

Subject Unemployment Misrepresentation Overpayments

Authors Noor

Analyst Marta James

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Overview

Section 6 of the bill modifies misrepresentation overpayment penalties under existing law to remove the application of interest and to change the threshold showing for establishing misrepresentation. The remaining sections of the bill make related conforming and technical changes and remove existing provisions that limit an applicant's eligibility due to a misrepresentation overpayment.

Summary

Section	Description
1	Requirements [Payment of unemployment benefits]. Makes conforming changes to remove limits on eligibility requirements for an applicant with a misrepresentation overpayment balance and to remove a reference to interest for a misrepresentation overpayment.
2	Not eligible [Eligibility; payments that affect benefits]. Makes conforming change to remove ineligibility provision for an applicant with a misrepresentation overpayment balance.
3	Notification [Ineligibility determinations]. Makes technical conforming change to reflect repealer in section 7.
4	Determination. Makes conforming change to remove determination of ineligibility provision for an applicant with a misrepresentation overpayment balance.
5	Unemployment benefits while in entrepreneurial training. Makes purely technical change.

Section	Description
6	<p data-bbox="318 264 829 289">Unemployment benefit overpayments.</p> <p data-bbox="367 310 1341 415">Subd. 1. Repaying an overpayment. Makes conforming changes to remove reference to interest for a misrepresentation overpayment and to reflect repealer in section 7.</p> <p data-bbox="367 457 1422 919">Subd. 2. Overpayment because of misrepresentation. Modifies the threshold for establishing a misrepresentation overpayment by an applicant to require a showing of “an intentional false statement... in an effort to fraudulently collect benefits.” There is no misrepresentation if the mistake is unintentional, or the applicant has a good faith belief that their statements are accurate. Requires the Department of Employment and Economic Development to consider any language or health barriers of an applicant in reviewing an alleged misrepresentation. Reduces the required misrepresentation overpayment penalty to 15 percent of the amount overpaid (from 40 percent). Extends appeal period for challenging an overpayment penalty to 60 calendar days (from 20 days). Makes conforming changes to remove references to interest for misrepresentation overpayments.</p> <p data-bbox="367 961 1398 1024">Subd. 2b. Interest [Deleted]. Deletes existing subdivision requiring an applicant with a misrepresentation payment to pay interest on the amount owed.</p> <p data-bbox="367 1066 1390 1213">Subd. 3a. Offset of unemployment benefits. Eliminates distinction between a misrepresentation and nonmisrepresentation overpayment in the offset of benefits to allow any otherwise eligible applicant with an overpayment balance to offset an overpayment from future unemployment benefits.</p> <p data-bbox="367 1255 1422 1476">Subd. 4. Cancellation of overpayments. Eliminates distinction between a misrepresentation and nonmisrepresentation overpayment in the cancellation of overpayments. As modified, the law requires cancellation of any unpaid overpayment balance after six years (currently ten years for misrepresentation overpayments). Makes conforming change to remove a reference to interest for misrepresentation overpayments.</p> <p data-bbox="367 1518 1349 1581">Subd. 4a. Court fees; collection fees. Makes conforming changes to remove references to interest for a misrepresentation overpayment.</p> <p data-bbox="367 1623 1406 1696">Subd. 5. Remedies. Makes conforming change to remove a reference to interest for misrepresentation overpayments.</p> <p data-bbox="367 1738 1414 1881">Subd. 6. Collection of overpayments. Eliminates distinction between a misrepresentation and nonmisrepresentation overpayment in the collection of overpayments. As modified, the law allows the commissioner of employment and economic development some discretion over recovery and collection efforts</p>

Section	Description
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for any type of overpayment, subject to federal conformity, but does not allow compromise of overpayment or related penalties.

7 Repealer [Applicant administrative penalties].

Repeals section of law that allows for additional administrative penalties and a period of ineligibility for an applicant who obtains unemployment benefits through misrepresentation.



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