

118TH CONGRESS
1ST SESSION

H. R. 5107

To extend the statute of limitations for fraud by individuals under the
COVID–19 unemployment programs.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 1, 2023

Mr. FINSTAD (for himself, Ms. MACE, Mr. LAMBORN, Mr. BAIRD, Mr. BIGGS, Mrs. STEEL, Mr. RUTHERFORD, Mr. BEAN of Florida, Mr. ZINKE, Mr. CARTER of Georgia, Mr. AUSTIN SCOTT of Georgia, Mr. NORMAN, Mr. BABIN, Mr. MOOLENAAR, Mr. POSEY, Ms. HAGEMAN, and Mr. MCCORMICK) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend the statute of limitations for fraud by individuals
under the COVID–19 unemployment programs.

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 “Pandemic Unemploy-
5 ment Fraud Recoupment Act”.

1 **SEC. 2. EXTENSION OF THE STATUTE OF LIMITATIONS FOR**
2 **FRAUD BY INDIVIDUALS UNDER THE COVID-**
3 **19 UNEMPLOYMENT PROGRAMS.**

4 (a) PANDEMIC UNEMPLOYMENT ASSISTANCE.—Sec-
5 tion 2102 of the CARES Act (15 U.S.C. 9021) is amend-
6 ed—

7 (1) in subsection (d), by striking paragraph (4);

8 (2) by redesignating subsection (h) as sub-
9 section (i); and

10 (3) by inserting after subsection (g) the fol-
11 lowing new subsection:

12 “(h) FRAUD AND OVERPAYMENTS.—

13 “(1) IN GENERAL.—If an individual knowingly
14 has made, or caused to be made by another, a false
15 statement or representation of a material fact, or
16 knowingly has failed, or caused another to fail, to
17 disclose a material fact, and as a result of such false
18 statement or representation or of such nondisclosure
19 such individual has received an amount of pandemic
20 unemployment assistance under this section to which
21 such individual was not entitled, such individual
22 shall be ineligible for further pandemic unemploy-
23 ment assistance under this section in accordance
24 with the provisions of the applicable State unemploy-
25 ment compensation law relating to fraud in connec-
26 tion with a claim for unemployment compensation.

1 “(2) REPAYMENT.—In the case of individuals
2 who have received amounts of pandemic unemploy-
3 ment assistance under this section to which they
4 were not entitled, the State shall require such indi-
5 viduals to repay the amounts of such pandemic un-
6 employment assistance to the State agency, except
7 that the State agency may waive such repayment if
8 it determines that—

9 “(A) the payment of such pandemic unem-
10 ployment assistance was without fault on the
11 part of any such individual; and

12 “(B) such repayment would be contrary to
13 equity and good conscience.

14 “(3) RECOVERY BY STATE AGENCY.—

15 “(A) IN GENERAL.—The State agency
16 shall recover the amount to be repaid, or any
17 part thereof, by deductions from any unemploy-
18 ment compensation payable to such individual
19 under any State or Federal unemployment com-
20 pensation law administered by the State agency
21 or under any other State or Federal law admin-
22 istered by the State agency which provides for
23 the payment of any assistance or allowance with
24 respect to any week of unemployment, during
25 the 10-year period after the date such individ-

1 uals received the payment of the pandemic un-
2 employment assistance to which they were not
3 entitled, in accordance with the same proce-
4 dures as apply to the recovery of overpayments
5 of regular unemployment benefits paid by the
6 State.

7 “(B) OPPORTUNITY FOR HEARING.—No
8 repayment shall be required, and no deduction
9 shall be made, until a determination has been
10 made, notice thereof and an opportunity for a
11 fair hearing has been given to the individual,
12 and the determination has become final.

13 “(4) REVIEW.—Any determination by a State
14 agency under this section shall be subject to review
15 in the same manner and to the same extent as deter-
16 minations under the State unemployment compensa-
17 tion law, and only in that manner and to that ex-
18 tent.

19 “(5) STATUTE OF LIMITATIONS.—Notwith-
20 standing any other provision of law, any criminal
21 charge or civil enforcement action alleging that an
22 individual engaged in fraud with respect to the pay-
23 ment of any unemployment compensation claim
24 funded in whole or in part by pandemic unemploy-
25 ment assistance under this section shall be filed not

1 later than 10 years after the date on which the con-
2 duct that constitutes the fraud was committed.”.

3 (b) FEDERAL PANDEMIC UNEMPLOYMENT COM-
4 PENSATION AND MIXED EARNER UNEMPLOYMENT COM-
5 PENSATION.—Section 2104(f) of the CARES Act (15
6 U.S.C. 9023(f)) is amended—

7 (1) in paragraph (3)(A), by striking “3-year”
8 and inserting “10-year”; and

9 (2) by adding at the end the following new
10 paragraph:

11 “(5) STATUTE OF LIMITATIONS.—Notwith-
12 standing any other provision of law, any criminal
13 charge or civil enforcement action alleging that an
14 individual engaged in fraud with respect to the pay-
15 ment of any unemployment compensation claim
16 funded in whole or in part by Federal Pandemic Un-
17 employment Compensation or Mixed Earner Unem-
18 ployment Compensation under this section shall be
19 filed not later than 10 years after the date on which
20 the conduct that constitutes the fraud was com-
21 mitted.”.

22 (c) PANDEMIC EMERGENCY UNEMPLOYMENT COM-
23 PENSATION.—Section 2107(e) of the CARES Act (15
24 U.S.C. 9025(e)) is amended—

1 (1) in paragraph (3)(A), by striking “3-year”
2 and inserting “10-year”; and

3 (2) by adding at the end the following new
4 paragraph:

5 “(5) STATUTE OF LIMITATIONS.—Notwith-
6 standing any other provision of law, any criminal
7 charge or civil enforcement action alleging that an
8 individual engaged in fraud with respect to the pay-
9 ment of any unemployment compensation claim
10 funded in whole or in part by pandemic emergency
11 unemployment compensation under this section shall
12 be filed not later than 10 years after the date on
13 which the conduct that constitutes the fraud was
14 committed.”.

15 (d) LOST WAGES ASSISTANCE.—

16 (1) FRAUD AND OVERPAYMENTS.—If an indi-
17 vidual knowingly has made, or caused to be made by
18 another, a false statement or representation of a ma-
19 terial fact, or knowingly has failed, or caused an-
20 other to fail, to disclose a material fact, and as a re-
21 sult of such false statement or representation or of
22 such nondisclosure such individual has received an
23 amount of lost wages assistance to which such indi-
24 vidual was not entitled, such individual shall be ineli-
25 gible for further lost wages assistance in accordance

1 with the provisions of the applicable State unemploy-
2 ment compensation law relating to fraud in connec-
3 tion with a claim for unemployment compensation.

4 (2) REPAYMENT.—In the case of individuals
5 who have received amounts of lost wages assistance
6 to which they were not entitled, the State shall re-
7 quire such individuals to repay the amounts of such
8 lost wages assistance to the State agency, except
9 that the State agency may waive such repayment if
10 it determines that—

11 (A) the payment of such lost wages assist-
12 ance was without fault on the part of any such
13 individual; and

14 (B) such repayment would be contrary to
15 equity and good conscience.

16 (3) RECOVERY BY STATE AGENCY.—

17 (A) IN GENERAL.—The State agency shall
18 recover the amount to be repaid, or any part
19 thereof, by deductions from any unemployment
20 compensation payable to such individual under
21 any State or Federal unemployment compensa-
22 tion law administered by the State agency or
23 under any other State or Federal law adminis-
24 tered by the State agency which provides for
25 the payment of any assistance or allowance with

1 respect to any week of unemployment, during
2 the 10-year period after the date such individ-
3 uals received the payment of the lost wages as-
4 sistance to which they were not entitled, in ac-
5 cordance with the same procedures as apply to
6 the recovery of overpayments of regular unem-
7 ployment benefits paid by the State.

8 (B) OPPORTUNITY FOR HEARING.—No re-
9 payment shall be required, and no deduction
10 shall be made, until a determination has been
11 made, notice thereof and an opportunity for a
12 fair hearing has been given to the individual,
13 and the determination has become final.

14 (4) REVIEW.—Any determination by a State
15 agency with respect to payments of lost wages as-
16 sistance shall be subject to review in the same man-
17 ner and to the same extent as determinations under
18 the State unemployment compensation law, and only
19 in that manner and to that extent.

20 (5) STATUTE OF LIMITATIONS.—Notwith-
21 standing any other provision of law, any criminal
22 charge or civil enforcement action alleging that an
23 individual engaged in fraud with respect to the pay-
24 ment of any unemployment compensation claim
25 funded in whole or in part by lost wages assistance

1 shall be filed not later than 10 years after the date
2 on which the conduct that constitutes the fraud was
3 committed.

4 (6) DEFINITIONS.—In this subsection:

5 (A) LOST WAGES ASSISTANCE.—In this
6 subsection, the term “lost wages assistance”
7 means financial assistance provided by the Fed-
8 eral Emergency Management Agency pursuant
9 to the memorandum of the President entitled
10 “Memorandum on Authorizing the Other Needs
11 Assistance Program for Major Disaster Dec-
12 larations Related to Coronavirus Disease 2019”
13 and dated August 8, 2020.

14 (B) STATE AGENCY, STATE LAW, AND
15 WEEK.—The terms “State agency”, “State
16 law”, and “week” have the meaning given such
17 terms in section 205 of the Federal-State Ex-
18 tended Unemployment Compensation Act of
19 1970 (26 U.S.C. 3304 note).

○