a week of
 32 total unemployment in the applicable benefit year.

33 SECTION 15. IC 22-4-14-1, AS AMENDED BY P.L.2-2011,
 34 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2026]: Sec. 1. (a) Except as provided in IC 22-4-5-1 or
 36 subsection (b), or (e); an unemployed individual shall be eligible to
 37 receive benefits with respect to any week only if the individual has
 38 made a claim for benefits in accordance with IC 22-4-17.

39 (b) A person who:

40 (1) accepts a layoff under an inverse seniority clause of a validly
 41 negotiated contract; and



3 is entitled to receive benefits in the same amounts, under the same
4 terms, and subject to the same conditions as any other unemployed
5 person.

12 (1) accepts an offer of payment or other compensation offered by
13 an employer to avert or lessen the effect of a layoff or plant
14 closure; and

17 is entitled to receive benefits in the same amounts, under the same
18 terms, and subject to the same conditions as any other unemployed
19 person:

20 SECTION 16. IC 22-4-14-5, AS AMENDED BY P.L.183-2015,
21 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JULY 1, 2026]: Sec. 5. (a) As further conditions precedent to the
23 payment of benefits to an individual with respect to benefit periods
24 established on and after July 1, 1995, but before January 1, 2010:

(†) the individual must have established, after the last day of the individual's last base period, if any, wage credits (as defined in IE 22-4-4-3 and within the meaning of IE 22-4-22-3) equal to at least one and one-quarter (1.25) times the wages paid to the individual in the calendar quarter in which the individual's wages were highest; and

31 (2) the individual must have established wage credits in the last
32 two (2) calendar quarters of the individual's base period in a total
33 amount of not less than one thousand six hundred fifty dollars
34 (\$1,650) and an aggregate in the four (4) calendar quarters of the
35 individual's base period of not less than two thousand seven
36 hundred fifty dollars (\$2,750).

37 (b) As a further condition precedent to the payment of benefits to
38 an individual with respect to a benefit year established on and after July
39 1, 1995, An insured worker may not receive benefits in a benefit year
40 unless:

41 (1) after the beginning of the immediately preceding benefit year

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1 during which the individual received benefits, the individual:
2 (+) (A) performed insured work;
3 (2) (B) earned remuneration in employment in at least each
4 of eight (8) weeks; and
5 (3) (C) earned remuneration equal to or exceeding the
6 product of the individual's weekly benefit amount
7 multiplied by eight (8);

(†) (2) the individual must have **has** established, after the last day of the individual's last base period, if any, wage credits (as defined in IC 22-4-4-3 and within the meaning of wages under IC 22-4-22-3) equal to at least one and five-tenths (1.5) times the wages paid to the individual in the calendar quarter in which the individual's wages were highest; and

23 SECTION 17. IC 22-4-17-2, AS AMENDED BY P.L.200-2025,
24 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25 JULY 1, 2026]: Sec. 2. (a) When an individual files an initial claim, the
26 department shall promptly make a determination of the individual's
27 status as an insured worker. A notice of the determination of insured
28 status shall be furnished to the individual promptly. Each determination
29 shall be based on and include a statement showing the amount of wages
30 paid to the individual for insured work by each employer during the
31 individual's base period and shall include a finding as to whether the
32 wages meet the requirements for the individual to be an insured
33 worker, and, if so, the week ending date of the first week of the
34 individual's benefit period, the individual's weekly benefit amount, and
35 the maximum amount of benefits that may be paid to the individual for
36 weeks of unemployment in the individual's benefit period. For the
37 individual who is not insured, the notice shall include the reason for the
38 determination. The following apply in regard to the determination:

39 (1) Unless the individual, within fifteen (15) days after the
40 determination was sent by the department to the individual, asks
41 for a hearing before an administrative law judge, the

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1 determination shall be final and benefits shall be paid or denied
 2 in accordance with the determination. ~~The date listed under date~~
 3 ~~sent on the determination of eligibility is prima facie evidence~~
 4 ~~that the determination was sent to the party on that date.~~

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

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

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

34 (d) In addition to the foregoing determination of insured status by
 35 the department, the deputy shall, throughout the benefit period,
 36 determine the claimant's eligibility with respect to each week for which
 37 the claimant claims waiting period credit or benefit rights, the validity
 38 of the claimant's claim, and the cause for which the claimant left the
 39 claimant's work, or may refer the claim to an administrative law judge
 40 who shall make the initial determination in accordance with the
 41 procedure in section 3 of this chapter.

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



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

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

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

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

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

21 (o) **The date listed under date sent on a determination of
22 eligibility issued under this section is prima facie evidence that the
23 determination was sent to the party on that date.**

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