# FLORIDA HOUSE OF REPRESENTATIVES BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.

BILL #: CS/HB 1157 COMPANION BILL: SB 1238 (Rodriguez)

TITLE: Verification of Reemployment Assistance Benefit LINKED BILLS: None Eligibility RELATED BILLS: None

SPONSOR(S): Abbott

**Committee References** 

Housing, Agriculture & Tourism 13 Y, 4 N, As CS Information Technology Budget & Policy

<u>Commerce</u>

# **SUMMARY**

#### **Effect of the Bill:**

The bill adds conditions for disqualification from reemployment assistance and requires the Department of Commerce to implement new provisions to verify a claimant's eligibility.

# Fiscal or Economic Impact:

The bill may have an indeterminate negative fiscal impact on the Department of Commerce.

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## **ANALYSIS**

## **EFFECT OF THE BILL:**

#### **Reemployment Assistance Benefits**

The bill adds the following conditions for <u>disqualification from reemployment assistance</u>:

- Failing to contact five prospective employers per week;
- Failing to appear on three or more occasions for a scheduled job interview; or
- Failing to return to work when recalled to work by their former employer after a temporary layoff. (Section <u>2</u>).

The bill requires the Department of Commerce (Department) to verify a claimant's eligibility for reemployment assistance <u>benefits</u> through the following measures:

- Verify the identity of each claimant;
- Cross-check the information contained in an initial claim with information in the database of the <u>Systematic Alien Verification for Entitlements (SAVE) program</u>.
- Cross-check the information contained in a claim every two weeks that a claimant files a claim to ensure that the claimant is:
  - Living;
  - Not incarcerated; or
  - o Not already employed. (Section 3).

The bill also requires the Department to take the following actions to verify reemployment assistance benefit eligibility:

- Investigate any claim in this state associated with another existing claim, either in this state or another state, that indicates suspicious activity.
- Scrutinize any claim in this state filed from a foreign Internet Protocol (IP) address.

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- Work with the United States Department of Labor, out-of-state workforce agencies, the Department of
  Justice, the Department of Law Enforcement, the Office of the Statewide Prosecutor, and other relevant law
  enforcement entities, as feasible, to investigate and prosecute fraudulent claims.
- Maintain a website and email address for reporting violations by individuals or employers, and annually notify employers of the Department's website and email address.
- Annually make available on its website:
  - The number of successful detections of fraudulent claims:
  - The number of claims not paid due to the detection of fraud:
  - o The number of fraudulent claims paid and the amount paid on those claims;
  - The amount recovered from fraudulent overpayments;
  - o The number of fraudulent claims referred for investigation and possible prosecution; and
  - $\circ$  The sources used to cross-check claims during the reporting period. (Section 3).

The bill provides an effective date of July 1, 2025. (Section 4).

#### FISCAL OR ECONOMIC IMPACT:

#### STATE GOVERNMENT:

The Department of Commerce may incur indeterminate costs related to the creation, maintenance, and operation of websites and database checks with the overall impact on the state expenditures remaining indeterminate. A request for a formal analysis was submitted to the Department of Commerce and to the Department of Law Enforcement on March 6, 2025.

#### RELEVANT INFORMATION

#### **SUBJECT OVERVIEW:**

#### **Unemployment Compensation**

The Federal-State Unemployment Insurance Program provides unemployment benefits to eligible workers who are unemployed through no fault of their own (as determined under state law) and who meet the requirements of state law.¹ The program is administered as a partnership between the federal government and the states.² Individual states and the Internal Revenue Service (IRS) collect employer payroll taxes to pay reemployment assistance benefits.³ Federal collections go to the states for costs of administering state unemployment compensation and job service programs.⁴ In addition, Federal funds pay one-half of the cost of extended unemployment benefits (during periods of high unemployment) and provides for a fund from which states may borrow, if necessary, to pay benefits.⁵

States are permitted to set benefit eligibility requirements, the amount and duration of benefits, and the state tax structure, as long as state law does not conflict with the Federal requirements.<sup>6</sup> Florida's Reemployment Assistance

<sup>&</sup>lt;sup>1</sup> United States Department of Labor (DOL), State Unemployment Insurance Benefits, <a href="https://oui.doleta.gov/unemploy/uifactsheet.asp">https://oui.doleta.gov/unemploy/uifactsheet.asp</a> (last visited Mar. 13, 2025).

<sup>&</sup>lt;sup>2</sup> DOL, Federal – State Partnership, <a href="https://oui.doleta.gov/unemploy/pdf/partnership.pdf">https://oui.doleta.gov/unemploy/pdf/partnership.pdf</a> (last visited Mar. 13, 2025).

<sup>&</sup>lt;sup>3</sup> Florida Department of Revenue, *Florida Reemployment Tax*,

https://floridarevenue.com/taxes/taxesfees/Pages/reemployment.aspx (last visited Mar. 13, 2025); Internal Revenue Service, Federal Unemployment Tax, https://www.irs.gov/individuals/international-taxpayers/federal-unemployment-tax (last visited Mar. 13, 2025).

<sup>&</sup>lt;sup>4</sup> DOL, Unemployment Insurance Tax Topic,

 $<sup>\</sup>frac{\text{https://oui.doleta.gov/unemploy/uitaxtopic.asp\#:} \sim :\text{text=FUTA\%20taxes\%20are\%20calculated\%20by,times\%20the\%20employer's\%20taxable\%20wages.\&text=Employers\%20who\%20pay\%20their\%20state,tax\%20paid\%20to\%20the\%20state (last visited Mar. 13, 2025).}$ 

<sup>&</sup>lt;sup>5</sup> *Id.* 

<sup>6</sup> DOL, Federal – State Partnership, https://oui.doleta.gov/unemploy/pdf/partnership.pdf (last visited Mar. 13, 2025).

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Program was created by the Legislature in 1937 and the Department of Commerce (Department) is the agency responsible for its administration.<sup>7</sup> The Department contracts with the Florida Department of Revenue to provide unemployment tax collections services.8

In Florida, which rebranded the unemployment compensation program as the reemployment assistance program in 2012,9 a qualified claimant may receive benefits equal to 25 percent of wages, not to exceed \$6,325 in a benefit year.<sup>10</sup> Benefits range from a minimum of \$32 per week to a maximum weekly benefit amount<sup>11</sup> of \$275, for a maximum of between 12 weeks and 23 weeks.<sup>12</sup>

#### Disqualification for Reemployment Assistance Benefits

An individual shall be disqualified from receiving reemployment assistance benefits for any of the following reasons, which include, but are not limited to:13

- Voluntarily leaving work without good cause, or being discharged by his or her employing unit for misconduct connected with the work;
- Failing to apply for available suitable work when directed by the department or the One-Stop Career Center, to accept suitable work when offered, or to return to suitable self-employment when directed to do
- Making false or fraudulent representations in filing for benefits;
- Being discharged from employment due to drug use or rejection from a job offer for failing a drug test; or
- Becoming unavailable for work due to incarceration or imprisonment.

#### Benefit Eligibility

To be eligible for benefits each week of unemployment, a claimant must meet certain requirements, which generally involve efforts to find new employment, including, but not limited to, the following:14

- Completing the Department's online work registration;
- Reporting to the One-Stop Career Center when directed to do so by the local CareerSource board;
- Being able and available for work;
- Contacting at least 5 prospective employers each week; and
- Participating in reemployment services.

#### Systematic Alien Verification for Entitlements (SAVE) Program

The SAVE program is an online service that verifies immigration status and naturalized U.S. citizenship of applicants seeking benefits or licenses.<sup>15</sup> The program assists registered federal, state, and local government agencies, among others. 16 SAVE does not determine eligibility, as that responsibility rests with the benefit-granting or licensing agency.<sup>17</sup>

In order for the SAVE program to verify a benefit applicant's status, the benefit-granting or licensing agency must submit:18

- First name and last name;
- Date of birth:
- The public benefit(s) requested by the applicant; and

<sup>18</sup> USCIS, Verification Process, https://www.uscis.gov/save/about-save/save-verification-process (last visited Mar. 13, 2025). **SUMMARY** ANALYSIS **RELEVANT INFORMATION** 

<sup>&</sup>lt;sup>7</sup> Ch. 18402, Laws of Fla.; S. 443.171(1), F.S.; S. 443.011, F.S.

<sup>8</sup> S. 443.1316(1), F.S.

<sup>&</sup>lt;sup>9</sup> Ch. 2012-30, Laws of Fla.

<sup>&</sup>lt;sup>10</sup> S. 443.111(5), F.S.

<sup>11</sup> S. 443.111(3), F.S. the "weekly benefit amount," is an amount equal to one twenty-sixth of the total wages for insured work paid during the quarter of the base period where the wages paid were highest.

<sup>&</sup>lt;sup>12</sup> S. <u>443.111(5)(c), F.S.</u>

<sup>&</sup>lt;sup>13</sup> S. <u>443.101, F.S.</u>

<sup>&</sup>lt;sup>14</sup> S. 443.091(1), F.S.,

<sup>&</sup>lt;sup>15</sup> United States Citizenship and Immigration Services (USCIS), Save, https://www.uscis.gov/save (last visited Mar. 13, 2025). <sup>16</sup> *Id.* 

<sup>&</sup>lt;sup>17</sup> *Id.* 

• At least one unique immigration identifier such as the Alien Registration Number, I-94, SEVIS ID, I-797, or Citizenship Certificate Number.

The SAVE program typically provides an initial response within seconds, which is sufficient for most requests. For additional verification, the response time is 3 federal workdays.<sup>19</sup> Additionally, the transaction charges for the SAVE program's verification in 2025 are \$2.25 per verification case for federal agencies and \$1.50 for non-federal agencies.<sup>20</sup> A minimum monthly service charge of \$25 applies where at least one SAVE case is submitted by an agency.<sup>21</sup>

#### RECENT LEGISLATION:

YEAR	BILL#	<b>HOUSE SPONSOR(S)</b>	SENATE SPONSOR	OTHER INFORMATION
2024	CS/CS/HB 1289	Abbott		The bill died in the House on second reading.

## **BILL HISTORY**

			STAFF DIRECTOR/	ANALYSIS	
COMMITTEE REFERENCE	ACTION	DATE	POLICY CHIEF	PREPARED BY	
Housing, Agriculture & Tourism	13 Y, 4 N, As CS	3/18/2025	Curtin	Rodriguez	
Subcommittee					
THE CHANGES ADOPTED BY THE COMMITTEE:	<ul> <li>Deleted section 4 of the bill, which requires the consumer-first workforce system to align with federal regulations and to use artificial intelligence for matching participants with jobs and training.</li> </ul>				
<u>Information Technology Budget &amp;</u>					
Policy Subcommittee					
Commerce Committee					

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.

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<sup>&</sup>lt;sup>19</sup> USCIS, *SAVE Verification Response Time*, <a href="https://www.uscis.gov/save/about-save/save-verification-response-time">https://www.uscis.gov/save/about-save/save-verification-response-time</a> (last visited Mar. 13, 2025).

<sup>&</sup>lt;sup>20</sup> *Id.* 

<sup>&</sup>lt;sup>21</sup> *Id.*