

H. B. 4549

(BY DELEGATES WHITE, T. CAMPBELL,
VARNER AND WILLIAMS)
(BY REQUEST OF THE DEPARTMENT OF COMMERCE)

[Introduced February 15, 2012; referred to the
Committee on the Judiciary then Finance.]

A BILL to amend and reenact §21A-10-7 of the Code of West Virginia, 1931, as amended, relating to imposing a monetary penalty on unemployment compensation recipients for obtaining benefits through the use of fraudulent statements or actions; and specifying disposition of the penalties collected.

Be it enacted by the Legislature of West Virginia:

That §21A-10-7 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 10. GENERAL PROVISIONS.

§21A-10-7. False representations; penalties.

- 1 (a) A person who makes a false statement or
- 2 representation knowing it to be false or who knowingly fails

3 to disclose a material fact in order to obtain or attempt to
4 obtain or increase a benefit, either for himself, herself or
5 another, under this chapter, or under an employment security
6 law of any other state or of the federal government for either
7 of which jurisdictions this state is acting as an agent, ~~shall be~~
8 is guilty of a misdemeanor, and, upon conviction, shall be
9 punished by a fine of not less than \$100 nor more than
10 \$1,000, or by ~~imprisonment~~ confinement in jail for not longer
11 than thirty days, or both, and by full repayment of all benefits
12 ~~so~~ obtained fraudulently. Each false statement or
13 representation, or failure to disclose a material fact, ~~shall~~
14 ~~constitute~~ is a separate offense.

15 (b) After July 1, 2012, a penalty of twenty percent of the
16 amount of the erroneous payment attaches to the amount of
17 the liability to be repaid by the benefit recipient for any
18 payment of benefits determined to be obtained by the
19 recipient's fraudulent statements or actions. The first
20 seventy-five percent of the penalty collected from the benefit
21 recipient shall be deposited in the state's Unemployment

22 Trust Fund with the remaining twenty-five percent of the
23 penalty collected to be deposited in a special administrative
24 account to be used for increased integrity activities to identify
25 and recover erroneous payments of benefits created by
26 fraudulent activities of benefit recipients. Penalty amounts
27 established due to fraudulent activities of benefit recipients
28 may not be used to offset future benefits payable to benefit
29 recipients.

NOTE: The purpose of this bill is to impose a penalty on unemployment compensation recipients for obtaining benefits through the use of fraudulent statements or actions. A portion of the penalty is to be used for increased activities to identify and recover erroneous payments of benefits created by fraudulent activities of benefit recipients.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.