

Appendix III – Proposed legislative reforms

Action area 1

Adequately funding UI administration

Adequately fund administrative funding

Consider stronger, more practical enforcement levers

Allow states to retain up to five percent of recovered fraudulent unemployment insurance (UI) overpayments for program integrity activities

Require states to use penalty and interest collections solely for UI administration

Action area 4

Bolstering state UI programs against fraud

Require states to cross-match against system(s) designated by the Secretary

Require states to use a system(s) of information exchange with employers designated by the Secretary

Require states to cross-match against the National Directory of New Hires

Require states to cross-match with a system(s) designated by the Secretary that contains information on incarcerated individuals

Require states to disclose information to the Department of Labor, Office of Inspector General

Allow states to retain up to five percent of recovered fraudulent UI overpayments for program integrity use

Require states to use penalty and interest collections solely for UI administration

Allow states the authority to issue a formal warning when claimants are unclear about work search requirements

Allow states to use contract support in recovery efforts under the Treasury Offset Program

Action area 5

Ensuring equitable access to robust benefits and services

Ensure all entitled and eligible individuals experiencing employment loss receive UI's income support

Extend unemployment protections to non-standard workers

Provide adequate benefits in every state

Ensure the federal-state Extended Benefits program responds timely and adequately to downturns

Invest in reducing worker misclassification

Action area 6

Rebuilding and stabilizing the long-term funding of state UI benefits

Increase state and federal UI trust fund solvency

Reduce the incentives for employers to contest legitimate UI claims

Action area 7

Strengthening reemployment and connections suitable work

Expand Reemployment Services and Eligibility Assessment (RESEA) eligibility to all regular UI claimants

Update the RESEA funding distribution formula

Modify the RESEA Technical Assistance set-aside

Require all states to provide Short-Time Compensation