

Regular Session, 2014

SENATE BILL NO. 594

BY SENATOR CROWE

UNEMPLOYMENT COMP. Prohibits an employer benefit account being relieved from payment when the employer failed to timely respond to request for information. (See Act)

1 AN ACT

2 To amend and reenact R.S. 23:1625.1(A)and (B) and to enact R.S. 23:1553.1, relative to  
3 unemployment compensation; to provide for the determination of claims; to provide  
4 for payment of benefits; to provide for prohibitions for noncharging under certain  
5 circumstances; to provide for definitions; to provide for retroactive effect; and to  
6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 23:1625.1(A) and (B) is hereby amended and reenacted and R.S.  
9 23:1553.1 is hereby enacted to read as follows:

10 **§1553.1. Prohibitions of noncharging due to employer fault**

11 **A. As used in this Section, the following words, terms and phrases shall**  
12 **have the meaning ascribed to them in this Section:**

13 **(1) "Employer's reserve account" means that account which contains**  
14 **the employer's reserve as provided for in R.S. 23:1536(D)(1).**

15 **(2) "Reimbursable employer's account" means that accounting method**  
16 **provided for in R.S. 23:1552(A).**

17 **B. Notwithstanding the provisions of R.S. 23:1601, no contributing**

1 employer's reserve account or reimbursable employer's account shall be  
 2 relieved of any charges for benefits relating to an improper benefit payment to  
 3 a claimant established after October 21, 2013, if the improper benefit payment  
 4 was made because the employer, or an agent of the employer, was at fault for  
 5 failing to respond timely or adequately to the request of the administrator for  
 6 information relating to a claim for benefits.

7 C. Any determination under this Section shall be transmitted to the last  
 8 known physical or electronic address provided by the employer and may be  
 9 appealed in accordance with the provisions of R.S. 23:1629 et seq.

10 D. The provisions of this Section shall be given retroactive effect to  
 11 October 21, 2013.

12 \* \* \*

13 §1625.1. Prompt determination of claims; duty of employers

14 A. In making determinations of claims, the administrator shall require that  
 15 information necessary for the prompt determination of claims be sought from each  
 16 employer. Employers shall **adequately and** timely provide wage, employment, and  
 17 separation information, and shall complete all forms and reports ~~as requested~~ **needed**  
 18 by the administrator or his designee **to make a proper determination.**

19 (1) A response to such requests shall be timely if it is received within ten  
 20 days from the date of mailing **the time specified in the notice.**

21 (2) A response shall be adequate if it provides sufficient facts to enable  
 22 the agency to make the correct determination. A response shall not be  
 23 considered inadequate if the agency failed to ask for all necessary information.

24 B.(1) If an employer fails to provide information in a **an adequate or** timely  
 25 manner without good cause, the employer shall be deemed to have abandoned its  
 26 appeal rights as provided for in R.S. 23:1629 through 1634, and a determination to  
 27 that effect shall be issued. Any appeal filed by such an employer, other than with  
 28 regard to the timeliness **or adequacy** of fulfilling its obligations in Subsection A of  
 29 this Section, shall be dismissed, and such employer shall be liable for any resulting

1 benefits paid, except as provided in Subsection C of this Section. **If the employer's**  
 2 **failure to adequately or timely respond results in an improper benefit payment,**  
 3 **the employer shall also be subject to the provisions of R.S. 23:1553.1.**

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Carla S. Roberts.

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#### DIGEST

Crowe (SB 594)

Present law provides that a former employee can be disqualified for unemployment benefits under certain circumstances.

Present law provides that when a former employee is disqualified from receiving unemployment benefits, the employer's experience rating account shall not be charged under certain circumstances so long as the employer timely filed notice.

Present law provides that in making determinations of unemployment claims, the administrator shall require that information necessary for the prompt determination of claims be sought from each employer. Present law provides that a response to such requests shall be timely if it is received within 10 days of mailing

Proposed law changes the time in which to respond to the notice from 10 days from the date of mailing to the time specified in the notice.

Present law provides that the employer must complete all forms and reports that are requested by the administrator of the office of workers' compensation.

Proposed law changes the requirement that forms be completed by employers from "as requested" to "as needed".

Proposed law retains present law but provides that a response is adequate if it provides sufficient facts to enable the agency to make the correct determination.

Proposed law provides that a response may not be considered inadequate if the agency failed to ask for all necessary information.

Proposed law provides that no contributing employer's reserve account or reimbursable employer's account shall be relieved of any charges for benefits relating to an improper benefit payment to a claimant established after October 21, 2013, if the improper benefit payment was made because the employer, or an agent of the employer, was at fault for failing to respond timely or adequately to the request of the administrator for information relating to a claim for benefits.

Proposed law provides the following definitions:

- (1) "Employer's reserve account" means that employer's account which contains the amounts of money held in reserve to pay unemployment benefit claims to covered individuals who were employed by the employer.
- (2) "Reimbursable employer's account" means that accounting method used by the unemployment administrator to invoice the state, its political subdivisions, nonprofit organizations, and Indian tribes or tribal units for unemployment benefits paid to

covered individuals who were employed by such entities.

Effective retroactively to October 21, 2013.

(Amends R.S. 23:1625.1(A) and (B); adds R.S. 23:1553.1)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Labor and Industrial Relations to the original bill

1. Changes the time in which to respond to the notice from 10 days from the date of mailing to the time specified in the notice.
2. Changes the requirement that forms be completed by employers from "as requested" to "as needed".