

1 House BILL NO. 147
 2 INTRODUCED BY W. Baets
 3 Mr. Hue & Gilligan
 4 A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING SECTION
 5 87-145, R.C.M. 1947, TO PERMIT RECOUPMENT BY OFFSET OF
 6 PAYMENTS MADE TO FRAUDULENT CLAIMANTS."

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8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 Section 1. Section 87-145, R.C.M. 1947, is amended to
10 read as follows:

11 "87-145. Penalties--falsity or willful
 12 nondisclosure--violations by employer or agent--violation of
 13 act or regulations--wrongfully collecting benefits. (a)
 14 Whoever makes a false statement or representation knowing it
 15 to be false or knowingly fails to disclose a material fact,
 16 to obtain or increase any benefit or other payment under
 17 this act, or under an employment security law of any other
 18 state, or territory or the federal government either for
 19 himself or for any other person, shall:

20 (1) Be punished by a fine of not less than fifty
 21 dollars (\$50.00) nor more than five hundred dollars
 22 (\$500.00) or by imprisonment for not less than three (3)
 23 days nor more than thirty (30) days in the county jail or by
 24 both such fine and imprisonment; and each such false
 25 statement or representation or failure to disclose a

1 material fact shall constitute a separate offense, and

2 (2) Be disqualified for benefits thereafter until:

3 (A) He has repaid to the commission division either
 4 directly or by offset of future benefits to which he may be
 5 entitled, a sum equal to the amount so received by him;
 6 provided, however, will not be required to repay any amount
 7 so obtained more than five (5) years prior to the date of
 8 the commission's division's determination that the claimant
 9 made such false statements, willful nondisclosure or
 10 misrepresentation, as provided in this paragraph, and

11 (B) A period of not less than ten (10) nor more than
 12 fifty-two (52) weeks have elapsed since the date of such
 13 determination by the commission division, the length of time
 14 of the disqualification as herein described to be determined
 15 by the commission division in accordance with the severity
 16 of each case.

17 (b) Any employing unit or any officer or agent of an
 18 employing unit or any other person who makes a false
 19 statement or representation knowing it to be false, or who
 20 knowingly fails to disclose a material fact, to prevent or
 21 reduce the payment of benefits to any individual entitled
 22 thereto, or to avoid becoming or remaining subject hereto or
 23 to avoid or reduce any contribution or other payment
 24 required from an employing unit under this act, or under the
 25 employment security law of any other state, or territory or

1 the federal government or who willfully fails or refuses to
 2 make any such contributions or other payment or to furnish
 3 any reports required hereunder or to produce or permit the
 4 inspection or copying of records as required hereunder,
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 7 imprisonment for not less than three (3) days nor more than
 8 thirty (30) days in the county jail or by both such fine and
 9 imprisonment; and each such false statement or
 10 representation or failure to disclose a material fact, and
 11 each day of such failure or refusal shall constitute a
 12 separate offense.

13 (c) Any person who shall willfully violate any
 14 provision of this act or any order, rule or regulation
 15 thereunder, the violation of which is made unlawful or the
 16 observance of which is required under the terms of this act,
 17 and for which a penalty is neither prescribed herein nor
 18 provided by any other applicable statute, shall be punished
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 20 than five hundred dollars (\$500.00) or by imprisonment for
 21 not less than three (3) days nor more than thirty (30) days
 22 in the county jail or by both such fine and imprisonment,
 23 and each day such violation continues shall be deemed to be
 24 a separate offense.

25 (d) Any person who, by reason of the nondisclosure or

1 misrepresentation by him or by another, of a material fact
 2 (irrespective of whether such nondisclosure or
 3 misrepresentation was known or fraudulent) has received any
 4 sum as benefits under this act while any conditions for the
 5 receipt of benefits imposed by this act were not fulfilled
 6 in his case, or while he was disqualified from receiving
 7 benefits, shall, in the discretion of the commission
 8 division, either be liable to have such sum deducted from
 9 any future benefits payable to him under this act or shall
 10 be liable to repay to the commission division for the
 11 unemployment compensation fund, a sum equal to the amount so
 12 received by him, and such sum shall be collectible in the
 13 manner provided in this act for the collection of past due
 14 contributions. Action for collection of overpaid benefits
 15 shall be brought within five (5) years after the date of
 16 such overpayment, otherwise to be barred as provided in
 17 section 93-2604."

-End-

STATE OF MONTANA

REQUEST NO. 77-75

FISCAL NOTE

Form BD-15

In compliance with a written request received January 24, 19 75, there is hereby submitted a Fiscal Note for House Bill 147 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.


Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 147 permits recoupment by offset of payments made to fraudulent claimants.

CONCLUSION:

Enactment of House Bill 147 would provide an alternate method of recouping fraudulently received benefits; the bill allows the employment Security Division to offset fraudulently received benefits with future benefits. This will have no expected fiscal impact.



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: January 28, 1975

Approved by Committee
on Labor & Employment
Relations

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8 the commission's division's determination that the claimant
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11 (B) A period of not less than ten (10) nor more than
12 fifty-two (52) weeks have elapsed since the date of such
13 determination by the commission division, the length of time
14 of the disqualification as herein described to be determined
15 by the commission division in accordance with the severity
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20 knowingly fails to disclose a material fact, to prevent or
21 reduce the payment of benefits to any individual entitled
22 thereto, or to avoid becoming or remaining subject hereto or
23 to avoid or reduce any contribution or other payment
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25 employment security law of any other state, or territory or

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