

SECOND REGULAR SESSION

SENATE COMMITTEE SUBSTITUTE FOR

# HOUSE BILL NO. 1860

101ST GENERAL ASSEMBLY

3986S.03C

ADRIANE D. CROUSE, Secretary

## 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. 2 150, ninety-eighth general assembly, first regular session, 3 section 288.036 as enacted by house bill no. 1456, ninety-third 4 general assembly, second regular session, section 288.060 as 5 enacted by house bill no. 150, ninety-eighth general assembly, 6 first regular session, and section 288.060 as enacted by house 7 bill no. 163, ninety-sixth general assembly, first regular 8 session, are repealed and three new sections enacted in lieu 9 thereof, to be known as sections 288.036, 288.060, and 288.104, 10 to read as follows:

[288.036. 1. "Wages" means all 2 remuneration, payable or paid, for personal 3 services including commissions and bonuses and, 4 except as provided in subdivision (7) of this 5 section, the cash value of all remuneration paid 6 in any medium other than cash. Gratuities, 7 including tips received from persons other than 8 the employing unit, shall be considered wages 9 only if required to be reported as wages

**EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

10 pursuant to the Federal Unemployment Tax Act, 26  
11 U.S.C. Section 3306, and shall be, for the  
12 purposes of this chapter, treated as having been  
13 paid by the employing unit. Severance pay shall  
14 be considered as wages to the extent required  
15 pursuant to the Federal Unemployment Tax Act, 26  
16 U.S.C. Section 3306(b). Vacation pay,  
17 termination pay, severance pay and holiday pay  
18 shall be considered as wages for the week with  
19 respect to which it is payable. The total  
20 amount of wages derived from severance pay, if  
21 paid to an insured in a lump sum, shall be  
22 prorated on a weekly basis at the rate of pay  
23 received by the insured at the time of  
24 termination for the purposes of determining  
25 unemployment benefits eligibility. The term  
26 "wages" shall not include:

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

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

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

45 (c) Death;

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

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

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

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

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

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

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

93 (7) For the purpose of determining wages  
94 paid for agricultural labor as defined in  
95 paragraph (b) of subdivision (1) of subsection  
96 12 of section 288.034 and for domestic service  
97 as defined in subsection 13 of section 288.034,  
98 only cash wages paid shall be considered;

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

104 2. The increases or decreases to the state  
105 taxable wage base for the remainder of calendar  
106 year 2004 shall be eight thousand dollars, and  
107 the state taxable wage base in calendar year  
108 2005, and each calendar year thereafter, shall  
109 be determined by the provisions within this  
110 subsection. On January 1, 2005, the state  
111 taxable wage base for calendar year 2005, 2006,  
112 and 2007 shall be eleven thousand dollars. The  
113 taxable wage base for calendar year 2008 shall  
114 be twelve thousand dollars. The state taxable  
115 wage base for each calendar year thereafter  
116 shall be determined by the average balance of  
117 the unemployment compensation trust fund of the  
118 four preceding calendar quarters (September  
119 thirtieth, June thirtieth, March thirty-first,  
120 and December thirty-first of the preceding  
121 calendar year), less any outstanding federal  
122 Title XII advances received pursuant to section

123 288.330, less the principal, interest, and  
124 administrative expenses related to any credit  
125 instrument issued under section 288.030, and  
126 less the principal, interest, and administrative  
127 expenses related to any financial agreements  
128 under subdivision (17) of subsection 2 of  
129 section 288.330. When the average balance of  
130 the unemployment compensation trust fund of the  
131 four preceding quarters (September thirtieth,  
132 June thirtieth, March thirty-first, and December  
133 thirty-first of the preceding calendar year), as  
134 so determined is:

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

138 (2) Six hundred fifty million or more,  
139 then the state taxable wage base for the  
140 subsequent calendar year shall be decreased by  
141 five hundred dollars. In no event, however,  
142 shall the state taxable wage base increase  
143 beyond twelve thousand five hundred dollars, or  
144 decrease to less than seven thousand dollars.  
145 For calendar year 2009, the tax wage base shall  
146 be twelve thousand five hundred dollars. For  
147 calendar year 2010 and each calendar year  
148 thereafter, in no event shall the state taxable  
149 wage base increase beyond thirteen thousand  
150 dollars, or decrease to less than seven thousand  
151 dollars.

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

288.036. 1. "Wages" means all remuneration, payable  
2 or paid, for personal services including commissions and  
3 bonuses and, except as provided in subdivision (7) of this  
4 [section] subsection, the cash value of all remuneration  
5 paid in any medium other than cash. Gratuities, including  
6 tips received from persons other than the employing unit,  
7 shall be considered wages only if required to be reported as  
8 wages pursuant to the Federal Unemployment Tax Act, 26  
9 U.S.C. Section [3306] 3301, et seq., as amended, and shall  
10 be, for the purposes of this chapter, treated as having been

11 paid by the employing unit. [Severance pay shall be  
12 considered as wages to the extent required pursuant to the  
13 Federal Unemployment Tax Act, 26 U.S.C. Section 3306(b).]

14 Vacation pay, **termination pay, severance pay,** and holiday  
15 pay shall be considered as wages for the week with respect  
16 to which it is payable. **The total amount of wages derived**  
17 **from severance pay, termination pay, vacation pay, or**  
18 **holiday pay, if paid to an insured in a lump sum, shall be**  
19 **prorated on a weekly basis at the rate of pay received by**  
20 **the insured at the time of termination for the purposes of**  
21 **determining unemployment benefits eligibility.** The term  
22 "wages" shall not include:

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

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

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

37 (c) Death;

38 (2) The amount of any payment on account of sickness  
39 or accident disability, or medical or hospitalization  
40 expenses in connection with sickness or accident disability,  
41 made by an employing unit to, or on behalf of, an individual  
42 performing services for it after the expiration of six

43 calendar months following the last calendar month in which  
44 the individual performed services for such employing unit;

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

48 (a) From or to a trust described in 26 U.S.C. Section  
49 401(a) which is exempt from tax pursuant to 26 U.S.C.  
50 Section 501(a) at the time of such payment unless such  
51 payment is made to an employee of the trust as remuneration  
52 for services rendered as such an employee and not as a  
53 beneficiary of the trust; or

54 (b) Under or to an annuity plan which, at the time of  
55 such payments, meets the requirements of Section 404(a)(2)  
56 of the Federal Internal Revenue Code (26 U.S.C.A. Section  
57 404);

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

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

68 (6) Remuneration paid in the form of meals provided to  
69 an individual in the service of an employing unit where such  
70 remuneration is furnished on the employer's premises and at  
71 the employer's convenience, except that remuneration in the  
72 form of meals that is considered wages and required to be  
73 reported as wages pursuant to the Federal Unemployment Tax

74 Act, 26 U.S.C. Section 3306 shall be reported as wages as  
75 required thereunder;

76 (7) For the purpose of determining wages paid for  
77 agricultural labor as defined in paragraph (b) of  
78 subdivision (1) of subsection 12 of section 288.034 and for  
79 domestic service as defined in subsection 13 of section  
80 288.034, only cash wages paid shall be considered;

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

85 2. The increases or decreases to the state taxable  
86 wage base for the remainder of calendar year 2004 shall be  
87 eight thousand dollars, and the state taxable wage base in  
88 calendar year 2005, and each calendar year thereafter, shall  
89 be determined by the provisions within this subsection. On  
90 January 1, 2005, the state taxable wage base for calendar  
91 year 2005, 2006, and 2007 shall be eleven thousand dollars.  
92 The taxable wage base for calendar year 2008 shall be twelve  
93 thousand dollars. The state taxable wage base for each  
94 calendar year thereafter shall be determined by the average  
95 balance of the unemployment compensation trust fund of the  
96 four preceding calendar quarters (September thirtieth, June  
97 thirtieth, March thirty-first, and December thirty-first of  
98 the preceding calendar year), less any outstanding federal  
99 Title XII advances received pursuant to section 288.330,  
100 less the principal, interest, and administrative expenses  
101 related to any credit instrument issued under section  
102 **[288.030] 288.330**, and less the principal, interest, and  
103 administrative expenses related to any financial agreements  
104 under subdivision (17) of subsection 2 of section 288.330.  
105 When the average balance of the unemployment compensation

106 trust fund of the four preceding quarters (September  
107 thirtieth, June thirtieth, March thirty-first, and December  
108 thirty-first of the preceding calendar year), as so  
109 determined is:

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

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

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

2 [288.060. 1. All benefits shall be paid  
3 through employment offices in accordance with  
4 such regulations as the division may prescribe.

5 2. Each eligible insured worker who is  
6 totally unemployed in any week shall be paid for  
7 such week a sum equal to his or her weekly  
8 benefit amount.

9 3. Each eligible insured worker who is  
partially unemployed in any week shall be paid



10 for such week a partial benefit. Such partial  
11 benefit shall be an amount equal to the  
12 difference between his or her weekly benefit  
13 amount and that part of his or her wages for  
14 such week in excess of twenty dollars, and, if  
15 such partial benefit amount is not a multiple of  
16 one dollar, such amount shall be reduced to the  
17 nearest lower full dollar amount. For calendar  
18 year 2007 and each year thereafter, such partial  
19 benefit shall be an amount equal to the  
20 difference between his or her weekly benefit  
21 amount and that part of his or her wages for  
22 such week in excess of twenty dollars or twenty  
23 percent of his or her weekly benefit amount,  
24 whichever is greater, and, if such partial  
25 benefit amount is not a multiple of one dollar,  
26 such amount shall be reduced to the nearest  
27 lower full dollar amount. Pay received by an  
28 eligible insured worker who is a member of the  
29 organized militia for training or duty  
30 authorized by Section 502(a)(1) of Title 32,  
31 United States Code, shall not be considered  
32 wages for the purpose of this subsection.

33 4. The division shall compute the wage  
34 credits for each individual by crediting him or  
35 her with the wages paid to him or her for  
36 insured work during each quarter of his or her  
37 base period or twenty-six times his or her  
38 weekly benefit amount, whichever is the lesser.  
39 In addition, if a claimant receives wages in the  
40 form of termination pay or severance pay and  
41 such payment appears in a base period  
42 established by the filing of an initial claim,  
43 the claimant may, at his or her option, choose  
44 to have such payment included in the calendar  
45 quarter in which it was paid or choose to have  
46 it prorated equally among the quarters  
47 comprising the base period of the claim. For  
48 the purpose of this section, wages shall be  
49 counted as wage credits for any benefit year,  
50 only if such benefit year begins subsequent to  
51 the date on which the employing unit by whom  
52 such wages were paid has become an employer.  
53 The wage credits of an individual earned during  
54 the period commencing with the end of a prior  
55 base period and ending on the date on which he  
56 or she filed an allowed initial claim shall not  
57 be available for benefit purposes in a  
58 subsequent benefit year unless, in addition  
59 thereto, such individual has subsequently earned  
60 either wages for insured work in an amount equal  
61 to at least five times his or her current weekly  
62 benefit amount or wages in an amount equal to at  
63 least ten times his or her current weekly  
64 benefit amount.

65           5. The duration of benefits payable to any  
66 insured worker during any benefit year shall be  
67 limited to:

68           (1) Twenty weeks if the Missouri average  
69 unemployment rate is nine percent or higher;

70           (2) Nineteen weeks if the Missouri average  
71 unemployment rate is between eight and one-half  
72 percent and nine percent;

73           (3) Eighteen weeks if the Missouri average  
74 unemployment rate is eight percent up to and  
75 including eight and one-half percent;

76           (4) Seventeen weeks if the Missouri  
77 average unemployment rate is between seven and  
78 one-half percent and eight percent;

79           (5) Sixteen weeks if the Missouri average  
80 unemployment rate is seven percent up to and  
81 including seven and one-half percent;

82           (6) Fifteen weeks if the Missouri average  
83 unemployment rate is between six and one-half  
84 percent and seven percent;

85           (7) Fourteen weeks if the Missouri average  
86 unemployment rate is six percent up to and  
87 including six and one-half percent;

88           (8) Thirteen weeks if the Missouri average  
89 unemployment rate is below six percent.

90 As used in this subsection, the phrase "Missouri  
91 average unemployment rate" means the average of  
92 the seasonally adjusted statewide unemployment  
93 rates as published by the United States  
94 Department of Labor, Bureau of Labor Statistics,  
95 for the time periods of January first through  
96 March thirty-first and July first through  
97 September thirtieth. The average of the  
98 seasonally adjusted statewide unemployment rates  
99 for the time period of January first through  
100 March thirty-first shall be effective on and  
101 after July first of each year and shall be  
102 effective through December thirty-first. The  
103 average of the seasonally adjusted statewide  
104 unemployment rates for the time period of July  
105 first through September thirtieth shall be  
106 effective on and after January first of each  
107 year and shall be effective through June  
108 thirtieth; and

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

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

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

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

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

142           10. Prior to January 1, 2005, the division  
143 shall institute procedures including, but not  
144 limited to, name, date of birth, and Social  
145 Security verification matches for remote claims  
146 filing via the use of telephone or the internet  
147 in accordance with such regulations as the  
148 division shall prescribe. At a minimum, the  
149 division shall verify the Social Security number  
150 and date of birth when an individual claimant  
151 initially files for unemployment insurance  
152 benefits. If verification information does not  
153 match what is on file in division databases to  
154 what the individual is stating, the division  
155 shall require the claimant to submit a division-  
156 approved form requesting an affidavit of  
157 eligibility prior to the payment of additional  
158 future benefits. The division of employment  
159 security shall cross-check unemployment  
160 compensation applicants and recipients with  
161 Social Security Administration data maintained  
162 by the federal government at least weekly. The  
163 division of employment security shall cross-  
164 check at least monthly unemployment compensation  
165 applicants and recipients with department of  
166 revenue drivers license databases.]

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

4           2. Each eligible insured worker who is totally  
5 unemployed in any week shall be paid for such week a sum  
6 equal to his or her weekly benefit amount.

7           3. Each eligible insured worker who is partially  
8 unemployed in any week shall be paid for such week a partial  
9 benefit. Such partial benefit shall be an amount equal to  
10 the difference between his or her weekly benefit amount and  
11 that part of his or her wages for such week in excess of  
12 twenty dollars, and, if such partial benefit amount is not a  
13 multiple of one dollar, such amount shall be reduced to the  
14 nearest lower full dollar amount. For calendar year 2007  
15 and each year thereafter, such partial benefit shall be an  
16 amount equal to the difference between his or her weekly  
17 benefit amount and that part of his or her wages for such  
18 week in excess of twenty dollars or twenty percent of his or  
19 her weekly benefit amount, whichever is greater, and, if  
20 such partial benefit amount is not a multiple of one dollar,  
21 such amount shall be reduced to the nearest lower full  
22 dollar amount. [Termination pay, severance pay, or] Pay  
23 received by an eligible insured worker who is a member of  
24 the organized militia for training or duty authorized by  
25 Section 502(a)(1) of Title 32, United States Code, shall not  
26 be considered wages for the purpose of this subsection.

27           4. The division shall compute the wage credits for  
28 each individual by crediting him or her with the wages paid  
29 to him or her for insured work during each quarter of his or  
30 her base period or twenty-six times his or her weekly  
31 benefit amount, whichever is the lesser. In addition, if a  
32 claimant receives wages in the form of **vacation pay, holiday**  
33 **pay**, termination pay, or severance pay and such payment  
34 appears in a base period established by the filing of an  
35 initial claim, the claimant may, at his or her option,  
36 choose to have such payment included in the calendar quarter  
37 in which it was paid or choose to have it prorated equally  
38 among the quarters comprising the base period of the claim.

39 The maximum total amount of benefits payable to any insured  
40 worker during any benefit year shall not exceed twenty times  
41 his or her weekly benefit amount, or thirty-three and one-  
42 third percent of his or her wage credits, whichever is the  
43 lesser. For the purpose of this section, wages shall be  
44 counted as wage credits for any benefit year, only if such  
45 benefit year begins subsequent to the date on which the  
46 employing unit by whom such wages were paid has become an  
47 employer. The wage credits of an individual earned during  
48 the period commencing with the end of a prior base period  
49 and ending on the date on which he or she filed an allowed  
50 initial claim shall not be available for benefit purposes in  
51 a subsequent benefit year unless, in addition thereto, such  
52 individual has subsequently earned either wages for insured  
53 work in an amount equal to at least five times his or her  
54 current weekly benefit amount or wages in an amount equal to  
55 at least ten times his or her current weekly benefit amount.

56 **5. (1) The duration of benefits payable to any**  
57 **insured worker during any benefit year shall be limited to:**

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

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

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

66 **(d) Seventeen weeks if the Missouri unemployment rate**  
67 **is higher than seven and one-half percent but no higher than**  
68 **eight percent;**

69           (e) Sixteen weeks if the Missouri unemployment rate is  
70 higher than seven percent but no higher than seven and one-  
71 half percent;

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

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

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

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

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

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

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

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

95           (2) As used in this subsection, the phrase "Missouri  
96 unemployment rate" means the statewide unemployment rate as  
97 published by the United States Department of Labor, Bureau  
98 of Labor Statistics, on the date that the claimant initially  
99 files a claim for benefits.

100           **(3) The provisions of this subsection shall become**  
101 **effective January 1, 2023.**

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

111           **[6.] 7.** The division is authorized to cancel any  
112 benefit warrant remaining outstanding and unpaid one year  
113 after the date of its issuance and there shall be no  
114 liability for the payment of any such benefit warrant  
115 thereafter.

116           **[7.] 8.** The division may establish an electronic funds  
117 transfer system to transfer directly to claimants' accounts  
118 in financial institutions benefits payable to them pursuant  
119 to this chapter. To receive benefits by electronic funds  
120 transfer, a claimant shall satisfactorily complete a direct  
121 deposit application form authorizing the division to deposit  
122 benefit payments into a designated checking or savings  
123 account. Any electronic funds transfer system created  
124 pursuant to this subsection shall be administered in  
125 accordance with regulations prescribed by the division.

126           **[8.] 9.** The division may issue a benefit warrant  
127 covering more than one week of benefits.

128           **[9.] 10.** Prior to January 1, 2005, the division shall  
129 institute procedures including, but not limited to, name,  
130 date of birth, and Social Security verification matches for  
131 remote claims filing via the use of telephone or the

132 internet in accordance with such regulations as the division  
133 shall prescribe. At a minimum, the division shall verify  
134 the Social Security number and date of birth when an  
135 individual claimant initially files for unemployment  
136 insurance benefits. If verification information does not  
137 match what is on file in division databases to what the  
138 individual is stating, the division shall require the  
139 claimant to submit a division-approved form requesting an  
140 affidavit of eligibility prior to the payment of additional  
141 future benefits. The division of employment security shall  
142 cross-check unemployment compensation applicants and  
143 recipients with Social Security Administration data  
144 maintained by the federal government at least weekly. The  
145 division of employment security shall cross-check at least  
146 monthly unemployment compensation applicants and recipients  
147 with department of revenue drivers license databases.

**288.104. 1. This section shall be known and may be  
2 cited as the "Employment Security Program Integrity Act of  
3 2022".**

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

- 5 (1) "Department of corrections", the Missouri  
6 department of corrections;**
- 7 (2) "Division", the division of employment security of  
8 the Missouri department of labor and industrial relations;**
- 9 (3) "Employment security rolls", the list of all  
10 persons currently receiving unemployment compensation  
11 benefits under this chapter, to be kept and updated by the  
12 division;**
- 13 (4) "National data check system", any public, private,  
14 or non-profit national data system designed to verify the  
15 identity, employment status, eligibility status, and claims  
16 submitted status of any individual participating in, or**



17 applying to participate in, an unemployment compensation  
18 program;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

69           10. (1) The division shall adopt and implement  
70 internal administrative policies to prioritize and pursue  
71 the recovery of fraudulent or otherwise improper  
72 unemployment compensation benefit overpayments to the  
73 fullest extent allowable under applicable state and federal  
74 law. The division shall attempt to recover all outstanding  
75 unemployment compensation benefit overpayments unless doing  
76 so would violate state or federal law, though this section  
77 shall not be construed to apply to overpayments issued on  
78 claims filed during a state of emergency declared by the  
79 governor due to COVID-19.

80           (2) The division shall maintain records of all of its  
81 attempts to recover unemployment compensation benefit  
82 overpayments. The division shall issue a written report to  
83 the general assembly each year, no later than December  
84 thirty-first, describing improper unemployment compensation  
85 benefit payments and their recovery, the extent to which any  
86 improper unemployment compensation benefit payments have not  
87 been corrected or recovered, and the reasons for the failure  
88 of the division to secure such correction or recovery.

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

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

100           13. The division may promulgate all necessary rules  
101 and regulations for the administration of this section. Any  
102 rule or portion of a rule, as that term is defined in  
103 section 536.010, that is created under the authority  
104 delegated in this section shall become effective only if it  
105 complies with and is subject to all of the provisions of  
106 chapter 536 and, if applicable, section 536.028. This  
107 section and chapter 536 are nonseverable, and if any of the  
108 powers vested with the general assembly pursuant to chapter  
109 536 to review, to delay the effective date, or to disapprove  
110 and annul a rule are subsequently held unconstitutional,  
111 then the grant of rulemaking authority and any rule proposed

112 or adopted after the effective date of this section shall be  
113 invalid and void.

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

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