



House of Representatives

General Assembly

File No. 59

February Session, 2024

House Bill No. 5266

House of Representatives, March 20, 2024

The Committee on Labor and Public Employees reported through REP. SANCHEZ, E. of the 24th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT AMENDING THE TIME TO PROTEST BENEFIT CHARGES ON AN EMPLOYER'S UNEMPLOYMENT INSURANCE QUARTERLY STATEMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (h) of section 31-225a of the 2024 supplement to
2 the general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective October 1, 2024*):

4 (h) (1) With respect to each benefit year commencing on or after July
5 1, 1978, notice of determination of the claimant's benefit entitlement for
6 such benefit year shall include notice of the allocation of benefit charges
7 of the claimant's base period employers and each such employer shall
8 be provided a copy of such notice of determination and shall be an
9 interested party thereto. Such determination shall be final unless the
10 claimant or any of such employers files an appeal from such decision in
11 accordance with the provisions of section 31-241.

12 (2) The administrator shall, not less frequently than once each
 13 calendar quarter, provide a statement of charges to each employer to
 14 whose experience record any charges have been made since the last
 15 previous such statement. Such statement shall show, with respect to
 16 each week for which benefits have been paid and charged, the name and
 17 Social Security account number of the claimant who was paid the
 18 benefit, the amount of the benefits charged for such week and the total
 19 amount charged in the quarter.

20 (3) The statement of charges provided for in subdivision (2) of this
 21 subsection shall constitute notice to the employer that it has been
 22 determined that the benefits reported in such statement were properly
 23 payable under this chapter to the claimants for the weeks and in the
 24 amounts shown in such statements. If the employer contends that
 25 benefits have been improperly charged due to fraud or error, a written
 26 protest setting forth reasons therefor shall be filed with the
 27 administrator within [sixty] forty days of the date the quarterly
 28 statement was provided. An eligibility issue shall not be reopened on
 29 the basis of such quarterly statement if notification of such eligibility
 30 issue had previously been given to the employer under the provisions
 31 of section 31-241, and he or she failed to file a timely appeal therefrom
 32 or had the issue finally resolved against him or her.

33 (4) The provisions of subdivisions (2) and (3) of this subsection shall
 34 not apply to combined wage claims paid under subsection (b) of section
 35 31-255. For such combined wage claims paid under the unemployment
 36 law of other states, the administrator shall, each calendar quarter,
 37 provide a statement of charges to each employer whose experience
 38 record has been charged since the previous such statement. Such
 39 statement shall show the name and Social Security number of the
 40 claimant who was paid the benefits and the total amount of the benefits
 41 charged in the quarter.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2024	31-225a(h)

LAB *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Labor Dept.	Unemployment Insurance Trust Fund - See Below	Minimal	Minimal

Municipal Impact: None

Explanation

The bill, which shortens the time an employer can protest any unemployment benefits they contend have been improperly charged to their unemployment insurance quarterly statements from 60 to 40 days, results in a minimal net impact to the Unemployment Insurance Trust Fund.

To the extent the bill results in charges that otherwise would be contested, this would result in an increase in the employer experience rate and therefore result in a minimal revenue gain due to higher taxes paid by employers. Alternatively, the bill could also result in a higher volume of fraudulent claims not being caught via employer's due diligence, which would have a minimal cost to the Unemployment Insurance Trust Fund.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to employer's compliance levels to the 40-day deadline to protest unemployment benefits improperly charged to their unemployment insurance quarterly statements.

OLR Bill Analysis**HB 5266*****AN ACT AMENDING THE TIME TO PROTEST BENEFIT CHARGES ON AN EMPLOYER'S UNEMPLOYMENT INSURANCE QUARTERLY STATEMENT.*****SUMMARY**

By law, the Department of Labor (DOL) gives employers quarterly statements that generally show their charges for unemployment benefits paid to their former employees. This bill decreases, from 60 to 40 days after the statement was provided, the amount of time an employer has to file a written protest with DOL explaining that the charges were improperly charged due to fraud or error.

Existing law, unchanged by the bill, prevents an eligibility issue from being reopened based on these quarterly statements if the employer previously received a notification about the former employee's eligibility for benefits and failed to timely appeal it or the eligibility issue was resolved against the employer.

EFFECTIVE DATE: October 1, 2024

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable

Yea 8 Nay 4 (03/07/2024)