

HCS HB 202 -- EMPLOYMENT SECURITY (Casteel)

COMMITTEE OF ORIGIN: Standing Committee on Government Efficiency

This bill adds to the reasons a claimant is disqualified for unemployment compensation by adding that if the designated representative of the Division of Employment Security within the Department of Labor and Industrial Relations finds that a claimant failed to appear for a scheduled job interview or skills test for suitable work three times. The bill also revises the method of notifying the claimant by deleting the current requirement of certified mail and referring to notification in a method and manner determined by the division. The Division must establish a method allowing employers to report individuals who do not accept or respond to offers or do not appear for scheduled interviews or tests.

This bill establishes the "Employment Security Program Integrity Act of 2025" and defines terms such as "Employment security rolls", "National data check system", "New-hire records", and "Welfare agency" for the purpose of this Act.

This bill requires the Division to utilize a national data check system to verify that eligible claimants receive unemployment compensation benefits. Weekly checks against a list of incarcerated individuals, State death records, and new-hire records are required to ensure the accuracy of employment security rolls.

The bill specifies methods for verifying the identity of unemployment compensation benefit claimants, including multi-factor authentication.

This bill requires that the Division conduct eligibility reviews for suspicious or potentially improper claims, including multiple or duplicative claims from the same internet protocol address, or associated with the same mailing address or bank account or claims filed from foreign addresses. Welfare agencies are required to notify the Division when an enrolled individual becomes employed.

This bill allows the Division to pursue the recovery of fraudulent or improper unemployment compensation benefits overpayment. The Division is required to provide an annual report to the General Assembly each year, by December 31st, describing improper unemployment compensation benefit payments and their recovery efforts. The Division is authorized to enter into a memorandum of understanding with other state entities to share and receive the necessary information.

This bill is similar to HCS HB 1281 (2025), HCS HB 2614 (2024), and HB 2034 (2024).