



New fee on employee wages taking effect in 2026. Background and what you need to know.

November 2025

Recently, the Ohio Department of Job and Family Services (ODJFS) has been sending letters and emails to employers concerning a new “technology fee” that will be implemented in January 2026.

During the most recent state budget cycle, ODJFS proposed this new fee as part of their budget request. The purpose of the fee is to receive extra funding to improve Ohio’s unemployment compensation system. According to ODJFS, the system is severely outdated and which caused problems and significant amounts of fraud during the pandemic. The new fee is set to begin in January and will be .15% of taxable wages for all employees. The fee sunsets in December 2027.

WHAT DO BUSINESS OWNERS NEED TO DO?

Before January, coordinate with your payroll provider on ensuring that the new fee is properly implemented for your unemployment contributions as an employer. The cost of this fee is to come from the employer as this is being added to the contributions employers make to unemployment already.

I WAS UNAWARE OF THIS TECHNOLOGY FEE.

The new fee was, as stated before, part of the budgeting process for the state. While ODJFS did notify business groups of the then-proposed new fee, business owners were not kept apprised of the change.

If you have questions about the new fee, please feel free to reach out to [our team](#), or contact ODJFS.

