

Extensions and Special Programs

Temporarily modifies the federal-state extended benefits (EB) program provisions concerning the EB “on” and “off” indicators by using a 3-year look-back for the mandatory indicator based on the insured unemployment rate (IUR) for weeks of unemployment beginning after December 17, 2010, and ending December 31, 2011, and the optional indicators based on the seasonally adjusted total unemployment rate (TUR) for weeks of unemployment ending after December 17, 2010, and ending with the week ending 4 weeks before the last week for which the Federal government pays 100 percent of sharable EB costs, without regard to federal sharing provided in Federal law.

Financing

Creates in the Department of Treasury contingent fund a separate, special fraud control fund. The special fraud control fund shall consist of money collected or received by the unemployment agency as follows:

- All interest and penalties collected under specific provisions of law.
- All gifts to, interest on, or profits earned by the special fraud control fund.
- Amounts credited under specific provisions of law.

Specifies that the money in the special fraud control fund is continuously appropriated only to the unemployment agency and may not be transferred or otherwise made available to any other state agency.

Specifies that all amounts in the special fraud control fund are to be used first for the acquisition of packaged software that has a proven record of success with the detection and collection of unemployment benefit overpayments and then for administrative costs associated with the prevention, discovery, and collection of unemployment benefit overpayments, as included in the biennial budget of the Michigan unemployment agency and approved by the legislature.

Requires the Michigan unemployment agency to submit a report to the clerk of the House of Representatives and the Secretary of the Senate at the close of the 2-year period beginning on March 29, 2011, to show how the money from the special fraud control fund was used and the results obtained from the special fraud control fund. Requires the Department of Licensing and Regulatory Affairs to implement the initial detection and collection software package by September 1, 2011.

Provides for the recovery of interest in addition to any recovery of penalties.

Allows the Michigan unemployment agency to recover damages for a second or subsequent violation of knowingly making a false statement or representation or the knowing and willful failure to disclose a material fact in an amount equal to 4 times the amount obtained. Requires the amounts recovered be credited as follows:

- Deductions from unemployment insurance benefits shall be applied solely to the amount of the benefits liable to be repaid.
- All other recoveries shall be applied first to administrative sanctions and damages, then to interest, and then to the amount liable to be repaid. The amounts applied to administrative sanctions, damages, and interest shall be credited to the special fraud control fund.

Monetary Entitlement

Decreases the number of benefit weeks payable to an individual in a benefit year from not more than 26 weeks of benefits or less than 14 weeks of benefits to not more than 20 weeks of benefits or less than 14 weeks of benefits. (Effective on or after January 15, 2012.) Provides that the 20-week limitation of total benefits set forth in this paragraph does not apply to claimants declared eligible for training benefits in accordance with the State unemployment insurance law.

Overpayments

Provides that in addition to allowing recovery of benefits received to which a person is not entitled, the Michigan unemployment agency may also recover interest due. Provides that such recoveries may be deducted from wages payable to the individual. Limits the deduction from wages to not more than 20 percent of each payment due the claimant.

OREGON SB 5509
(CH 339)

ENACTED June 14, 2011
EFFECTIVE July 1, 2011

Financing

Appropriates to the Employment Department, for the biennium beginning July 1, 2011, out of the General Fund the amount of \$3,670,948. The department may expend up to 54 percent of this appropriated amount during the period beginning July 1, 2011, and ending June 30, 2012.

Appropriates to the Employment Department, for the biennium beginning July 1, 2011, Reed Act funds made available to the state on March 13, 2002, under federal law, as amended, in the amount of \$23,300,000 to be used under the direction of the Employment Department for the purposes of administering unemployment compensation law and public employment offices.

Appropriates to the Employment Department, for the biennium beginning July 1, 2011, out of the Employment Department Special Administrative Fund the amount of \$9,500,000 to be used under the direction of the Employment Department for the purposes of administering unemployment compensation law and public employment offices.

Provides that notwithstanding any other law limiting expenditures, the amount of \$274,249,072 is established for the biennium beginning July 1, 2011, as the maximum limit for payment of expenses from federal funds, other than Reed Act funds, collected or received by the Employment Department.

Provides that for the biennium beginning July 1, 2011, expenditures by the Employment Department for unemployment insurance claims from the Unemployment Compensation Trust Fund are not limited.

Provides that for the biennium beginning July 1, 2011, expenditures by the Employment Department for purposes of carrying out the federal Trade Act and for unemployment insurance claims from federal funds are not limited.

TEXAS HB 2579
 (CH 534)

ENACTED June 17, 2011
EFFECTIVE September 1, 2011

Administration

Adds that it is reasonable for an employer to rely on a court ruling or Texas Workforce Commission determination that service performed by an individual, including service in interstate commerce, is not employment if:

- the ruling is:
 - . a judicial decision or precedent, including a published opinion, from a court in this state; or
 - . a Texas Workforce Commission decision involving the employer as a party or a subject; and
- the ruling or determination has not been reversed or otherwise invalidated.

Adds that the Texas Workforce Commission shall relieve an employer that reasonably relies on a ruling or determination described above from penalties, interest, or sanctions that result from a subsequent ruling or determination that the service in question is employment. An employer who receives relief is not indebted to the state for the penalties, interest, or sanctions from which the employer is relieved and may not be considered delinquent on the payment of taxes, to the extent of the amount from which the employer is relieved.

Adds that an employer may reasonably rely on a ruling or determination until the earlier of:

- the effective date of the subsequent ruling or determination invalidating the ruling or determination on which the employer reasonably relied; or
- the third anniversary of the due date of a contribution based on the service in question.

Adds that these provisions apply only if the Texas Workforce Commission determines that the nature of the business and the service in question are substantially unchanged from the time the initial ruling was issued or the initial determination was made.

TEXAS SB 439
 (CH 26)

ENACTED May 9, 2011
EFFECTIVE September 1, 2011

Financing

Provides that benefits may not be charged against the account of an employer if the employee's last separation from the employer's employment before the employee's benefit year was caused by the employer's reinstatement of a qualified uniformed service member with reemployment rights and benefits and other employment benefits in accordance with the Uniformed Service Employment and Reemployment Rights Act of 1994. (Applicable only to a claim for unemployment compensation benefits filed with the state on or after September 1, 2011.)

TEXAS SB 458 ENACTED April 29, 2011
(CH 12) EFFECTIVE September 1, 2011

Nonmonetary Eligibility

Provides that, with respect to initial claims, "last work" and "person for whom the claimant last worked" refer to:

- The last person for whom the claimant actually worked, if the claimant worked for that person for at least 30 hours during a week; or
- The employer as defined by the state unemployment law, or by the unemployment law of any other state, for whom the claimant last worked. (Applicable only to a claim for unemployment compensation benefits filed with the state on or after September 1, 2011.)

TEXAS SB 638 ENACTED April 28, 2011
(CH 31) EFFECTIVE September 1, 2011

Financing

Provides that if all or part of the experience of the predecessor employer is transferred to the successor, any surplus credit applicable to the predecessor employer is also transferred to the successor, and the predecessor employer is not entitled to receive any portion of the surplus credit that is based on the experience transfer.

Prohibits the transfer of the surplus credit if the experience transfer was accomplished solely or primarily for the purpose of obtaining a lower contribution rate.

VERMONT SB 96 ENACTED and EFFECTIVE May 26, 2011
(Act No. 50)

Administration

Provides for the confidentiality and nondisclosure of employment and unemployment information to support or facilitate an investigation by a public agency of the State of Vermont or other state or the federal government, except as otherwise provided.

Provides for the disclosure of information from unemployment records to any public officer or public agency of the State of Vermont or other state or the federal government to investigate the misclassification or miscoding of workers, subject to regulation restrictions.

Financing

Provides that a base-period employer's experience-rating account will not be charged for benefits paid to an individual who was paid \$1,000 or less in wages by the individual's base-period employer. (Repealed on July 1, 2012.)

WEST VIRGINIA HB 2763
(CH 177)

ENACTED and EFFECTIVE March 24, 2011

Overpayments

Prohibits the Executive Director of Workforce West Virginia from billing reimbursable employers for overpayments paid to claimants. Requires the employer to be reimbursed from the Unemployment Compensation Trust Fund, if allowed by federal law, and if not from the Administrative Fund, any amount billed and paid that was determined to be an overpayment. Provides that an employer shall not be entitled to any payment unless such employer has timely filed all requested adequate separation information.