AN ACT

To repeal section 288.036 as enacted by house bill no. 150, ninety-eighth general assembly, first regular session, section 288.036 as enacted by house bill no. 1456, ninety-third general assembly, second regular session, section 288.060 as enacted by house bill no. 150, ninety-eighth general assembly, first regular session, and section 288.060 as enacted by house bill no. 163, ninety-sixth general assembly, first regular session, and to enact in lieu thereof three new sections relating to employment security, with an effective date for a certain section.

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

Section A. Section 288.036 as enacted by house bill no. 150, ninety-eighth general assembly, first regular session, section 288.036 as enacted by house bill no. 1456, ninety-third general assembly, second regular session, section 288.060 as enacted by house bill no. 150, ninety-eighth general assembly, first regular session, and section 288.060 as enacted by house bill no. 163, ninety-sixth general assembly, first regular session, are repealed and three new sections enacted in lieu thereof, to be known as sections 288.036, 288.060, and 288.104, to read as follows:

[288.036. 1. "Wages" means all remuneration, payable or paid, for personal services including commissions and bonuses and, except as provided in subdivision (7) of this section, the cash value of all remuneration paid in any medium other than cash. Gratuities, including tips received from persons other than the employing unit, shall be considered wages only if required to be reported as wages]
pursuant to the Federal Unemployment Tax Act, 26 U.S.C. Section 3306, and shall be, for the purposes of this chapter, treated as having been paid by the employing unit. Severance pay shall be considered as wages to the extent required pursuant to the Federal Unemployment Tax Act, 26 U.S.C. Section 3306(b). Vacation pay, termination pay, severance pay and holiday pay shall be considered as wages for the week with respect to which it is payable. The total amount of wages derived from severance pay, if paid to an insured in a lump sum, shall be prorated on a weekly basis at the rate of pay received by the insured at the time of termination for the purposes of determining unemployment benefits eligibility. The term "wages" shall not include:

(1) The amount of any payment made (including any amount paid by an employing unit for insurance or annuities, or into a fund, to provide for any such payment) to, or on behalf of, an individual under a plan or system established by an employing unit which makes provision generally for individuals performing services for it or for a class or classes of such individuals, on account of:

(a) Sickness or accident disability, but in case of payments made to an employee or any of the employee's dependents this paragraph shall exclude from the term wages only payments which are received pursuant to a workers' compensation law; or

(b) Medical and hospitalization expenses in connection with sickness or accident disability; or

(c) Death;

(2) The amount of any payment on account of sickness or accident disability, or medical or hospitalization expenses in connection with sickness or accident disability, made by an employing unit to, or on behalf of, an individual performing services for it after the expiration of six calendar months following the last calendar month in which the individual performed services for such employing unit;

(3) The amount of any payment made by an employing unit to, or on behalf of, an individual performing services for it or his or her beneficiary:

(a) From or to a trust described in 26 U.S.C. Section 401(a) which is exempt from tax pursuant to 26 U.S.C. Section 501(a) at the time of such payment unless such payment is made to an employee of the trust as remuneration for services rendered as such an employee and not as a beneficiary of the trust; or
(b) Under or to an annuity plan which, at the time of such payments, meets the requirements of Section 404(a)(2) of the Federal Internal Revenue Code (26 U.S.C.A. Section 404);
(4) The amount of any payment made by an employing unit (without deduction from the remuneration of the individual in employment) of the tax imposed pursuant to Section 3101 of the Federal Internal Revenue Code (26 U.S.C.A. Section 3101) upon an individual with respect to remuneration paid to an employee for domestic service in a private home or for agricultural labor;
(5) Remuneration paid in any medium other than cash to an individual for services not in the course of the employing unit's trade or business;
(6) Remuneration paid in the form of meals provided to an individual in the service of an employing unit where such remuneration is furnished on the employer's premises and at the employer's convenience, except that remuneration in the form of meals that is considered wages and required to be reported as wages pursuant to the Federal Unemployment Tax Act, 26 U.S.C. Section 3306 shall be reported as wages as required thereunder;
(7) For the purpose of determining wages paid for agricultural labor as defined in paragraph (b) of subdivision (1) of subsection 12 of section 288.034 and for domestic service as defined in subsection 13 of section 288.034, only cash wages paid shall be considered;
(8) Beginning on October 1, 1996, any payment to, or on behalf of, an employee or the employee's beneficiary under a cafeteria plan, if such payment would not be treated as wages pursuant to the Federal Unemployment Tax Act.
2. The increases or decreases to the state taxable wage base for the remainder of calendar year 2004 shall be eight thousand dollars, and the state taxable wage base in calendar year 2005, and each calendar year thereafter, shall be determined by the provisions within this subsection. On January 1, 2005, the state taxable wage base for calendar year 2005, 2006, and 2007 shall be eleven thousand dollars. The taxable wage base for calendar year 2008 shall be twelve thousand dollars. The state taxable wage base for each calendar year thereafter shall be determined by the average balance of the unemployment compensation trust fund of the four preceding calendar quarters (September thirty-first, June thirtieth, March thirty-first, and December thirty-first of the preceding calendar year), less any outstanding federal Title XII advances received pursuant to section
288.330, less the principal, interest, and administrative expenses related to any credit instrument issued under section 288.030, and less the principal, interest, and administrative expenses related to any financial agreements under subdivision (17) of subsection 2 of section 288.330. When the average balance of the unemployment compensation trust fund of the four preceding quarters (September thirtieth, June thirtieth, March thirty-first, and December thirty-first of the preceding calendar year), as so determined is:

(1) Less than, or equal to, three hundred fifty million dollars, then the wage base shall increase by one thousand dollars; or

(2) Six hundred fifty million or more, then the state taxable wage base for the subsequent calendar year shall be decreased by five hundred dollars. In no event, however, shall the state taxable wage base increase beyond twelve thousand five hundred dollars, or decrease to less than seven thousand dollars.

For calendar year 2009, the tax wage base shall be twelve thousand five hundred dollars. For calendar year 2010 and each calendar year thereafter, in no event shall the state taxable wage base increase beyond thirteen thousand dollars, or decrease to less than seven thousand dollars.

For any calendar year, the state taxable wage base shall not be reduced to less than that part of the remuneration which is subject to a tax under a federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment compensation trust fund. Nothing in this section shall be construed to prevent the wage base from increasing or decreasing by increments of five hundred dollars.]

288.036. 1. "Wages" means all remuneration, payable or paid, for personal services including commissions and bonuses and, except as provided in subdivision (7) of this subsection, the cash value of all remuneration paid in any medium other than cash. Gratuities, including tips received from persons other than the employing unit, shall be considered wages only if required to be reported as wages pursuant to the Federal Unemployment Tax Act, 26 U.S.C. Section [3306] 3301, et seq., as amended, and shall be, for the purposes of this chapter, treated as having been
paid by the employing unit. [Severance pay shall be considered as wages to the extent required pursuant to the Federal Unemployment Tax Act, 26 U.S.C. Section 3306(b).] Vacation pay, termination pay, severance pay, and holiday pay shall be considered as wages for the week with respect to which it is payable. The total amount of wages derived from severance pay, termination pay, vacation pay, or holiday pay, if paid to an insured in a lump sum, shall be prorated on a weekly basis at the rate of pay received by the insured at the time of termination for the purposes of determining unemployment benefits eligibility. The term "wages" shall not include:

(1) The amount of any payment made (including any amount paid by an employing unit for insurance or annuities, or into a fund, to provide for any such payment) to, or on behalf of, an individual under a plan or system established by an employing unit which makes provision generally for individuals performing services for it or for a class or classes of such individuals, on account of:

(a) Sickness or accident disability, but in case of payments made to an employee or any of the employee's dependents this paragraph shall exclude from the term wages only payments which are received pursuant to a workers' compensation law; or

(b) Medical and hospitalization expenses in connection with sickness or accident disability; or

(c) Death;

(2) The amount of any payment on account of sickness or accident disability, or medical or hospitalization expenses in connection with sickness or accident disability, made by an employing unit to, or on behalf of, an individual performing services for it after the expiration of six
calendar months following the last calendar month in which
the individual performed services for such employing unit;

(3) The amount of any payment made by an employing
unit to, or on behalf of, an individual performing services
for it or his or her beneficiary:

(a) From or to a trust described in 26 U.S.C. Section
401(a) which is exempt from tax pursuant to 26 U.S.C.
Section 501(a) at the time of such payment unless such
payment is made to an employee of the trust as remuneration
for services rendered as such an employee and not as a
beneficiary of the trust; or

(b) Under or to an annuity plan which, at the time of
such payments, meets the requirements of Section 404(a)(2)
of the Federal Internal Revenue Code (26 U.S.C.A. Section
404);

(4) The amount of any payment made by an employing
unit (without deduction from the remuneration of the
individual in employment) of the tax imposed pursuant to
Section 3101 of the Federal Internal Revenue Code (26
U.S.C.A. Section 3101) upon an individual with respect to
remuneration paid to an employee for domestic service in a
private home or for agricultural labor;

(5) Remuneration paid in any medium other than cash to
an individual for services not in the course of the
employing unit's trade or business;

(6) Remuneration paid in the form of meals provided to
an individual in the service of an employing unit where such
remuneration is furnished on the employer's premises and at
the employer's convenience, except that remuneration in the
form of meals that is considered wages and required to be
reported as wages pursuant to the Federal Unemployment Tax
Act, 26 U.S.C. Section 3306 shall be reported as wages as required thereunder;

(7) For the purpose of determining wages paid for agricultural labor as defined in paragraph (b) of subdivision (1) of subsection 12 of section 288.034 and for domestic service as defined in subsection 13 of section 288.034, only cash wages paid shall be considered;

(8) Beginning on October 1, 1996, any payment to, or on behalf of, an employee or the employee's beneficiary under a cafeteria plan, if such payment would not be treated as wages pursuant to the Federal Unemployment Tax Act.

2. The increases or decreases to the state taxable wage base for the remainder of calendar year 2004 shall be eight thousand dollars, and the state taxable wage base in calendar year 2005, and each calendar year thereafter, shall be determined by the provisions within this subsection. On January 1, 2005, the state taxable wage base for calendar year 2005, 2006, and 2007 shall be eleven thousand dollars. The taxable wage base for calendar year 2008 shall be twelve thousand dollars. The state taxable wage base for each calendar year thereafter shall be determined by the average balance of the unemployment compensation trust fund of the four preceding calendar quarters (September thirtieth, June thirtieth, March thirty-first, and December thirty-first of the preceding calendar year), less any outstanding federal Title XII advances received pursuant to section 288.330, less the principal, interest, and administrative expenses related to any credit instrument issued under section [288.030] 288.330, and less the principal, interest, and administrative expenses related to any financial agreements under subdivision (17) of subsection 2 of section 288.330. When the average balance of the unemployment compensation
trust fund of the four preceding quarters (September thirtieth, June thirtieth, March thirty-first, and December thirty-first of the preceding calendar year), as so determined is:

(1) Less than, or equal to, three hundred fifty million dollars, then the wage base shall increase by one thousand dollars; or

(2) Six hundred fifty million or more, then the state taxable wage base for the subsequent calendar year shall be decreased by five hundred dollars. In no event, however, shall the state taxable wage base increase beyond twelve thousand five hundred dollars, or decrease to less than seven thousand dollars. For calendar year 2009, the tax wage base shall be twelve thousand five hundred dollars. For calendar year 2010 and each calendar year thereafter, in no event shall the state taxable wage base increase beyond thirteen thousand dollars, or decrease to less than seven thousand dollars.

For any calendar year, the state taxable wage base shall not be reduced to less than that part of the remuneration which is subject to a tax under a federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment compensation trust fund. Nothing in this section shall be construed to prevent the wage base from increasing or decreasing by increments of five hundred dollars.

[288.060. 1. All benefits shall be paid through employment offices in accordance with such regulations as the division may prescribe. 2. Each eligible insured worker who is totally unemployed in any week shall be paid for such week a sum equal to his or her weekly benefit amount. 3. Each eligible insured worker who is partially unemployed in any week shall be paid...
for such week a partial benefit. Such partial benefit shall be an amount equal to the difference between his or her weekly benefit amount and that part of his or her wages for such week in excess of twenty dollars, and, if such partial benefit amount is not a multiple of one dollar, such amount shall be reduced to the nearest lower full dollar amount. For calendar year 2007 and each year thereafter, such partial benefit shall be an amount equal to the difference between his or her weekly benefit amount and that part of his or her wages for such week in excess of twenty dollars or twenty percent of his or her weekly benefit amount, whichever is greater, and, if such partial benefit amount is not a multiple of one dollar, such amount shall be reduced to the nearest lower full dollar amount. Pay received by an eligible insured worker who is a member of the organized militia for training or duty authorized by Section 502(a)(1) of Title 32, United States Code, shall not be considered wages for the purpose of this subsection.

4. The division shall compute the wage credits for each individual by crediting him or her with the wages paid to him or her for insured work during each quarter of his or her base period or twenty-six times his or her weekly benefit amount, whichever is the lesser. In addition, if a claimant receives wages in the form of termination pay or severance pay and such payment appears in a base period established by the filing of an initial claim, the claimant may, at his or her option, choose to have such payment included in the calendar quarter in which it was paid or choose to have it prorated equally among the quarters comprising the base period of the claim. For the purpose of this section, wages shall be counted as wage credits for any benefit year, only if such benefit year begins subsequent to the date on which the employing unit by whom such wages were paid has become an employer. The wage credits of an individual earned during the period commencing with the end of a prior base period and ending on the date on which he or she filed an allowed initial claim shall not be available for benefit purposes in a subsequent benefit year unless, in addition thereto, such individual has subsequently earned either wages for insured work in an amount equal to at least five times his or her current weekly benefit amount or wages in an amount equal to at least ten times his or her current weekly benefit amount.
5. The duration of benefits payable to any insured worker during any benefit year shall be limited to:
   (1) Twenty weeks if the Missouri average unemployment rate is nine percent or higher;
   (2) Nineteen weeks if the Missouri average unemployment rate is between eight and one-half percent and nine percent;
   (3) Eighteen weeks if the Missouri average unemployment rate is eight percent up to and including eight and one-half percent;
   (4) Seventeen weeks if the Missouri average unemployment rate is between seven and one-half percent and eight percent;
   (5) Sixteen weeks if the Missouri average unemployment rate is seven percent up to and including seven and one-half percent;
   (6) Fifteen weeks if the Missouri average unemployment rate is between six and one-half percent and seven percent;
   (7) Fourteen weeks if the Missouri average unemployment rate is six percent up to and including six and one-half percent;
   (8) Thirteen weeks if the Missouri average unemployment rate is below six percent.

As used in this subsection, the phrase "Missouri average unemployment rate" means the average of the seasonally adjusted statewide unemployment rates as published by the United States Department of Labor, Bureau of Labor Statistics, for the time periods of January first through March thirty-first and July first through September thirtieth. The average of the seasonally adjusted statewide unemployment rates for the time period of January first through March thirty-first shall be effective on and after July first of each year and shall be effective through December thirty-first. The average of the seasonally adjusted statewide unemployment rates for the time period of July first through September thirtieth shall be effective on and after January first of each year and shall be effective through June thirtieth; and

(9) The provisions of this subsection shall become effective January 1, 2016.

6. In the event that benefits are due a deceased person and no petition has been filed for the probate of the will or for the administration of the estate of such person within thirty days after his or her death, the division may by regulation provide for the payment of such benefits to such person or persons as the division finds entitled thereto and every such payment shall be a valid payment to the same extent as if made to the legal representatives of the deceased.
7. The division is authorized to cancel any benefit warrant remaining outstanding and unpaid one year after the date of its issuance and there shall be no liability for the payment of any such benefit warrant thereafter.

8. The division may establish an electronic funds transfer system to transfer directly to claimants' accounts in financial institutions benefits payable to them pursuant to this chapter. To receive benefits by electronic funds transfer, a claimant shall satisfactorily complete a direct deposit application form authorizing the division to deposit benefit payments into a designated checking or savings account. Any electronic funds transfer system created pursuant to this subsection shall be administered in accordance with regulations prescribed by the division.

9. The division may issue a benefit warrant covering more than one week of benefits.

10. Prior to January 1, 2005, the division shall institute procedures including, but not limited to, name, date of birth, and Social Security verification matches for remote claims filing via the use of telephone or the internet in accordance with such regulations as the division shall prescribe. At a minimum, the division shall verify the Social Security number and date of birth when an individual claimant initially files for unemployment insurance benefits. If verification information does not match what is on file in division databases to what the individual is stating, the division shall require the claimant to submit a division-approved form requesting an affidavit of eligibility prior to the payment of additional future benefits. The division of employment security shall cross-check unemployment compensation applicants and recipients with Social Security Administration data maintained by the federal government at least weekly. The division of employment security shall cross-check at least monthly unemployment compensation applicants and recipients with department of revenue drivers license databases.

288.060. 1. All benefits shall be paid through employment offices in accordance with such regulations as the division may prescribe.

2. Each eligible insured worker who is totally unemployed in any week shall be paid for such week a sum equal to his or her weekly benefit amount.
3. Each eligible insured worker who is partially unemployed in any week shall be paid for such week a partial benefit. Such partial benefit shall be an amount equal to the difference between his or her weekly benefit amount and that part of his or her wages for such week in excess of twenty dollars, and, if such partial benefit amount is not a multiple of one dollar, such amount shall be reduced to the nearest lower full dollar amount. For calendar year 2007 and each year thereafter, such partial benefit shall be an amount equal to the difference between his or her weekly benefit amount and that part of his or her wages for such week in excess of twenty dollars or twenty percent of his or her weekly benefit amount, whichever is greater, and, if such partial benefit amount is not a multiple of one dollar, such amount shall be reduced to the nearest lower full dollar amount. [Termination pay, severance pay, or] Pay received by an eligible insured worker who is a member of the organized militia for training or duty authorized by Section 502(a)(1) of Title 32, United States Code, shall not be considered wages for the purpose of this subsection.

4. The division shall compute the wage credits for each individual by crediting him or her with the wages paid to him or her for insured work during each quarter of his or her base period or twenty-six times his or her weekly benefit amount, whichever is the lesser. In addition, if a claimant receives wages in the form of vacation pay, holiday pay, termination pay, or severance pay and such payment appears in a base period established by the filing of an initial claim, the claimant may, at his or her option, choose to have such payment included in the calendar quarter in which it was paid or choose to have it prorated equally among the quarters comprising the base period of the claim.
The maximum total amount of benefits payable to any insured worker during any benefit year shall not exceed twenty times his or her weekly benefit amount, or thirty-three and one-third percent of his or her wage credits, whichever is the lesser. For the purpose of this section, wages shall be counted as wage credits for any benefit year, only if such benefit year begins subsequent to the date on which the employing unit by whom such wages were paid has become an employer. The wage credits of an individual earned during the period commencing with the end of a prior base period and ending on the date on which he or she filed an allowed initial claim shall not be available for benefit purposes in a subsequent benefit year unless, in addition thereto, such individual has subsequently earned either wages for insured work in an amount equal to at least five times his or her current weekly benefit amount or wages in an amount equal to at least ten times his or her current weekly benefit amount.

5. (1) The duration of benefits payable to any insured worker during any benefit year shall be limited to:

(a) Twenty weeks if the Missouri unemployment rate is higher than nine percent;

(b) Nineteen weeks if the Missouri unemployment rate is higher than eight and one-half percent but no higher than nine percent;

(c) Eighteen weeks if the Missouri unemployment rate is higher than eight percent but no higher than eight and one-half percent;

(d) Seventeen weeks if the Missouri unemployment rate is higher than seven and one-half percent but no higher than eight percent;
(e) Sixteen weeks if the Missouri unemployment rate is higher than seven percent but no higher than seven and one-half percent;

(f) Fifteen weeks if the Missouri unemployment rate is higher than six and one-half percent but no higher than seven percent;

(g) Fourteen weeks if the Missouri unemployment rate is higher than six percent but no higher than six and one-half percent;

(h) Thirteen weeks if the Missouri unemployment rate is higher than five and one-half percent but no higher than six percent;

(i) Twelve weeks if the Missouri unemployment rate is higher than five percent but no higher than five and one-half percent;

(j) Eleven weeks if the Missouri unemployment rate is higher than four and one-half percent but no higher than five percent;

(k) Ten weeks if the Missouri unemployment rate is higher than four percent but no higher than four and one-half percent;

(l) Nine weeks if the Missouri unemployment rate is higher than three and one-half percent but no higher than four percent; and

(m) Eight weeks if the Missouri unemployment rate is at or below three and one-half percent.

(2) As used in this subsection, the phrase "Missouri unemployment rate" means the statewide unemployment rate as published by the United States Department of Labor, Bureau of Labor Statistics, on the date that the claimant initially files a claim for benefits.
The provisions of this subsection shall become effective January 1, 2023.

6. In the event that benefits are due a deceased person and no petition has been filed for the probate of the will or for the administration of the estate of such person within thirty days after his or her death, the division may by regulation provide for the payment of such benefits to such person or persons as the division finds entitled thereto and every such payment shall be a valid payment to the same extent as if made to the legal representatives of the deceased.

7. The division is authorized to cancel any benefit warrant remaining outstanding and unpaid one year after the date of its issuance and there shall be no liability for the payment of any such benefit warrant thereafter.

8. The division may establish an electronic funds transfer system to transfer directly to claimants' accounts in financial institutions benefits payable to them pursuant to this chapter. To receive benefits by electronic funds transfer, a claimant shall satisfactorily complete a direct deposit application form authorizing the division to deposit benefit payments into a designated checking or savings account. Any electronic funds transfer system created pursuant to this subsection shall be administered in accordance with regulations prescribed by the division.

9. The division may issue a benefit warrant covering more than one week of benefits.

10. Prior to January 1, 2005, the division shall institute procedures including, but not limited to, name, date of birth, and Social Security verification matches for remote claims filing via the use of telephone or the
internet in accordance with such regulations as the division shall prescribe. At a minimum, the division shall verify the Social Security number and date of birth when an individual claimant initially files for unemployment insurance benefits. If verification information does not match what is on file in division databases to what the individual is stating, the division shall require the claimant to submit a division-approved form requesting an affidavit of eligibility prior to the payment of additional future benefits. The division of employment security shall cross-check unemployment compensation applicants and recipients with Social Security Administration data maintained by the federal government at least weekly. The division of employment security shall cross-check at least monthly unemployment compensation applicants and recipients with department of revenue drivers license databases.

288.104. 1. This section shall be known and may be cited as the "Employment Security Program Integrity Act of 2022".

2. As used in this section, the following terms mean:
   (1) "Department of corrections", the Missouri department of corrections;
   (2) "Division", the division of employment security of the Missouri department of labor and industrial relations;
   (3) "Employment security rolls", the list of all persons currently receiving unemployment compensation benefits under this chapter, to be kept and updated by the division;
   (4) "National data check system", any public, private, or non-profit national data system designed to verify the identity, employment status, eligibility status, and claims submitted status of any individual participating in, or
applying to participate in, an unemployment compensation program;

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

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

6. The division shall, on a weekly basis, check its new-hire records against the records contained in the National Directory of New Hires in order to verify the 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:
Verifying the identity of an applicant prior to awarding benefits; and

Requiring multi-factor authentication as part of online applications.

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

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

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

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

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

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

10. (1) The division shall adopt and implement internal administrative policies to prioritize and pursue the recovery of fraudulent or otherwise improper 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, though this section shall not be construed to apply to overpayments issued on claims filed during a state of emergency declared by the governor due to COVID-19.
The division shall maintain records of all of its attempts to recover unemployment compensation benefit overpayments. The division shall issue a written report to the general assembly each year, no later than December thirty-first, describing improper unemployment compensation benefit payments and their recovery, the extent to which any improper unemployment compensation benefit payments have not been corrected or recovered, and the reasons for the failure of the division to secure such correction or recovery.

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

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

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 section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable, 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 held unconstitutional, then the grant of rulemaking authority and any rule proposed
or adopted after the effective date of this section shall be invalid and void.

Section B. The enactment of section 288.104 of this act shall become effective January 1, 2023.