

HCS HB 649 -- EMPLOYMENT SECURITY (Shaul)

COMMITTEE OF ORIGIN: Standing Committee on Economic Development

This bill changes the average unemployment rate requirement in order for an insured worker to receive unemployment compensation benefits to:

- (1) Twenty weeks if the Missouri average unemployment rate is higher than 9%;
- (2) Nineteen weeks if the Missouri average unemployment rate is higher than 8.5% but no higher than 9%;
- (3) Eighteen weeks if the Missouri average unemployment rate is higher than 8% but no higher than 8.5%;
- (4) Seventeen weeks if the Missouri average unemployment rate is higher than 7.5% but no higher than 8%;
- (5) Sixteen weeks if the Missouri average unemployment rate is higher than 7% but no higher than 7.5%;
- (6) Fifteen weeks if the Missouri average unemployment rate is higher than 6.5% but no higher than 7%;
- (7) Fourteen weeks if the Missouri average unemployment rate is higher than 6% but no higher than 6.5%;
- (8) Thirteen weeks if the Missouri average unemployment rate is higher than 5.5% but no higher than 6%; and
- (9) Twelve weeks if the Missouri average unemployment rate is at or below 5.5%.

For the purposes of this schedule, "Missouri average unemployment rate" means the average of the six most recently reported months of the seasonally adjusted statewide unemployment rates as published by the United States Department of Labor, Bureau of Labor Statistics or the most recently reported month's unemployment rate, whichever is greater, when the worker applies for such benefits.

All necessary rules and regulations for the administration of this section will be established by the Division of Employment Security within the Department of Labor and Industrial Relations (Section 288.060, RSMo.).

These provisions are similar to HB 2039 (2020).

A portion of this bill is to be known as the "Employment Security Program Integrity Act of 2021" and requires the Division of Employment Security (DES) of the Department of Labor and Industrial Relations (DOLIR) to engage with and utilize the Integrity Data Hub designed and published by the UI Integrity Center of the National Association of State Workforce Agencies to ensure the integrity of state employment security rolls. DES may also utilize other government or commercially available services to achieve the purposes of the Employment Security Program Integrity Act of 2021.

The bill requires DES to check rolls on a weekly basis against a list provided by the Missouri Department of Corrections to verify eligibility of benefit claimants. Also under this bill, DES is required to check its new-hire records on a weekly basis against the records contained in the National Directory of New Hires in order to verify the eligibility of the individuals named in DES's new-hire records. The bill requires DES to attempt to recover all outstanding overpayments and develop policies to pursue the recovery of fraudulent and improper overpayments. DES will annually submit a written report by December 31st to the General Assembly as outlined in the bill (Section 288.104).

This provision of the bill is similar to HB 769 (2021).

This bill created the "Employment Security Business Tax Reform Act of 2021" which allows specified new businesses to be experience-rated under Chapter 288, RSMo., 12 months after they first hire qualified employees who work a specified number of qualifying hours. The Division of Employment Security, within the Department of Labor and Industrial Relations, will enact rules and regulations to administer the requirements of this provision of the bill (Section 288.405).

This provision of the bill is the same as HB 1072 (2021).

The bill has a delayed effective date of January 1, 2022.