

118TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To amend title III of the Social Security Act to improve the accuracy of payment of unemployment compensation benefits, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. LANKFORD introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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## A BILL

To amend title III of the Social Security Act to improve the accuracy of payment of unemployment compensation benefits, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

3        **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the “Eliminate Fraudulent  
5        Unemployment Insurance Benefits Act”.

6        **SEC. 2. TIMING OF PAYMENTS TO CERTAIN CONTINUED**  
7        **CLAIMANTS.**

8        (a) IN GENERAL.—Section 303 of the Social Security  
9        Act (42 U.S.C. 503) is amended—

1           (1) in subsection (a)(1), by striking “Such  
2 methods of administration” and inserting “Subject  
3 to subsection (n), such methods of administration”;  
4 and

5           (2) by adding at the end the following new sub-  
6 section:

7           “(n) TIMING OF PAYMENTS TO CERTAIN CONTINUED  
8 CLAIMANTS.—

9           “(1) IN GENERAL.—For purposes of deter-  
10 mining when unemployment compensation is due  
11 under subsection (a)(1), in the case of a continued  
12 claimant who has been determined ineligible by the  
13 State agency and such determination is in the ap-  
14 peal process, the State agency shall withhold unem-  
15 ployment compensation benefits otherwise payable to  
16 such individual until the date on which—

17                   “(A) the individual’s appeal is no longer  
18 pending before the State; and

19                   “(B) the State agency determines that  
20 such individual is eligible for such payment.

21           “(2) PAYMENT UPON DETERMINATION.—For  
22 purposes of paragraph (1)(B), if a State agency de-  
23 termines that a claimant is eligible for unemploy-  
24 ment compensation benefits, the State agency shall  
25 pay to the claimant within 5 business days the bene-

1 fits withheld from the claimant in accordance with  
2 paragraph (1).”.

3 (b) **EFFECTIVE DATE.**—The requirements of sub-  
4 section (a) shall apply to weeks of unemployment begin-  
5 ning on or after the earlier of—

6 (1) the date the State changes its statutes, reg-  
7 ulations, or policies in order to comply with such re-  
8 quirements; or

9 (2) the date that is 2 years after the date of en-  
10 actment of this Act.

11 **SEC. 3. GUIDANCE ON DENYING OR REVOKING ELIGIBILITY**  
12 **FOR UNEMPLOYMENT COMPENSATION.**

13 (a) **IN GENERAL.**—Not later than 270 days after the  
14 date of enactment of this Act, the Secretary of Labor (in  
15 this section referred to as the “Secretary”), in coordina-  
16 tion with the Inspector General of the Department of  
17 Labor (in this section referred to as the “Inspector Gen-  
18 eral”), shall issue guidance for States regarding best prac-  
19 tices for denying eligibility for unemployment compensa-  
20 tion for initial claimants and declaring continued claim-  
21 ants ineligible.

22 (b) **CONSIDERATIONS.**—In issuing the guidance  
23 under subsection (a), the Secretary and the Inspector  
24 General shall consider the following:

1           (1) Accepted rationales for ineligibility deter-  
2           minations, including—

3                   (A) fraudulent activity, such as any dis-  
4                   honest response, use of a synthetic identity, or  
5                   certification of inaccurate or deceptive person-  
6                   ally-identifiable information;

7                   (B) nonresponse; or

8                   (C) any other rationale determined appro-  
9                   priate by the Secretary and the Inspector Gen-  
10                  eral.

11           (2) Specific examples of each accepted rationale  
12           identified under paragraph (1).

13           (3) The level of risk associated with each ac-  
14           cepted rationale identified under paragraph (1).

15           (4) Any other considerations determined appro-  
16           priate by the Secretary and the Inspector General.

17           (c) UPDATES.—The Secretary, in coordination with  
18           the Inspector General, shall update the guidance issued  
19           under subsection (a) not less than once every 3 years.

20           (d) DEFINITIONS.—For purposes of this section:

21                   (1) DISHONEST RESPONSE.—The term “dis-  
22                   honest response” means, with respect to a response  
23                   from a claimant to file an initial claim or a claim  
24                   for continued eligibility for unemployment compensa-  
25                   tion, a response that—

1 (A) is untrue; and

2 (B) may include false personally-identifi-  
3 able information, reporting of earnings, or em-  
4 ployment history.

5 (2) PERSONALLY-IDENTIFIABLE INFORMA-  
6 TION.—The term “personally-identifiable informa-  
7 tion” means information that is linked or reasonably  
8 linkable to an individual, such as a physical address,  
9 place of residency, phone number, driver’s license  
10 number, social security number, employee identifica-  
11 tion number, identification number provided by the  
12 state, or any other information determined appro-  
13 priate by the Secretary of Labor.

14 (3) SYNTHETIC IDENTITY.—The term “syn-  
15 thetic identity” means, with respect to a claim for  
16 unemployment compensation, an identity that is  
17 used by a claimant to fraudulently apply for such  
18 compensation that—

19 (A) does not reflect a real individual; and

20 (B) may use real or seemingly real person-  
21 ally-identifiable information.