

HB 597 -- UNEMPLOYMENT BENEFITS

SPONSOR: Clemens

This bill requires the Department of Labor and Industrial Relations (DOLIR) to waive the repayment of any unemployment benefits that were incorrectly but nonfraudulently distributed to claimants if such benefits were paid out of the State Unemployment Compensation Trust Fund, and the federal government has granted authority to the state to waive the recovery of such benefits.

The bill requires any claimant who is denied a waiver to be sent a notice by DOLIR, not later than 90 days after the effective date of this bill, notifying them that they are allowed to appeal such denial. If the claimant returns the notice to DOLIR within 60 days, indicating an intent to appeal the decision, then DOLIR shall cease all efforts to recover the overpaid benefits. Under no circumstances shall DOLIR or any division thereof attempt to recover the overpaid benefits while the case is pending appeal. Claimants must file an appeal not later than 60 days after notifying DOLIR.

The bill additionally provides that in the case of over-recovered overpaid unemployment benefits, DOLIR is required to notify claimants by certified mail within 15 days of discovery of over-recovery and must furthermore repay the funds within 30 days of such notification if the amount is less than \$10,000. If the over-recovered amount is \$10,000 or more, repayment of funds shall occur within a reasonable time period, as determined by agreement of DOLIR and the claimant, with interest. If DOLIR fails to provide notice of an over-recovery then interest shall accrue starting from the date of the discovery, regardless of the amount of the over-recovery.

This bill contains an emergency clause.

This bill is similar to SB 709 (2022) and to HB 2513 (2022).