FIRST REGULAR SESSION [PERFECTED] HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 202

103RD GENERAL ASSEMBLY

0773H.02P

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal section 288.050, RSMo, and to enact in lieu thereof two new sections relating to employment security.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 288.050, RSMo, is repealed and two new sections enacted in lieu 2 thereof, to be known as sections 288.050 and 288.104, to read as follows:

288.050. 1. Notwithstanding the other provisions of this law, a claimant shall be disqualified for waiting week credit or benefits until after the claimant has earned wages for work insured pursuant to the unemployment compensation laws of any state equal to ten times the claimant's weekly benefit amount if the deputy finds:

5 (1) That the claimant has left work voluntarily without good cause attributable to such 6 work or to the claimant's employer. A temporary employee of a temporary help firm will be deemed to have voluntarily quit employment if the employee does not contact the temporary 7 8 help firm for reassignment prior to filing for benefits. Failure to contact the temporary help 9 firm will not be deemed a voluntary quit unless the claimant has been advised of the 10 obligation to contact the firm upon completion of assignments and that unemployment benefits may be denied for failure to do so. "Good cause", for the purposes of this 11 12 subdivision, shall include only that cause which would compel a reasonable employee to cease working or which would require separation from work due to illness or disability. The 13 claimant shall not be disqualified: 14

15 (a) If the deputy finds the claimant quit such work for the purpose of accepting a 16 more remunerative job which the claimant did accept and earn some wages therein;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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17 (b) If the claimant quit temporary work to return to such claimant's regular employer;18 or

(c) If the deputy finds the individual quit work, which would have been determined
not suitable in accordance with paragraphs (a) and (b) of subdivision (3) of this subsection,
within twenty-eight calendar days of the first day worked;

22 (d) As to initial claims filed after December 31, 1988, if the claimant presents 23 evidence supported by competent medical proof that she was forced to leave her work because of pregnancy, notified her employer of such necessity as soon as practical under the 24 25 circumstances, and returned to that employer and offered her services to that employer as soon as she was physically able to return to work, as certified by a licensed and practicing 26 27 physician, but in no event later than ninety days after the termination of the pregnancy. An 28 employee shall have been employed for at least one year with the same employer before she may be provided benefits pursuant to the provisions of this paragraph; 29

30 (e) If the deputy finds that, due to the spouse's mandatory and permanent military 31 change of station order, the claimant quit work to relocate with the spouse to a new residence 32 from which it is impractical to commute to the place of employment and the claimant 33 remained employed as long as was reasonable prior to the move. The claimant's spouse shall 34 be a member of the U.S. Armed Forces who is on active duty, or a member of the National Guard or other reserve component of the U.S. Armed Forces who is on active National Guard 35 36 or reserve duty. The provisions of this paragraph shall only apply to individuals who have been determined to be an insured worker as provided in subdivision (22) of subsection 1 of 37 38 section 288.030;

(2) That the claimant has retired pursuant to the terms of a labor agreement between
the claimant's employer and a union duly elected by the employees as their official
representative or in accordance with an established policy of the claimant's employer; or

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(3) (a) That the claimant failed without good cause [either] to:

a. Apply for available suitable work when so directed by a deputy of the division or
designated staff of an employment office as defined in subsection 1 of section 288.030[, or
to];

46 b. Accept suitable work when offered [the elaimant, either through the division or
 47 directly by an employer by whom the individual was formerly employed, or to];

c. Appear for a scheduled job interview for suitable work or a skills test three
 times within an unemployment cycle when such interview or skills test is offered to the
 claimant, either through the division or directly by an employer; or

d. Return to the individual's customary self-employment, if any, when so directed bythe deputy.

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53 (b) For the purposes of this subdivision, an offer of suitable work, suitable job 54 interview, or skills test shall be rebuttably presumed if an employer notifies the claimant in 55 writing of such offer [by sending an acknowledgment via any form of certified mail issued by the United States Postal Service stating such offer to the claimant at the claimant's last known 56 57 address] or by a method or manner prescribed by the division. Nothing in this subdivision shall be construed to limit the means by which the deputy may establish that the claimant has 58 59 or has not been sufficiently notified of available work. In enforcing this subdivision, the 60 division shall establish a method allowing verified employers to report any individual who fails to accept or respond to an offer of employment or appear for a previously 61 62 scheduled job interview or skills test.

63 (a) (c) In determining whether or not any work is suitable for an individual, the 64 division shall consider, among other factors and in addition to those enumerated in paragraph (b) of this subdivision, the degree of risk involved to the individual's health, safety and 65 66 morals, the individual's physical fitness and prior training, the individual's experience and prior earnings, the individual's length of unemployment, the individual's prospects for 67 securing work in the individual's customary occupation, the distance of available work from 68 69 the individual's residence and the individual's prospect of obtaining local work; except that, if 70 an individual has moved from the locality in which the individual actually resided when such individual was last employed to a place where there is less probability of the individual's 71 72 employment at such individual's usual type of work and which is more distant from or 73 otherwise less accessible to the community in which the individual was last employed, work 74 offered by the individual's most recent employer if similar to that which such individual 75 performed in such individual's last employment and at wages, hours, and working conditions 76 which are substantially similar to those prevailing for similar work in such community, or any 77 work which the individual is capable of performing at the wages prevailing for such work in 78 the locality to which the individual has moved, if not hazardous to such individual's health, 79 safety or morals, shall be deemed suitable for the individual.

80 [(b)] (d) Notwithstanding any other provisions of this law, no work shall be deemed 81 suitable and benefits shall not be denied pursuant to this law to any otherwise eligible 82 individual for refusing to accept new work under any of the following conditions:

a. If the position offered is vacant due directly to a strike, lockout, or other labordispute;

b. If the wages, hours, or other conditions of the work offered are substantially less
favorable to the individual than those prevailing for similar work in the locality;

c. If as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

89 2. If a deputy finds that a claimant has been discharged for misconduct connected 90 with the claimant's work, such claimant shall be disqualified for waiting week credit and 91 benefits, and no benefits shall be paid nor shall the cost of any benefits be charged against any 92 employer for any period of employment within the base period until the claimant has earned 93 wages for work insured under the unemployment laws of this state or any other state as 94 prescribed in this section. In addition to the disqualification for benefits pursuant to this 95 provision the division may in the more aggravated cases of misconduct cancel all or any part 96 of the individual's wage credits, which were established through the individual's employment 97 by the employer who discharged such individual, according to the seriousness of the 98 misconduct. A disqualification provided for pursuant to this subsection shall not apply to any 99 week which occurs after the claimant has earned wages for work insured pursuant to the unemployment compensation laws of any state in an amount equal to six times the claimant's 100 101 weekly benefit amount. Should a claimant be disqualified on a second or subsequent occasion within the base period or subsequent to the base period the claimant shall be 102 103 required to earn wages in an amount equal to or in excess of six times the claimant's weekly 104 benefit amount for each disqualification.

105 3. Notwithstanding the provisions of subsection 1 of this section, a claimant may not 106 be determined to be disqualified for benefits because the claimant is in training approved pursuant to Section 236 of the Trade Act of 1974, as amended, (19 U.S.C.A. Sec. 2296, as 107 108 amended), or because the claimant left work which was not suitable employment to enter 109 such training. For the purposes of this subsection "suitable employment" means, with respect 110 to a worker, work of a substantially equal or higher skill level than the worker's past adversely affected employment, and wages for such work at not less than eighty percent of the worker's 111 112 average weekly wage as determined for the purposes of the Trade Act of 1974.

288.104. 1. This section shall be known and may be cited as the "Employment 2 Security Program Integrity Act of 2025".

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2. As used in this section, the following terms mean:

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(1) "Department of corrections", the Missouri department of corrections;

5 (2) "Division", the division of employment security of the Missouri department 6 of labor and industrial relations;

7 (3) "Employment security rolls", the list of all persons currently receiving 8 unemployment compensation benefits under this chapter, to be kept and updated by the 9 division;

10 (4) "National data check system", any public, private, or nonprofit national data 11 system designed to verify the identity, employment status, eligibility status, and claims 12 submitted status of any individual participating in, or applying to participate in, an 13 unemployment compensation program;

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14 (5) "New-hire records", the directory of newly hired and rehired employees 15 reported under applicable state and federal laws;

(6) "Welfare agency", any state agency, department, or entity that distributes or
administers public assistance benefits, other than unemployment compensation benefits,
through the Temporary Assistance for Needy Families (TANF), Supplemental Nutrition
Assistance Program (SNAP), Medicaid, or public housing programs.

3. The division shall engage with and utilize a national data check system to
 ensure that only eligible individuals receive unemployment compensation benefits
 pursuant to this chapter.

4. The division shall, on a weekly basis, check its employment security rolls against a list of incarcerated individuals, which shall be provided to the division by the department of corrections, to verify the eligibility of unemployment compensation benefit claimants and to ensure that only eligible individuals receive unemployment compensation benefits pursuant to this chapter.

5. The division shall, on a weekly basis, check its employment security rolls against state death records.

30 6. The division shall, on a weekly basis, check its new-hire records against the
 31 records contained in the National Directory of New Hires in order to verify the
 32 eligibility of the individuals named in the division's new-hire records.

7. The division shall verify the identity of unemployment compensation benefit
 claimants by methods including, but not limited to:

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(1) Verifying the identity of an applicant prior to awarding benefits; and

(2) Requiring multi-factor authentication as part of online applications.

37 8. The division shall perform a full eligibility review of suspicious or potentially
38 improper claims in cases including, but not limited to:

39 (1) Multiple or duplicative claims filed online originating from the same internet
 40 protocol address;

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(2) Claims filed online from foreign internet protocol addresses;

42 (3) Multiple or duplicative claims filed that are associated with the same mailing 43 address; and

44 (4) Multiple or duplicative claims filed that are associated with the same bank 45 account.

46 9. Any welfare agency, upon receipt of information that an enrolled individual
47 has become employed, shall notify the division in order that the division may determine
48 whether the individual remains eligible for unemployment compensation benefits.

49 **10.** (1) The division shall adopt and implement internal administrative policies 50 to prioritize and pursue the recovery of fraudulent or otherwise improper 51 unemployment compensation benefit overpayments to the fullest extent allowable under

applicable state and federal law. The division shall attempt to recover all outstanding
 unemployment compensation benefit overpayments unless doing so would violate state
 or federal law.

55 (2) The division shall maintain records of all of its attempts to recover 56 unemployment compensation benefit overpayments. The division shall issue a written 57 report to the general assembly each year, no later than December thirty-first, describing 58 improper unemployment compensation benefit payments and their recovery, the extent 59 to which any improper unemployment compensation benefit payments have not been 60 corrected or recovered, and the reasons for the failure of the division to secure such 61 correction or recovery.

62 11. The division is hereby authorized to execute a memorandum of 63 understanding with any governmental entity of this state in order to share and 64 receive such information as may be necessary for the division to administer the 65 provisions of this section.

66 12. If the division receives information relating to an individual who has been 67 found eligible for unemployment compensation benefits and such information indicates 68 a change in circumstances that could affect the individual's eligibility, the division shall 69 review the individual's eligibility case.

70 13. The division may promulgate all necessary rules and regulations for the administration of this section. Any rule or portion of a rule, as that term is defined in 71 72 section 536.010, that is created under the authority delegated in this section shall 73 become effective only if it complies with and is subject to all of the provisions of chapter 74 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable 75 and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently 76 77 held unconstitutional, then the grant of rulemaking authority and any rule proposed or 78 adopted after August 28, 2025, shall be invalid and void.

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