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By:  Creighton S.B. No. 1847

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility of certain individuals for unemployment benefits and the validity of certain claims for unemployment benefits submitted to the Texas Workforce Commission.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Section 207.021(a), Labor Code, is amended to read as follows:

(a)  Except as provided by Chapter 215, an unemployed individual is eligible to receive benefits for a benefit period if the individual:

(1)  has registered for work at an employment office and has continued to report to the employment office as required by rules adopted by the commission;

(2)  has made a claim for benefits under Section 208.001;

(3)  is able to work;

(4)  is available for work;

(5)  [~~is actively seeking work~~] in accordance with rules adopted by the commission:

(A)  is actively seeking work; and

(B)  during each week of the benefit period, performed at least four of the following work search activities, subject to verification by the commission:

(i)  completed and submitted an application for a job, other than an application submitted while attending a job fair;

(ii)  submitted a resume to an employer that advertised an active job opening;

(iii)  attended a job fair and submitted at least one application for a job while attending the job fair;

(iv)  participated in a job interview;

(v)  after submitting a resume or application or participating in a job interview, responded to an employer's inquiry; or

(vi)  participated in a work search or professional training sponsored or approved by the commission;

(6)  for the individual's base period, has benefit wage credits:

(A)  in at least two calendar quarters; and

(B)  in an amount not less than 37 times the individual's benefit amount;

(7)  after the beginning date of the individual's most recent prior benefit year, if applicable, earned wages in an amount equal to not less than six times the individual's benefit amount;

(8)  has been totally or partially unemployed for a waiting period of at least seven consecutive days; and

(9)  participates in reemployment services, such as a job search assistance service, if the individual has been determined, according to a profiling system established by the commission, to be likely to exhaust eligibility for regular benefits and to need those services to obtain new employment, unless:

(A)  the individual has completed participation in such a service; or

(B)  there is reasonable cause, as determined by the commission, for the individual's failure to participate in those services.

SECTION 2.  Section 207.047, Labor Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a)  An individual is disqualified for benefits if during the individual's current benefit year, the individual failed, without good cause, to:

(1)  apply for available, suitable work when directed to do so by the commission;

(2)  accept suitable work offered to the individual; [~~or~~]

(3)  return to the individual's customary self-employment, if any, when directed to do so by the commission; or

(4)  respond to an employer's request for an interview or to attend a scheduled interview.

(c)  An employer shall report to the commission any individual who:

(1)  refuses to return to work;

(2)  refuses a suitable offer of employment;

(3)  fails to respond to the employer's request for an interview; or

(4)  fails to attend a scheduled interview.

SECTION 3.  Section 208.021(b), Labor Code, is amended to read as follows:

(b)  For each valid initial claim, the commission shall determine:

(1)  the claimant's identity;

(2)  the claimant's benefit year;

(3) [~~(2)~~]  the benefit amount for total unemployment; and

(4) [~~(3)~~]  the duration of benefits.

SECTION 4.  Subchapter B, Chapter 208, Labor Code, is amended by adding Sections 208.0211 and 208.0212 to read as follows:

Sec. 208.0211.  DETERMINATION OF CLAIM VALIDITY. (a) In determining the validity of a claim under Section 208.021, the commission shall cross-check all new and recurring claims against:

(1)  the integrity data hub operated by the National Association of State Workforce Agencies;

(2)  the national directory of new hires maintained by the federal Office of Child Support Enforcement and a directory of new hires maintained by any other state;

(3)  death records maintained by this state;

(4)  records of persons who are incarcerated maintained by the Texas Department of Criminal Justice and the Federal Bureau of Prisons; and

(5)  the multifactor authentication mechanism established under Subsection (b).

(b)  For purposes of determining a claimant's identity under this section, the commission shall establish a multifactor authentication mechanism to verify the identity of a claimant who files a claim with the commission using the commission's Internet website. The multifactor authentication mechanism must verify at least two forms of identification submitted by the claimant.

(c)  The commission shall perform an additional cross-check and identity determination in the manner described by Subsections (a) and (b), as applicable, for each claim in which more than one claim is filed:

(1)  using the commission's Internet website and originating from the same Internet protocol address;

(2)  by mail using the same mailing address; or

(3)  in association with the same bank account.

(d)  The commission shall enter into a data-sharing agreement with each state agency that administers a social welfare program. The data-sharing agreement must provide that the state agency notify the commission if a person enrolled in a social welfare program administered by the agency becomes employed. For purposes of this subsection, "state agency" means a board, commission, department, or other agency in the executive branch of state government.

(e)  On confirmation that an individual no longer has a valid claim, the commission shall suspend the payment of benefits immediately.

Sec. 208.0212.  ANNUAL REPORT. Not later than March 1 of each year, the commission shall submit a report to the legislature relating to the validity of claims submitted to the commission under this chapter. The report must include:

(1)  the percentage of claims for benefits for which the commission was unable to perform a cross-check, as required by Section 208.0211, before paying or continuing to pay benefits under this subtitle during the preceding calendar year;

(2)  the total amount of benefits paid to claimants who the commission later found made false statements in their claims for those benefits during the preceding calendar year;

(3)  the number of invalid claims that the commission determined were invalid by conducting a cross-check required by Section 208.0211 and the estimated dollar amount of savings to this state, determined by the commission based on:

(A)  the number of claims the commission determined were invalid under this subdivision;

(B)  the average number of weeks each claimant received benefits under this subtitle; and

(C)  the average weekly benefit amount distributed to each claimant under this subtitle; and

(4)  for the total amount of benefits paid for invalid claims during the preceding calendar year, a list of at least four of the primary reasons why the commission was not able to recover those benefit payments.

SECTION 5.  Sections 214.003(a) and (b), Labor Code, are amended to read as follows:

(a)  If, by wilful nondisclosure or misrepresentation of a material fact, whether the nondisclosure or misrepresentation is made by the person or for the person by another, a person receives a benefit when a condition imposed by this subtitle for the person's qualifying for the benefit is not fulfilled or the person is disqualified from receiving the benefit:

(1)  the person forfeits the:

(A)  benefit received; [~~and~~]

(B)  rights to benefits that remain in the benefit year in which the nondisclosure or misrepresentation occurred; and

(C)  rights to any benefits under this subtitle until the earlier of:

(i)  the end of the fifth calendar year following the last day of the benefit year in which the nondisclosure or misrepresentation occurred; or

(ii)  the date that the commission recovered from the claimant any benefits received by wilful nondisclosure or misrepresentation of a material fact and any penalty imposed under this section; and

(2)  the commission shall require the person to pay a penalty in an amount equal to 15 percent of the amount forfeited under Subdivision (1)(A).

(b)  If a person attempts to obtain or increase benefits by a nondisclosure or misrepresentation as provided by Subsection (a), the commission shall [~~may~~] cancel the person's right to benefits that remain in the benefit year in which the nondisclosure or misrepresentation occurred and the person shall forfeit rights to any benefit under this subtitle until the end of the fifth calendar year following the last day of the benefit year in which the attempted nondisclosure or misrepresentation occurred.

SECTION 6.  The changes in law made by this Act apply only to a claim for unemployment compensation benefits filed with the Texas Workforce Commission on or after the effective date of this Act. A claim filed before the effective date of this Act is governed by the law in effect on the date the claim was filed, and the former law is continued in effect for that purpose.

SECTION 7.  This Act takes effect October 1, 2023.