

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1058

Introduced by Carlson, 38.

Read first time January 18, 2012

Committee: Business and Labor

A BILL

1 FOR AN ACT relating to labor; to amend sections 48-630, 48-632,
2 48-634, 48-636, 48-637, 48-644, 48-652, 48-655,
3 48-663.01, 48-665, 48-665.01, and 48-2302, Reissue
4 Revised Statutes of Nebraska; to change provisions of the
5 Employment Security Law and the New Hire Reporting Act to
6 conform to federal law; to change and eliminate
7 provisions relating to appeal tribunals; to harmonize
8 provisions; to provide operative dates; to repeal the
9 original sections; and to outright repeal section 48-633,
10 Reissue Revised Statutes of Nebraska.

11 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 48-630, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 48-630 A determination upon a claim filed pursuant to
4 section 48-629 shall be made promptly by a representative designated
5 by the commissioner, hereinafter referred to as a deputy, and shall
6 include a statement as to whether and in what amount claimant is
7 entitled to benefits for the week with respect to which the
8 determination is made and, in the event of a denial, shall state the
9 reasons therefor. A determination with respect to the first week of a
10 benefit year shall also include a statement as to whether the
11 claimant has been paid the wages required under subdivision (5) of
12 section 48-627, and, if so, the first day of the benefit year, his or
13 her weekly benefit amount, and the maximum total amount of benefits
14 payable to him or her with respect to such benefit year. Any benefits
15 to which a claimant has been found eligible shall not be withheld
16 because of the filing of an appeal under section 48-634 and such
17 benefits shall be paid until the appeal tribunal has rendered its
18 decision modifying or reversing the determination allowing such
19 benefits if the claimant is otherwise eligible. Any benefits received
20 by any person to which, under a redetermination or decision pursuant
21 to sections 48-630 to 48-640, he or she has been found not entitled
22 shall be treated as ~~excessive~~erroneous payments in accordance with
23 the provisions of section 48-665. Whenever any claim involves the
24 application of the provisions of subdivision (4) of section 48-628,
25 the deputy shall promptly transmit his or her full findings of fact,

1 with respect to that subdivision, to the commissioner, who, on the
2 basis of the evidence submitted and such additional evidence as he or
3 she may require, shall affirm, modify, or set aside such findings of
4 fact and transmit to the deputy a decision upon the issue involved
5 under the subdivision, which shall be deemed to be the decision of
6 the deputy. All claims arising out of the same alleged labor dispute
7 may be considered at the same time. The parties shall be promptly
8 notified of the determination, together with the reasons therefor,
9 and such determination shall be deemed to be the final decision on
10 the claim, unless an appeal is filed with the appeal tribunal in the
11 manner prescribed in section 48-634.

12 Sec. 2. Section 48-632, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 48-632 (1) Notice of a determination upon a claim shall
15 be promptly given to the claimant by delivery thereof or by mailing
16 such notice to his or her last-known address. In addition, notice of
17 any determination, together with the reasons therefor, shall be
18 promptly given in the same manner to any employer ~~by~~from whom
19 claimant ~~was employed~~received wages on or after the first day of his
20 ~~or her~~the base period for his or her most recent claim, and who has
21 indicated prior to the determination, in such manner as required by
22 rule and regulation of the commissioner, that such individual may be
23 ineligible or disqualified under any provision of the Employment
24 Security Law. An employer shall provide information to the department
25 in respect to the request for information within seven days after the

1 mailing or electronic transmission of a request.

2 (2) If the employer provided information pursuant to
3 subsection (7) of section 48-652 on the claim establishing the
4 previous benefit year but did not receive a determination because of
5 no involvement of base period wages and there are wages from that
6 employer in the base period for the most recent claim, the employer
7 shall be provided the opportunity to provide new information that
8 such individual may be ineligible or disqualified under any provision
9 of the Employment Security Law on the current claim. This subsection
10 shall not apply to employers who did not receive a determination
11 because the separation was determined to result from a lack of work.

12 (3) On or after the operative date of this section, if an
13 employer fails to provide information to the department within the
14 time period specified in subsection (1) of this section, the employer
15 shall forfeit any appeal rights otherwise available pursuant to
16 section 48-634.

17 Sec. 3. Section 48-634, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 48-634 (1) The claimant or any other party entitled to
20 notice of a determination as provided in section 48-632, may file an
21 appeal from such determination with ~~an appeal tribunal.~~ the
22 department. Notice of appeal must be in writing or in accordance with
23 rules and regulations adopted and promulgated by the commissioner and
24 must be delivered and received within twenty days after the date of
25 mailing of the notice of determination to his or her last-known

1 address or, if such notice is not mailed, after the date of delivery
2 of such notice of determination, except that for good cause shown an
3 appeal filed outside the prescribed time period may be heard. In
4 accordance with section 303 of the federal Social Security Act, 42
5 U.S.C. 503, the commissioner shall provide the opportunity for a fair
6 hearing before an impartial appeal tribunal on each appeal. For good
7 cause shown, the tribunal may also take jurisdiction over appeals
8 filed outside the prescribed appeal period.

9 (2) Unless the appeal is withdrawn, the appeal tribunal,
10 after affording the parties reasonable opportunities for a fair
11 hearing, shall make findings and conclusions and on the basis thereof
12 affirm, modify, or reverse such determination. If an appeal involves
13 a question as to whether services were performed by the claimant in
14 employment or for an employer, the tribunal shall give special notice
15 of such issue and of the pendency of the appeal to the employer and
16 to the commissioner, both of whom shall be parties to the proceeding
17 and be afforded a reasonable opportunity to adduce evidence bearing
18 on such question. The parties shall be promptly notified of the
19 tribunal's decision and shall be furnished with a copy of the
20 decision and the findings and conclusions in support of the decision.

21 Sec. 4. Section 48-636, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 48-636 Except insofar as reconsideration of any
24 determination is had under sections 48-630 to 48-632, any right,
25 fact, or matter in issue, directly passed upon or necessarily

1 involved in a determination or redetermination which has become
2 final, or in a decision on appeal which has become final, shall be
3 conclusive for all the purposes of the Employment Security Law as
4 between the Commissioner of Labor, the claimant, and all employers
5 who had notice of such determination, redetermination, or decision.
6 Subject to appeal proceedings and judicial review as provided in
7 sections ~~48-633~~ 48-634 to 48-644, any determination, redetermination,
8 or decision as to rights to benefits shall be conclusive for all the
9 purposes of such law and shall not be subject to collateral attack by
10 any employer.

11 Sec. 5. Section 48-637, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 48-637 The final decisions of an appeal tribunal, and the
14 principles of law declared by it in arriving at such decisions,
15 unless expressly or impliedly overruled by a later decision of the
16 tribunal or by a court of competent jurisdiction, shall be binding
17 upon the commissioner and any deputy in subsequent proceedings which
18 involve similar questions of law; ~~Provided,~~ except that if in
19 connection with any subsequent proceeding the commissioner or a
20 deputy has serious doubt as to the correctness of any principle so
21 declared he or she may certify his or her findings of fact in such
22 case, together with the question of law involved to the appeal
23 tribunal, which, after giving notice and reasonable opportunity for
24 hearing upon the law to all parties to such proceedings, shall
25 thereupon certify to the commissioner, such deputy and such parties

1 its answer to the question submitted. If the question thus certified
2 to the appeal tribunal arises in connection with a claim for
3 benefits, the tribunal in its discretion may remove to itself the
4 entire proceedings on such claim, and, after proceeding in accordance
5 with the requirements of sections ~~48-633~~48-634 to 48-643 with
6 respect to proceedings before an appeal tribunal, shall render its
7 decision upon the entire claim.

8 Sec. 6. Section 48-644, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 48-644 Benefits shall be promptly paid in accordance with
11 a determination or redetermination. If pursuant to a determination or
12 redetermination benefits are payable in any amount as to which there
13 is no dispute, such amount of benefits shall be promptly paid
14 regardless of any appeal. The commencement of a proceeding for
15 judicial review pursuant to section 48-638 shall not operate as a
16 supersedeas or stay. If an employer is otherwise entitled to
17 noncharging of benefits pursuant to sections 48-630 and 48-652, and a
18 decision allowing benefits is finally reversed, no employer's account
19 shall be charged with benefits paid pursuant to the erroneous
20 determination, and benefits shall not be paid for any subsequent
21 weeks of unemployment involved in such reversal.

22 Sec. 7. Section 48-652, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 48-652 (1)(a) A separate experience account shall be
25 established for each employer who is liable for payment of

1 contributions. Whenever and wherever in the Employment Security Law
2 the terms reserve account or experience account are used, unless the
3 context clearly indicates otherwise, such terms shall be deemed
4 interchangeable and synonymous and reference to either of such
5 accounts shall refer to and also include the other.

6 (b) A separate reimbursement account shall be established
7 for each employer who is liable for payments in lieu of
8 contributions. All benefits paid with respect to service in
9 employment for such employer shall be charged to his or her
10 reimbursement account and such employer shall be billed for and shall
11 be liable for the payment of the amount charged when billed by the
12 commissioner. Payments in lieu of contributions received by the
13 commissioner on behalf of each such employer shall be credited to
14 such employer's reimbursement account, and two or more employers who
15 are liable for payments in lieu of contributions may jointly apply to
16 the commissioner for establishment of a group account for the purpose
17 of sharing the cost of benefits paid that are attributable to service
18 in the employ of such employers. The commissioner shall prescribe
19 such rules and regulations as he or she deems necessary with respect
20 to applications for establishment, maintenance, and termination of
21 group accounts authorized by this subdivision.

22 (2) All contributions paid by an employer shall be
23 credited to the experience account of such employer. State
24 unemployment insurance tax payments shall not be credited to the
25 experience account of each employer. Partial payments of combined tax

1 shall be credited so that at least eighty percent of the combined tax
2 payment excluding interest and penalty is credited first to
3 contributions due. In addition to contributions credited to the
4 experience account, each employer's account shall be credited as of
5 June 30 of each calendar year with interest at a rate determined by
6 the commissioner based on the average annual interest rate paid by
7 the Secretary of the Treasury of the United States of America upon
8 the state's account in the Unemployment Trust Fund for the preceding
9 calendar year multiplied by the balance in his or her experience
10 account at the beginning of such calendar year. If the total credits
11 as of such date to all employers' experience accounts are equal to or
12 greater than ninety percent of the total amount in the Unemployment
13 Compensation Fund, no interest shall be credited for that year to any
14 employer's account. Contributions with respect to prior years which
15 are received on or before January 31 of any year shall be considered
16 as having been paid at the beginning of the calendar year. All
17 voluntary contributions which are received on or before January 10 of
18 any year shall be considered as having been paid at the beginning of
19 the calendar year.

20 (3)(a) Each experience account shall be charged only for
21 benefits based upon wages paid by such employer. No benefits shall be
22 charged to the experience account of any employer if (i) such
23 benefits were paid on the basis of a period of employment from which
24 the claimant (A) left work voluntarily without good cause, (B) left
25 work voluntarily due to a nonwork-connected illness or injury, (C)

1 left work voluntarily with good cause to escape abuse as defined in
2 section 42-903 between household members as provided in subdivision
3 (1) of section 48-628.01, (D) left work from which he or she was
4 discharged for misconduct connected with his or her work, (E) left
5 work voluntarily and is entitled to unemployment benefits without
6 disqualification in accordance with subdivision (3) or (5) of section
7 48-628.01, or (F) was involuntarily separated from employment and
8 such benefits were paid pursuant to section 48-628.05, and (ii) the
9 employer has filed timely notice of the facts on which such exemption
10 is claimed in accordance with rules and regulations prescribed by the
11 commissioner. No benefits shall be charged to the experience account
12 of any employer if such benefits were paid on the basis of wages paid
13 in the base period that are wages for insured work solely by reason
14 of subdivision (5)(c)(iii) of section 48-627. No benefits shall be
15 charged to the experience account of any employer if such benefits
16 were paid during a week when the individual was participating in
17 training approved under section 236(a)(1) of the federal Trade Act of
18 1974, 19 U.S.C. 2296(a)(1).

19 (b) Each reimbursement account shall be charged only for
20 benefits paid that were based upon wages paid by such employer in the
21 base period that were wages for insured work solely by reason of
22 subdivision (5) of section 48-627.

23 (c) Benefits paid to an eligible individual shall be
24 charged against the account of his or her most recent employers
25 within his or her base period against whose accounts the maximum

1 charges hereunder have not previously been made in the inverse
2 chronological order in which the employment of such individual
3 occurred. The maximum amount so charged against the account of any
4 employer, other than an employer for which services in employment as
5 provided in subdivision (4)(a) of section 48-604 are performed, shall
6 not exceed the total benefit amount to which such individual was
7 entitled as set out in section 48-626 with respect to base period
8 wages of such individual paid by such employer plus one-half the
9 amount of extended benefits paid to such eligible individual with
10 respect to base period wages of such individual paid by such
11 employer. The commissioner shall by rules and regulations prescribe
12 the manner in which benefits shall be charged against the account of
13 several employers for whom an individual performed employment during
14 the same quarter or during the same base period. Any benefit check
15 duly issued and delivered or mailed to a claimant and not presented
16 for payment within one year from the date of its issue may be
17 invalidated and the amount thereof credited to the Unemployment
18 Compensation Fund, except that a substitute check may be issued and
19 charged to the fund on proper showing at any time within the year
20 next following. Any charge made to an employer's account for any such
21 invalidated check shall stand as originally made.

22 (4)(a) An employer's experience account shall be deemed
23 to be terminated one calendar year after such employer has ceased to
24 be subject to the Employment Security Law, except that if the
25 commissioner finds that an employer's business is closed solely

1 because of the entrance of one or more of the owners, officers,
2 partners, or limited liability company members or the majority
3 stockholder into the armed forces of the United States, or of any of
4 its allies, after July 1, 1950, such employer's account shall not be
5 terminated and, if the business is resumed within two years after the
6 discharge or release from active duty in the armed forces of such
7 person or persons, the employer's experience account shall be deemed
8 to have been continuous throughout such period.

9 (b) An experience account terminated pursuant to this
10 subsection shall be reinstated if (i) the employer becomes subject
11 again to the Employment Security Law within one calendar year after
12 termination of such experience account and the employer makes a
13 written application for reinstatement of such experience account to
14 the commissioner within two calendar years after termination of such
15 experience account and (ii) the commissioner finds that the employer
16 is operating substantially the same business as prior to the
17 termination of such experience account.

18 (5) All money in the Unemployment Compensation Fund shall
19 be kept mingled and undivided. The payment of benefits to an
20 individual shall in no case be denied or withheld because the
21 experience account of any employer does not have a total of
22 contributions paid in excess of benefits charged to such experience
23 account.

24 (6) A contributory or reimbursable employer shall be
25 relieved of charges if the employer was previously charged for wages

1 and the same wages are being used a second time to establish a new
2 claim as a result of the October 1, 1988, change in the base period.

3 (7) If an individual's base period wage credits represent
4 part-time employment for a contributory employer and the contributory
5 employer continues to employ the individual to the same extent as
6 during the base period, then the contributory employer's experience
7 account shall not be charged if the contributory employer has filed
8 timely notice of the facts on which such exemption is claimed in
9 accordance with rules and regulations prescribed by the commissioner.

10 (8) If a contributory employer responds to the
11 department's request for information within the time period set forth
12 in subsection (1) of section 48-632 and provides accurate information
13 as known to the employer at the time of the response, the employer's
14 experience account shall not be charged if the individual's
15 separation from employment is voluntary and without good cause as
16 determined under subsection (1) of section 48-628.

17 Sec. 8. Section 48-655, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 48-655 (1) Combined taxes or payments in lieu of
20 contributions unpaid on the date on which they are due and payable,
21 as prescribed by the commissioner, shall bear interest at the rate of
22 one and one-half percent per month from such date until payment, plus
23 accrued interest, is received by the commissioner, except that no
24 interest shall be charged subsequent to the date of the erroneous
25 payment of an amount equal to the amount of the delayed payment into

1 the unemployment trust fund of another state or to the federal
2 government. Interest collected pursuant to this section shall be paid
3 in accordance with subdivision (1)(b) of section 48-621. If, after
4 due notice, any employer defaults in any payment of combined taxes or
5 payments in lieu of contributions or interest thereon, the amount due
6 may be collected (a) by civil action in the name of the commissioner
7 and the employer adjudged in default shall pay the costs of such
8 action, ~~or~~ (b) by setoff against any state income tax refund due the
9 employer pursuant to sections 77-27,197 to 77-27,209, or (c) as
10 provided in subsection (2) of this section. Civil actions brought
11 under this section to collect combined taxes or interest thereon or
12 payments in lieu of contributions or interest thereon from an
13 employer shall be heard by the court at the earliest possible date
14 and shall be entitled to preference upon the calendar of the court
15 over all other civil actions except petitions for judicial review
16 under section 48-638.

17 ~~(2) The commissioner may by rule and regulation provide~~
18 ~~for the offset from a person's personal federal income tax refund of~~
19 ~~contributions, penalties, and interest due and payable for which the~~
20 ~~commissioner has determined the person to be liable due to fraud and~~
21 ~~which remain uncollected for not more than ten years. Such rules and~~
22 ~~regulations shall comply with Public Law 110-328 (2008) and United~~
23 ~~States Treasury regulations and guidelines adopted pursuant thereto.~~
24 ~~The commissioner shall notify the debtor, by certified mail return~~
25 ~~receipt requested, that the commissioner plans to recover the debt~~

1 ~~through offset against any federal income tax refund, and the debtor~~
2 ~~shall be given sixty days to present evidence that all or part of the~~
3 ~~liability is either not legally enforceable or not due to fraud. The~~
4 ~~commissioner shall review any evidence presented and determine that~~
5 ~~the debt is legally enforceable and due to fraud before proceeding~~
6 ~~further with the offset. The amount recovered, less any~~
7 ~~administrative fees charged by the United States Treasury, shall be~~
8 ~~credited to the debt owed. Any determination rendered under this~~
9 ~~subsection that the person's federal income tax refund is not subject~~
10 ~~to offset does not require the commissioner to amend the~~
11 ~~commissioner's initial determination that formed the basis for the~~
12 ~~proposed offset.~~

13 (2) The commissioner may recover a covered unemployment
14 compensation debt, as defined in 26 U.S.C. 6402, by setoff against a
15 person's federal income tax refund. Such setoff shall be made in
16 accordance with such section and United States Treasury regulations
17 and guidelines adopted pursuant thereto. The commissioner shall
18 notify the debtor that the commissioner plans to recover the debt
19 through setoff against any federal income tax refund, and the debtor
20 shall be given sixty days to present evidence that all or part of the
21 liability is either not legally enforceable or is not a covered
22 unemployment compensation debt. The commissioner shall review any
23 evidence presented and determine that the debt is legally enforceable
24 and is a covered unemployment compensation debt before proceeding
25 further with the offset. The amount recovered, less any

1 administrative fees charged by the United States Treasury, shall be
2 credited to the debt owed. Any determination rendered under this
3 subsection that the person's federal income tax refund is not subject
4 to setoff does not require the commissioner to amend the
5 commissioner's initial determination that formed the basis for the
6 proposed setoff.

7 Sec. 9. Section 48-663.01, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 48-663.01 (1)(a) Notwithstanding any other provision of
10 this section, or of section 48-627 or 48-663, an individual who
11 willfully fails to disclose amounts earned during any week with
12 respect to which benefits are claimed by him or her or who willfully
13 fails to disclose or has falsified as to any fact which would have
14 disqualified him or her or rendered him or her ineligible for
15 benefits during such week, shall forfeit all or part of his or her
16 benefit rights, as determined by a deputy, with respect to uncharged
17 wage credits accrued prior to the date of such failure or to the date
18 of such falsifications.

19 (b) In addition to any benefits which he or she may be
20 required to repay pursuant to subdivision (1)(a) of this section, if
21 an overpayment is established pursuant to this section on or after
22 the operative date of this section, an individual shall be required
23 to pay to the department a penalty equal to fifteen percent of the
24 amount of benefits received as a result of such willful failure to
25 disclose or falsification. All amounts collected pursuant to this

1 subdivision shall be remitted to the State Treasurer for credit to
2 the Unemployment Compensation Fund.

3 (c) An appeal may be taken from any ~~such~~ determination
4 made pursuant to subdivision (1)(a) of this section in the manner
5 provided in section 48-634.

6 (2)(a) If any person liable to repay an overpayment of
7 unemployment benefits resulting from a determination under ~~subsection~~
8 ~~(1)~~ subdivision (1)(a) of this section and the penalty required under
9 subdivision (1)(b) of this section fails or refuses to repay such
10 overpayment and any penalty assessed within twelve months after the
11 date the overpayment determination becomes final, the commissioner
12 may issue a levy on salary, wages, or other regular payments due to
13 or received by such person and such levy shall be continuous from the
14 date the levy is served until the amount of the levy is satisfied.
15 Notice of the levy shall be mailed to the person whose salary, wages,
16 or other regular payment is levied upon at his or her last-known
17 address not later than the date that the levy is served. Exemptions
18 or limitations on the amount of salary, wages, or other regular
19 payment that can be garnished or levied upon by a judgment creditor
20 shall apply to levies made pursuant to this section. Appeal of a levy
21 may be made in the manner provided in section 48-634, but such appeal
22 shall not act as a stay of the levy.

23 (b) Any person upon whom a levy is served who fails or
24 refuses to honor the levy without cause may be held liable for the
25 amount of the levy up to the value of the assets of the person liable

1 to repay the overpayment that are under the control of the person
2 upon whom the levy is served at the time of service and thereafter.

3 Sec. 10. Section 48-665, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 48-665 (1) Any person who has received any sum as
6 benefits under the Employment Security Law to which he or she was not
7 entitled shall be liable to repay such sum to the commissioner for
8 the fund. Any such erroneous benefit payments shall be collectible
9 (a) without interest by civil action in the name of the commissioner,
10 (b) by offset against any future benefits payable to the claimant
11 with respect to the benefit year current at the time of such receipt
12 or any benefit year which may commence within three years after the
13 end of such current benefit year, except that no such recoupment by
14 the withholding of future benefits shall be had if such sum was
15 received by such person without fault on his or her part and such
16 recoupment would defeat the purpose of the Employment Security Law or
17 would be against equity and good conscience, ~~or~~ (c) by setoff against
18 any state income tax refund due the claimant pursuant to sections
19 77-27,197 to 77-27,209, or (d) as provided in subsection (2) of this
20 section.

21 ~~(2) The commissioner may by rule and regulation provide~~
22 ~~for the offset from a person's personal federal income tax refund of~~
23 ~~any person who has received any sum as benefits under the Employment~~
24 ~~Security Law to which he or she was not entitled as a result of fraud~~
25 ~~and which remain uncollected for not more than ten years. Such rules~~

1 ~~and regulations shall comply with Public Law 110-328 (2008) and~~
2 ~~United States Treasury regulations and guidelines adopted pursuant~~
3 ~~thereto. The commissioner shall notify the debtor that the~~
4 ~~commissioner plans to recover the debt through offset against any~~
5 ~~federal income tax refund, and the debtor shall be given sixty days~~
6 ~~to present evidence that all or part of the liability is either not~~
7 ~~legally enforceable or not due to fraud. The commissioner shall~~
8 ~~review any evidence presented and determine that the debt is legally~~
9 ~~enforceable and due to fraud before proceeding further with the~~
10 ~~offset. The amount recovered, less any administrative fees charged by~~
11 ~~the United States Treasury, shall be credited to the debt owed. Any~~
12 ~~determination rendered under this subsection that the person's~~
13 ~~federal income tax refund is not subject to offset does not require~~
14 ~~the commissioner to amend the commissioner's initial determination~~
15 ~~that formed the basis for the proposed offset.~~

16 (2) The commissioner may recover a covered unemployment
17 compensation debt, as defined in 26 U.S.C. 6402, by setoff against a
18 person's federal income tax refund. Such setoff shall be made in
19 accordance with such section and United States Treasury regulations
20 and guidelines adopted pursuant thereto. The commissioner shall
21 notify the debtor that the commissioner plans to recover the debt
22 through setoff against any federal income tax refund, and the debtor
23 shall be given sixty days to present evidence that all or part of the
24 liability is either not legally enforceable or is not a covered
25 unemployment compensation debt. The commissioner shall review any

1 evidence presented and determine that the debt is legally enforceable
2 and is a covered unemployment compensation debt before proceeding
3 further with the offset. The amount recovered, less any
4 administrative fees charged by the United States Treasury, shall be
5 credited to the debt owed. Any determination rendered under this
6 subsection that the person's federal income tax refund is not subject
7 to setoff does not require the commissioner to amend the
8 commissioner's initial determination that formed the basis for the
9 proposed setoff.

10 Sec. 11. Section 48-665.01, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 48-665.01 Any person who has received any sum as benefits
13 to which he or she was not entitled from any agency which administers
14 an employment security law of another state or foreign government and
15 who has been found liable to repay benefits received under such law
16 may be required to repay to the commissioner for such state or
17 foreign government the amount found due. Such amount, without
18 interest, may be collected (1) by civil action in the name of the
19 commissioner acting as agent for such agency, (2) by offset against
20 any future benefits payable to the claimant under the Employment
21 Security Law for any benefit year which may commence within three
22 years after the claimant was notified such amount was due, except
23 that no such recoupment by the withholding of future benefits shall
24 be had if such sum was received by such person without fault on his
25 or her part and such recoupment would defeat the purpose of the

1 Employment Security Law or would be against equity and good
2 conscience, ~~or~~(3) by setoff against any state income tax refund due
3 the claimant pursuant to sections 77-27,197 to 77-27,209, or (4) as
4 provided in subsection (2) of section 48-665.

5 Sec. 12. Section 48-2302, Reissue Revised Statutes of
6 Nebraska, is amended to read:

7 48-2302 For purposes of the New Hire Reporting Act:

8 (1) Date of hire means the day an employee begins
9 employment with an employer;

10 (2) Department means the Department of Health and Human
11 Services;

12 (3) Employee means an independent contractor or a person
13 who is compensated by or receives income from an employer or other
14 payor, regardless of how such income is denominated;

15 (4) Employer means any individual, partnership, limited
16 liability company, firm, corporation, association, political
17 subdivision, or department or agency of the state or federal
18 government, labor organization, or any other entity with an employee;

19 (5) Income means compensation paid, payable, due, or to
20 be due for labor or personal services, whether denominated as wages,
21 salary, earnings, income, commission, bonus, or otherwise;

22 (6) Payor includes a person, partnership, limited
23 partnership, limited liability partnership, limited liability
24 company, corporation, or other entity doing business or authorized to
25 do business in the State of Nebraska, including a financial

1 institution, or a department or an agency of state, county, or city
2 government; and

3 (7) Rehire means the first day an employee begins
4 employment with the employer following a termination of employment
5 with such employer. Termination of employment does not include
6 temporary separations from employment, such as an unpaid medical
7 leave, an unpaid leave of absence, a temporary layoff of less than
8 sixty days in length, or an absence for disability or maternity.

9 Sec. 13. Sections 1, 6, 7, 8, 10, 11, and 14 of this act
10 become operative on January 1, 2013, sections 2, 3, 4, 5, 12, 13, 15,
11 and 17 of this act become operative on October 1, 2012, and sections
12 9 and 16 of this act become operative on October 1, 2013.

13 Sec. 14. Original sections 48-630, 48-644, 48-652,
14 48-655, 48-665, and 48-665.01, Reissue Revised Statutes of Nebraska,
15 are repealed.

16 Sec. 15. Original sections 48-632, 48-634, 48-636,
17 48-637, and 48-2302, Reissue Revised Statutes of Nebraska, are
18 repealed.

19 Sec. 16. Original section 48-663.01, Reissue Revised
20 Statutes of Nebraska, is repealed.

21 Sec. 17. The following section is outright repealed:
22 Section 48-633, Reissue Revised Statutes of Nebraska.