

COMMITTEE ON GOVERNMENT SERVICES AND
HOUSING

BILL NO. 30-0242

Thirtieth Legislature of the Virgin Islands

September 18, 2013

An Act amending title 24 Virgin Islands Code, chapter 12, section 313 in conformity with the Federal Unemployment Insurance Laws

PROPOSED BY: Senator Shawn-Michael Malone by Request of the Governor

Be it enacted by the Legislature of the Virgin Islands:

SECTION 1. Title 24 Virgin Islands Code, chapter 12, section 313 is amended by striking the language at subsection (a)(2) in its entirety and replaced with the following:

“Any person who makes a false or knowingly fails to disclose a material fact with intent to defraud by obtaining or increasing any benefit under this chapter or under an unemployment security law of any state, the Federal Government, or of a foreign government, either for himself or for any other person, shall be fined not less than \$50 nor more than either \$200 or an amount equal to five (5) times the amount of unemployment insurance benefits obtained in such false or fraudulent manner. However, in no instance shall the fine assessed be less than 15 percent of the amount of

1 unemployment insurance benefits due to claimant fraud. In addition, a criminal penalty
2 of imprisonment for not longer than sixty (60) days, and each such false statement, or
3 representation, or failure to disclose a material fact shall constitute a separate offense. An
4 amount equal to 15 percent of each over payment on which these penalties are assessed,
5 will be transferred directly into the Unemployment Trust Fund account upon recovery.”

6 **SECTION 2.** Title 24 Virgin Islands Code, chapter 12 section 313 is amended by
7 adding subsection (b)(3) to read as follows:

8 “(3) An employing unit’s experience rating account cannot be relieved of
9 changes relating to an overpayment from the Unemployment Trust Fund if the
10 Commissioner determines that the overpayment was made because the employing unit
11 (or an agent of the employing unit) was at fault for failing to respond timely or
12 adequately to a written or electronic request from the department of information relating
13 to the claim for unemployment compensation.”

14 **Bill Summary**

15 Section 1 of the bill amends 24 V.I.C. §313(a)(2) to conform with the requirement
16 in section 303(a)(11) of the Social Security Act that states assess a penalty of at least
17 fifteen percent (15%) of the amount of overpaid Unemployment Compensation due to
18 claimant fraud and deposit such penalty amounts in the Territory’s account in the
19 Unemployment Trust Fund.

20 Section 2 of the bill amends 24 V.I.C. §313(b) by adding subsection (b)(3) and
21 language in conformity with section 3303(f) of the Federal Unemployment Tax Act that
22 prohibits the charging of overpaid Unemployment Compensation when the overpayment

1 is the result of an employer's (or agent of an employer's) failure to timely and/or
2 adequately respond to an agency's request for information.

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5 **BR13-1042/September 9, 2013/**
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