

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 4141-17-04

Rule Type: Amendment

Rule Title/Tagline: Automatic successorship.

Agency Name: Department of Job and Family Services - Unemployment Compensation

Division:

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I. Rule Summary

1. Is this a five year rule review? Yes
 - A. What is the rule's five year review date? 1/7/2019
2. Is this rule the result of recent legislation? No
3. What statute is this rule being promulgated under? 119.03
4. What statute(s) grant rule writing authority? 4141.13
5. What statute(s) does the rule implement or amplify? 4141.24, 4141.48
6. What are the reasons for proposing the rule?

Five year review
7. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.

This rule explains that the transferee shall become a successor in interest by law where: (1) there is a transfer of all the transferor's trade or business located in Ohio;

and (2) at the time of the transfer the transferor is a liable employer under Chapter 4141 of the ORC.

The rule is amended to correct the promulgating statute from 4141.14 to 119.03 per SB 3 of the 130th General Assembly.

- 8. Does the rule incorporate material by reference? Yes**
- 9. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.71 to 121.76, please explain the basis for the exemption and how an individual can find the referenced material.**

This rule incorporates one or more references to another rule or rules of the Ohio Revised Code. This question is not applicable to any incorporation by reference to the Ohio Revised Code because such reference is exempt from compliance with R.C. Sections 121.71 to 121.74 pursuant to R.C. Section 121.76(A)(1).

- 10. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

Not Applicable

II. Fiscal Analysis

- 11. As a result of this proposed rule, please estimate the increase / decrease in revenues or expenditures affecting this agency, or the state generally, in the current biennium or future years. If the proposed rule is likely to have a different fiscal effect in future years, please describe the expected difference and operation.**

This will have no impact on revenues or expenditures.

\$0.00

No fiscal effects expected on current or future budgets.

- 12. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

This will have no impact on revenues or expenditures.

- 13. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No**

14. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No

III. Common Sense Initiative (CSI) Questions

15. Was this rule filed with the Common Sense Initiative Office? Yes

16. Does this rule have an adverse impact on business? Yes

- A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? Yes

To the extent that this rule may impose an adverse impact to the regulated business community, the justification points to the Agency's statutory requirements as identified in ORC Sections 119.03, 4141.13, 4141.14, 4141.24, 4141.48, and in the federal guidelines as directed by the Department of Labor pursuant to the Federal Unemployment Tax Act, 26 USC 3301 through 3311.

- B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No

- C. Does this rule require specific expenditures or the report of information as a condition of compliance? Yes

All information to be transferred must be disclosed in order to determine appropriate contribution rates for successors.