

**336.248 Covered employees -- Reports and contributions to unemployment insurance fund. (Effective until June 29, 2023)**

For the purposes of KRS Chapter 341:

- (1) Except as provided in subsection (2) of this section, covered employees of a registered professional employer organization shall be considered employees of the professional employer organization, which shall be responsible for the payment of contributions, penalties, and interest on wages paid by the professional employer organization to its covered employees during the term of the applicable professional employer agreement;
- (2) Beginning on January 6, 2023, and continuing through December 31, 2024, the professional employer organization shall report and pay all required contributions to the unemployment insurance fund using the state employer identification number and contribution rate of the client. After January 1, 2025, the professional employer organization shall report and pay all required contributions to the unemployment insurance fund using the state employer identification number and the contribution rate of the professional employer organization; and
- (3) Upon the termination of a contract between a professional employer organization and a client or the failure of a professional employer organization to submit reports or make tax payments as required by KRS 336.230 to 336.250, the client shall be treated as a new employer without a previous experience record unless that client is otherwise eligible for an experience rating.

**Effective:** January 6, 2023

**History:** Amended 2023 Ky. Acts ch. 1, sec. 2, effective January 6, 2023. -- Created 2022 Ky. Acts ch. 50, sec. 10, effective July 14, 2022.

**Legislative Research Commission Note** (1/6/2023). 2023 Ky. Acts ch. 1, sec. 5, reads as follows: "For the period beginning July 14, 2022, and continuing until the effective date of this Act [January 6, 2023], the Education and Labor Cabinet shall not require reporting or payment of required contributions to the unemployment insurance fund using the state employer identification number and contribution rate of the professional employer organization or take enforcement action against the professional employer organization pursuant to KRS 336.250 regarding professional employer organization contributions related to KRS 336.248(2)."