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SENATE BILL NO. 769

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Commerce and Labor

on \_\_\_\_\_)

(Patron Prior to Substitute--Senator Reeves)

A BILL to amend the Code of Virginia by adding a section numbered 60.2-612.1, relating to unemployment compensation; program integrity.

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding a section numbered 60.2-612.1 as follows:**

**§ 60.2-612.1. Program integrity.**

A. In order to verify that an individual is eligible to receive benefits, the Commission shall conduct all mandatory and recommended program integrity activities as identified by the U.S. Department of Labor Employment and Training Administration and the U.S. Department of Labor Office of Inspector General.

B. The Commission shall perform a full eligibility review of suspicious or potentially improper claims. In determining if a claim is suspicious or potentially improper, the Commission shall consider the factors utilized by the Integrity Data Hub and any additional factors that may be appropriate, including commonalities in physical addresses, mailing addresses, internet protocol addresses, email addresses, multi-factor authentication, and bank accounts.

C. The Commission shall recover any improper overpayment of benefits to the fullest extent authorized by this title and federal law.

D. The Department of Social Services, the Department of Medical Assistance Services, and the Department of Housing and Community Development, upon receipt of notification that an individual enrolled in any of such department's public assistance programs has become employed, shall notify the Commission of such fact in order for the Commission to determine the individual's eligibility for benefits.

26 This requirement may be satisfied by providing the Commission a weekly report that reflects the change  
27 in employment status for all affected program enrollees.

28 E. The Commission may enter into a memorandum of understanding with any state agency  
29 necessary to implement the provisions of this section.

30 F. The Commission shall report by December 1 of each year to the Commission on Unemployment  
31 Compensation addressing the implementation and enforcement of the provisions of this section. The report  
32 shall include:

33 1. The Commission's general program integrity processes, including tools, resources, and  
34 databases utilized, to the extent that sharing the information does not jeopardize program integrity  
35 measures;

36 2. A description of efforts to identify, prevent, and recover improper overpayments of benefits and  
37 fraudulent payments and measures being taken to improve such efforts;

38 3. The type and amount of improper payments detected retroactively;

39 4. The type and amount of improper payments prevented;

40 5. Moneys saved in preventing improper overpayments and, if any, in recouping improper  
41 overpayments; and

42 6. An explanation for the nonrecovery of overpayments, including the application of any allowable  
43 recovery exceptions.

44 **2. That the provisions of this act shall become effective on January 1, 2023.**

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