

By: Representatives Bell (21st), Gunn

To: Workforce Development

HOUSE BILL NO. 720

1 AN ACT TO PROVIDE THE MINIMUM REQUIREMENTS THAT THE  
 2 MISSISSIPPI DEPARTMENT OF EMPLOYMENT SECURITY MUST MEET RELATED TO  
 3 ITS ACTIVITIES CONCERNING FRAUD PREVENTION, DETECTION AND  
 4 RECOVERY; TO REQUIRE THE DEPARTMENT TO FOCUS UPON THE PREVENTION  
 5 AND DETECTION OF FRAUD WITH RESPECT TO THE PAYMENT OF UNEMPLOYMENT  
 6 INSURANCE BENEFITS AND THE COLLECTION OF TAX CONTRIBUTIONS; AND  
 7 FOR RELATED PURPOSES.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

9 **SECTION 1.** This section describes the minimum requirements  
 10 that the Mississippi Department of Employment Security must meet  
 11 related to its activities concerning fraud prevention, detection  
 12 and recovery.

13 (1) The Mississippi Department of Employment Security  
 14 ("department") shall focus upon the prevention and detection of  
 15 fraud with respect to the payment of unemployment insurance  
 16 benefits and the collection of tax contributions. In furtherance  
 17 of these goals, the department shall take the following steps to  
 18 enhance its recovery efforts:



19           (a) The executive director of the department shall  
20 adopt and implement internal administrative policies, business  
21 processes and regulations as necessary to:

22                   (i) Pursue recovery of improper overpayments of  
23 unemployment benefits to the extent permitted by state and federal  
24 law;

25                   (ii) Require all employers to promptly notify the  
26 department within ten (10) business days of an individual's  
27 refusal of an offer of suitable work;

28                   (iii) Authorize the department to use all  
29 available technological resources, including the Integrity Data  
30 Hub and the National Directory of New Hires, or any other sources,  
31 to verify newly hired and re-hired employees reported under state  
32 and federal law, in a manner which shall facilitate the reduction  
33 of fraudulent unemployment insurance applications;

34                   (iv) Authorize the department to use any available  
35 technological resources to verify by cross-match, or any other  
36 current method, any and all claims associated with potentially  
37 fraudulent applications or overpayments reported under state and  
38 federal law;

39                   (v) Create a regulation governing the frequency  
40 that new hire and incarceration verification is checked; and

41                   (vi) Authorize the department to require employers  
42 to promptly respond to all cross-match wage requests.



43           (2) To further the department's efforts in the area of fraud  
44 prevention, detection, and recovery of fraudulently obtained  
45 unemployment insurance benefits:

46           (a) The department shall be authorized to take all  
47 enforcement and administrative steps appropriate to ensure  
48 claimants who refuse offers of suitable work do not receive undue  
49 unemployment benefits and are referred to the appropriate office  
50 for internal investigation;

51           (b) All state agencies, political subdivisions,  
52 including, but not limited to, any and all state law enforcement  
53 entities, shall promptly respond to all requests for information  
54 from the department for the prevention and detection of fraud and  
55 the recovery of fraudulently paid benefits or improperly withheld  
56 unemployment insurance tax contributions. No state political  
57 subdivision may impede or delay any fraud prevention, detection or  
58 recovery efforts of the department; and

59           (c) All state agencies, departments, divisions, boards  
60 and other political subdivisions shall be required to share data  
61 for the prevention and detection of fraud and the recovery of  
62 fraudulent paid benefits or improperly withheld unemployment  
63 insurance tax contributions with the department to enable the  
64 detection and prevention of unemployment insurance fraud. The  
65 department shall have the authority to execute a memorandum of  
66 understanding with any state agency, department, division, board  
67 or other political subdivision for information required to be



68 shared between agencies for the purposes outlined in this section.

69 (3) The department shall be authorized to promulgate any and  
70 all necessary rules and regulations, at the discretion of the  
71 executive director or his or her designee, to implement the  
72 provisions of this section in keeping with its mission of fraud  
73 prevention, detection, and recovery, in accordance with Section  
74 71-5-117.

75 **SECTION 2.** This act shall take effect and be in force from  
76 and after January 1, 2023.

