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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO LABOR AND LABOR RELATIONS - EMPLOYMENT SECURITY-
CONTRIBUTIONS

Introduced By: Representatives Williams, Almeida, Guthrie, Blazejewski, and Ajello

Date Introduced: February 27, 2013

Referred To: House Labor

(Labor & Training)

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 28-43-3 and 28-43-30 of the General Laws in Chapter 28-43
2 entitled "Employment Security - Contributions" are hereby amended to read as follows:

3 **28-43-3. Employer's accounts -- Credits and charges. --** Subsequent to the
4 establishment of a separate employer's account for each employer subject to chapters 42 -- 44 of
5 this title as set forth in section 28-43-1(4), the credits and charges to each employer's account,
6 exclusive of the state of Rhode Island, its political subdivisions, and their instrumentalities, shall
7 be determined as follows:

8 (1) Credits to each employer's account:

9 (i) After the September 30, 1958 computation date all contributions required under
10 section 28-43-8 and paid by each employer.

11 (ii) All surcharges required and paid under section 28-43-4.

12 (2) Charges to each employer's account:

13 (i) Refunds of overpayments under section 28-43-13, as of the date refunded;

14 (ii) For benefit years beginning subsequent to September 30, 1993, an amount equal to
15 the benefits provided in sections 28-44-6(a) and (b), 28-44-7, and 28-44-8, and paid to each
16 individual with respect to a benefit year, as of the date paid. Those benefits shall be charged to the
17 account of the most recent base period employer, as defined in section 28-43-1(7); provided, that
18 if a claimant works for two (2) or more employers concurrently, either full-time or part-time, and

1 becomes unemployed on the same day from more than one employer, any benefits paid as a result
2 of the unemployment shall be charged to the employers' accounts proportionately based upon the
3 ratio of base period wages paid by each employer to the total base period wages paid by the
4 concurrent employers from whom the claimant became separated from employment. No charge
5 for benefits paid under section 28-44-7 shall be made against the account of any employer who
6 shows to the satisfaction of the director that he or she has continued to employ the individual
7 during the weeks of his or her claim to the same extent that he or she had employed him or her
8 during that individual's base period, and those benefits, if not chargeable to the most recent base
9 period employer, shall be charged to the balancing account.

10 (iii) If any base period employer, whether or not he or she was the most recent, shows to
11 the satisfaction of the director that the individual who is in receipt of benefits became separated
12 from his or her last employment with that employer for reasons which did result or would have
13 resulted in a disqualification under section 28-44-17 or 28-44-18 had that base period employer
14 been his or her most recent, those benefits shall be charged to the balancing account.

15 (iv) The entire amount charged to the employer's account under section 28-43-9 relating
16 to the balancing rate.

17 (v) Whenever the provisions in this section specify that an employer's account shall not
18 be charged, that non-charging shall be limited to benefits paid based on service with an employer
19 required to pay contributions under the provisions of chapters 42 -- 44 of this title.

20 (vi) An amount equal to the benefits provided in section 28-44-62 and paid to each
21 individual with respect to a benefit year as of the date paid minus the proportionate share of those
22 benefits for which the state has been or will be reimbursed by the federal government. The federal
23 share of any payments shall be charged to the balancing account and federal reimbursements shall
24 be credited to the balancing account.

25 (vii) Whenever any benefits are paid for benefit years beginning subsequent to July 7,
26 1996 to an individual unemployed as a result of physical damage to the real property at the
27 employer's usual place of business caused by severe weather conditions, including, but not
28 limited to, hurricanes, snowstorms, ice storms or flooding, or fire except where caused by the
29 employer, those benefits shall be charged to the balancing account.

30 (viii) An employer's account shall not be relieved of charges relating to any benefits
31 payments made if the director establishes on or after October 1, 2013 that the payment was made
32 because the employer, or an agent of the employer, was at fault for failing to respond timely or
33 adequately to the request of the department for information relating to the claim for
34 unemployment benefits that was subsequently overpaid.

1 **28-43-30. Reimbursement payments -- Nonprofit organizations and governmental**
2 **entities.** -- (a) At the end of each month, the director shall bill each nonprofit organization or
3 group of those organizations or governmental entity which has elected to make payment in lieu of
4 contributions, for an amount equal to the full amount of regular benefits, plus the full amount of
5 extended benefits paid during that month, less any federal payments to the state under section 204
6 of the Federal-State Extended Unemployment Compensation Act of 1970, that is attributable to
7 service in the employ of that organization or entity; provided, that for weeks of unemployment
8 beginning on or after January 1, 1979, those governmental entities shall be responsible for
9 reimbursing the employment security fund for the full amount of extended benefits paid that is
10 attributable to service in the employ of those entities. Each nonprofit organization or group of
11 those organizations or governmental entity which has elected to make payment in lieu of
12 contributions, shall also be liable to reimburse the employment security fund for any benefits
13 payments made if the director establishes on or after October 1, 2013 that the payment was made
14 because the employer, or an agent of the employer, was at fault for failing to respond timely or
15 adequately to the request of the department for information relating to the claim for
16 unemployment benefits that was subsequently overpaid.

17 (b) The amount computed for the state shall be reported monthly to the general treasurer
18 and shall then be paid from the general fund of the state upon approval thereof in accordance with
19 the law in effect, except that to the extent that benefits are paid by the state from special
20 administrative funds, the payment by the state into the employment security fund shall be made
21 from special funds.

22 (c) The amount so computed for political subdivisions, instrumentalities, and all other
23 governmental entities shall be reported monthly to the financial authorities who shall pay the
24 required amount into the employment security fund in accordance with regulations as prescribed.

25 (d) Payment of any bill rendered under subsection (a) of this section shall be made not
26 later than thirty (30) days after that bill was mailed to the last known address of the nonprofit
27 organization or governmental entity, or was otherwise delivered to it. The bill rendered to an
28 employer shall constitute the director's determination and shall be binding upon the employer
29 unless an appeal is duly filed in writing to the board of review in accordance with the provisions
30 of section 28-43-14, within fifteen (15) days of the mailing or other delivery.

31 (e) Payments made by any nonprofit organization or governmental entity under the
32 provisions of this section shall not be deducted or deductible, in whole or in part, from the
33 remuneration of individuals in the employ of the organization.

34 (f) With respect to nonprofit organizations or groups of organizations and governmental

1 entities, past due payments of amounts in lieu of contributions shall be subject to the same
2 interest and penalties that apply to delinquent contributions under sections 28-42-65 and 28-43-
3 15.

4 (g) If any nonprofit organization or governmental entity is delinquent in making
5 payments in lieu of contributions as required under the provisions of this section, the director may
6 terminate that organization's or entity's election to make payments in lieu of contributions as of
7 the beginning of the next taxable year and that termination shall be effective for that and the next
8 taxable year.

9 SECTION 2. This act shall take effect on October 1, 2013.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO LABOR AND LABOR RELATIONS - EMPLOYMENT SECURITY-
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1 This act would require that the accounts of employers be charged when improper
2 payments are made due to the failure of the employer to respond timely or adequately to requests
3 by the department for information relating to a claim for unemployment benefits that was
4 subsequently overpaid.

5 This act would take effect on October 1, 2013.

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