

1 S.10

2 Senator Brock moves that the report of the Committee on Economic
3 Development, Housing and General Affairs be amended as follows:

4 First: By striking out Sec. 5, 21 V.S.A. § 1338, in its entirety and inserting
5 in lieu thereof a new Sec. 5 to read as follows:

6 Sec. 5. 21 V.S.A. § 1338 is amended to read:

7 § 1338. WEEKLY BENEFITS

8 (a) Each eligible individual who is totally unemployed in any week shall be
9 paid with respect to such a week a weekly benefit amount determined as
10 provided in this section.

11 * * *

12 (e)(1) For benefit years beginning on January 3, 1988 and subsequent
13 thereto, an individual's weekly benefit amount shall be determined by dividing
14 the individual's two high quarter total subject wages required under
15 subdivision (d)(1) of this section by ~~45~~ 38; provided that the weekly benefit
16 amount so determined shall not exceed the maximum weekly benefit amount
17 computed as provided in subsection (f) of this section.

18 (2) In addition to the weekly benefit amount determined pursuant to
19 subdivision (1) of this subsection, an individual shall be entitled to an
20 additional weekly allowance of \$50.00 if the individual has one or more
21 dependent children under 18 years of age.

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Second: By striking out Sec. 7, 21 V.S.A. § 1338, in its entirety and inserting in lieu thereof a new Sec. 7 to read as follows:

Sec. 7. 21 V.S.A. § 1338 is amended to read:

§ 1338. WEEKLY BENEFITS

(a) Each eligible individual who is totally unemployed in any week shall be paid with respect to such a week a weekly benefit amount determined as provided in this section.

* * *

(e)(1) For benefit years beginning on January 3, 1988 and subsequent thereto, an individual's weekly benefit amount shall be determined by dividing the individual's two high quarter total subject wages required under subdivision (d)(1) of this section by ~~38~~ 45; provided that the weekly benefit amount so determined shall not exceed the maximum weekly benefit amount computed as provided in subsection (f) of this section.

~~(2) In addition to the weekly benefit amount determined pursuant to subdivision (1) of this subsection, an individual shall be entitled to an additional weekly allowance of \$50.00 if the individual has one or more dependent children under 18 years of age.~~

* * *

1 Third: By striking out Sec. 8, unemployment insurance rate schedule for
2 benefit years beginning July 1, 2021 and July 1, 2022, in its entirety and
3 inserting in lieu thereof a new Sec. 8 to read as follows:

4 Sec. 8. UNEMPLOYMENT INSURANCE RATE SCHEDULE FOR
5 BENEFIT YEARS BEGINNING ON AND AFTER JULY 1, 2021

6 (a)(1) Notwithstanding any provision of 21 V.S.A. § 1326 to the contrary,
7 the unemployment insurance contribution rate schedule for the benefit year
8 beginning on July 1, 2021 shall remain at Schedule I.

9 (2) The provisions of this section shall not apply if, on April 15, 2021,
10 the balance of the Unemployment Insurance Trust Fund is either below
11 \$90,000,000.00 or projected to drop below that amount on or before
12 December 31, 2021.

13 (b) Notwithstanding any provision of 21 V.S.A. § 1326(d) to the contrary
14 and absent any legislative action to the contrary, when determining the rate
15 schedule for the benefit year beginning on July 1, 2022 and on each subsequent
16 July 1, the Commissioner shall not consider the period from January 1, 2020
17 through December 31, 2020 when calculating the highest benefit cost rate.

18 Fourth: By striking out Sec. 10, effective dates, and its reader assistance
19 heading in their entirety and inserting in lieu thereof Secs. 10 through 16 and
20 their reader assistance headings to read as follows:

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* * * Fraud Prevention * * *

Sec. 10. 21 V.S.A. § 1347 is amended to read:

§ 1347. NONDISCLOSURE OR MISREPRESENTATION

* * *

(c)(1) ~~The~~ A person liable under this section shall repay ~~such~~ the amount of overpaid benefits to the Commissioner for the Fund.

(2) In addition to the repayment, if the Commissioner finds that a person intentionally misrepresented or failed to disclose a material fact with respect to his or her claim for benefits, the person shall ~~pay~~ be liable for:

(A) an additional penalty of 15 percent of the amount of the overpaid benefits; and

(B) interest on the amount of overpaid benefits at the rate of one and one-half percent per month from the date of the determination.

(3) Any additional penalty amount and interest collected shall be deposited in the Fund.

(4) ~~Such amount~~ The amounts due pursuant to this section may be ~~collectible by~~ collected in a civil action in the Superior Court, that is brought in the name of the Commissioner and commenced within eight years from the date of the determination.

(5) The Commissioner may only waive some or all of the amount of overpaid benefits, additional penalties, and interest due from a person who

1 intentionally misrepresented or failed to disclose a material fact with respect to
2 his or her claim for benefits if there is good cause to do so.

3 (6) In addition to any amounts required to be paid pursuant to this
4 subsection:

5 (A) If a person receives more than \$900.00 in benefits because of the
6 intentional misrepresentation or failure to disclose a material fact, the
7 Commissioner shall refer the case to the Attorney General for possible
8 prosecution under 13 V.S.A. § 2001, 2002, or 2030.

9 (B) If a person receives \$900.00 or less in benefits because of the
10 intentional misrepresentation or failure to disclose a material fact, the
11 Commissioner may refer the case to the Attorney General for possible
12 prosecution under 13 V.S.A. § 2001, 2002, or 2030.

13 * * *

14 Sec. 11. DEPARTMENT OF LABOR; UNEMPLOYMENT INSURANCE
15 FRAUD; APPROPRIATION; POSITION

16 (a) In addition to any other funds appropriated to the Department of Labor
17 in fiscal year 2022, there is appropriated from the General Fund to the
18 Department \$200,000.00 in fiscal year 2022 for the purpose of hiring a full-
19 time Assistant Attorney General to prosecute fraud related to unemployment
20 insurance pursuant to 21 V.S.A. § 1347(c)(6) and to enforce the provisions of

1 21 V.S.A. § 1368 related to false statements and representations to increase
2 unemployment insurance payments.

3 (b) The Governor may accept any federal funding available to support the
4 position established pursuant to this section.

5 (c)(1) The position established pursuant to this section shall be transferred
6 and converted from existing vacant positions in the Executive Branch and shall
7 not increase the total number of authorized State positions.

8 (2) Absent legislative action to the contrary, the position established
9 pursuant to this section shall be eliminated on July 1, 2024.

10 Sec. 12. UNEMPLOYMENT INSURANCE OVERPAYMENTS;

11 RECOVERY; PLAN

12 On or before January 15, 2022, the Commissioner of Labor shall submit to
13 the Senate Committee on Economic Development, Housing and General
14 Affairs and the House Committee on Commerce and Economic Development a
15 plan to improve the Department of Labor’s ability to successfully recover
16 overpaid unemployment insurance benefits. The plan shall identify existing
17 challenges and issues that prevent the Department from recovering a greater
18 amount of overpaid benefits and specific actions to address those challenges
19 and issues. The report shall also include a detailed explanation of any
20 additional resources or legislative changes required to enable the Department
21 to successfully implement the plan.

1 Sec. 13. 21 V.S.A. § 1347a is added to read:

2 § 1347a. UNEMPLOYMENT INSURANCE OVERPAYMENTS FROM
3 FRAUD; RECOVERY; PROSECUTIONS; ANNUAL REPORT

4 (a) On or before January 15 of each year, the Commissioner shall submit a
5 written report to the Senate Committee on Economic Development, Housing
6 and General Affairs and the House Committee on Commerce and Economic
7 Development that provides the following information for each of the past five
8 years:

9 (1) the number of unemployment insurance overpayments resulting
10 from fraud;

11 (2) the total amount of unemployment insurance benefits that were
12 overpaid as a result of fraud;

13 (3) the amount of unemployment insurance benefits overpaid as a result
14 of fraud that have been recovered by the Department;

15 (4) the number of fraud cases referred for possible prosecution pursuant
16 to subdivision 1347(c)(6) of this chapter;

17 (5) the number of prosecutions resulting from the referrals; and

18 (6) the number of convictions resulting from the prosecutions.

19 (b) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall
20 not apply to this section.

1 Sec. 14. INTEGRITY DATA HUB; IMPLEMENTATION

2 The Commissioner of Labor shall take all necessary steps to ensure that, on
3 or before July 1, 2021, the Department of Labor implements and begins
4 utilizing the National Association of State Workforce Agencies' Integrity Data
5 Hub.

6 * * * Report Unemployment Insurance Contribution Rate Formula * * *

7 Sec. 15. REVISED FORMULA FOR DETERMINING UNEMPLOYMENT
8 INSURANCE RATE SCHEDULE; REPORT

9 (a) On or before November 15, 2021, the Commissioner of Labor shall
10 submit to the Senate Committee on Economic Development, Housing and
11 General Affairs and the House Committee on Commerce and Economic
12 Development a proposal for legislative changes necessary to revise the formula
13 for determining the unemployment insurance rate schedule that is set forth in
14 21 V.S.A. § 1326 in a manner that:

15 (1) results in a reduction of unemployment contributions due during the
16 period from July 1, 2023 through June 30, 2031; and

17 (2) ensures that the Unemployment Insurance Trust Fund will, on or
18 before December 31, 2030, achieve a balance sufficient to maintain the
19 solvency of the Fund during an average economic recession.

20 (b)(1) On or before October 15, 2021, the Commissioner of Labor shall
21 submit the proposal developed pursuant to subsection (a) of this section to the

1 State Treasurer. The State Treasurer shall independently review the proposal
2 and determine whether the proposed revision to the formula set forth in
3 21 V.S.A. § 1326 will allow the Unemployment Insurance Trust Fund to, on or
4 before December 31, 2030, achieve a balance sufficient to maintain the
5 solvency of the Fund during an average economic recession.

6 (2) The Treasurer shall, on or before November 15, 2021, submit a
7 written report of his or her findings to the Senate Committee on Economic
8 Development, Housing and General Affairs and the House Committee on
9 Commerce and Economic Development.

10 (c) As used in this section, “average economic recession” means an
11 economic recession with an impact on the State’s economy and unemployment
12 rate that is equivalent to the average of all economic recessions occurring in
13 the State since January 1, 1990.

14 * * * Effectives Dates * * *

15 Sec. 16. EFFECTIVE DATES

16 (a)(1) Secs. 5 and 6 shall take effect on the termination date for Federal
17 Pandemic Unemployment Compensation set forth in 15 U.S.C. § 9023(e)(2),
18 as amended, and shall not take effect at all if Federal Pandemic Unemployment
19 Compensation remains in effect through June 30, 2022.

20 (2) Sec. 7 shall take effect on July 1, 2022.

1 (3) Notwithstanding subdivisions (1) and (2) of this subsection, Secs. 5,
2 6, and 7 shall not take effect at all if on April 15, 2021, the balance of the
3 Unemployment Insurance Trust Fund is either below \$90,000,000.00 or
4 projected to drop below that amount on or before December 31, 2021.

5 (b) This section and the remaining sections of this act shall take effect on
6 passage; provided, however, that if the date of passage is after March 31, 2021,
7 then notwithstanding 1 V.S.A. § 214, Sec. 3 shall apply retroactively to
8 March 31, 2021.