

1 SB373
2 212063-1
3 By Senators Orr, Scofield, Reed, Elliott, Allen, Livingston,
4 Stutts, McClendon, Butler, Sessions, Chambliss, Williams,
5 Jones, Albritton and Waggoner
6 RFD: Fiscal Responsibility and Economic Development
7 First Read: 01-APR-21

SYNOPSIS: This bill would create the Unemployment Insurance Program Integrity Act of 2021 to require the Alabama Department of Labor to adopt policies to recover improper overpayments of unemployment benefits.

A BILL
TO BE ENTITLED
AN ACT

Relating to the Alabama Department of Labor; to require the adoption of policies to recover improper overpayments of unemployment benefits.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) This act shall be known and may be cited as the Unemployment Insurance Program Integrity Act of 2021.

(b) The purpose of this act is to enhance program integrity for the state's unemployment records against

1 unemployment insurance rolls on a weekly basis, and check
2 federal, state, county, and local prison and jail records.

3 (c) As used in this section the following terms
4 shall have the following meanings:

5 (1) DEPARTMENT OF LABOR. The Alabama Department of
6 Labor.

7 (2) NEW HIRE RECORDS. The directory of newly hired
8 and re-hired employees reported under state and federal law
9 and managed by the Department of Labor.

10 (3) UNEMPLOYMENT INSURANCE ROLLS. Jobless workers
11 receiving unemployment insurance in the state.

12 (d) The Department of Labor shall engage with and
13 utilize the Integrity Data Hub of the National Association of
14 State Workforce Agencies to verify the integrity of the
15 state's unemployment insurance rolls.

16 (e) The Department of Labor, on a weekly basis,
17 shall check the unemployment insurance rolls against the
18 Alabama Department of Corrections list of incarcerated
19 individuals to verify eligibility and ensure program
20 integrity.

21 (f) The Department of Labor shall enter into a
22 cooperative agreement with the U.S. Department of Labor's
23 Office of Inspector General to proactively detect and
24 investigate cases of unemployment fraud.

25 (g) The Department of Labor shall adopt and
26 implement internal administrative policies to recover improper
27 overpayments of unemployment benefits to the fullest extent

1 possible by state and federal law. The department, without
2 exception, shall recover improper unemployment benefit
3 overpayments, unless doing so would violate state or federal
4 law. The department shall maintain records of any and all
5 applications of overpayment recovery exceptions.

6 (h) The Department of Labor, on a weekly basis,
7 shall check new hire records against the National Directorate
8 of New Hires to verify eligibility.

9 (i) The Department of Labor may execute a memorandum
10 of understanding with any department or agency for information
11 required to be shared between agencies as described in this
12 section.

13 (j) If the Department of Labor receives information
14 concerning an individual enrolled in unemployment compensation
15 benefits which indicates a change in circumstances that may
16 affect eligibility, the Department of Labor shall review the
17 individual's case.

18 (k) The Department of Labor shall annually issue a
19 report to the Legislature which includes all of the following:

20 (1) The efficacy of unemployment fraud detection and
21 prevention measures by the department.

22 (2) The amount of any improper unemployment benefit
23 payments issued and recovered, and the reasoning for and
24 extent to which any improper unemployment benefit payments are
25 not corrected or recovered.

1 (1) The Department of Labor shall adopt any rules
2 necessary for the purposes of implementing and administering
3 this section.

4 Section 2. This act shall become effective January
5 1, 2022, following its passage and approval by the Governor,
6 or its otherwise becoming law.