

1 **ENROLLED**

2 **H. B. 4549**

3
4 (By Delegates White, T. Campbell, Varner and Williams)

5 (By request of the Department of Commerce)

6 [Passed March 10, 2012; in effect July 1, 2012.]
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10 AN ACT to amend and reenact §21A-10-7 of the Code of West Virginia,
11 1931, as amended, relating to imposing a monetary penalty on
12 unemployment compensation recipients for obtaining benefits
13 through the use of fraudulent statements or actions;
14 specifying disposition of the penalties collected; and
15 providing that penalty amounts may not be used to offset
16 future benefit payments to recipients.

17 *Be it enacted by the Legislature of West Virginia:*

18 That §21A-10-7 of the Code of West Virginia, 1931, as amended,
19 be amended and reenacted to read as follows:

20 **ARTICLE 10. GENERAL PROVISIONS.**

21 **§21A-10-7. False representations; penalties.**

22 (a) A person who makes a false statement or representation
23 knowing it to be false or who knowingly fails to disclose a

1 material fact in order to obtain or attempt to obtain or increase
2 a benefit, either for himself, herself or another, under this
3 chapter, or under an employment security law of any other state or
4 of the federal government for either of which jurisdictions this
5 state is acting as an agent, is guilty of a misdemeanor, and, upon
6 conviction, shall be punished by a fine of not less than \$100 nor
7 more than \$1,000, or by confinement in jail for not longer than
8 thirty days, or both, and by full repayment of all benefits
9 obtained fraudulently. Each false statement or representation, or
10 failure to disclose a material fact, is a separate offense.

11 (b) After July 1, 2012, a penalty of twenty percent of the
12 amount of the erroneous payment attaches to the amount of the
13 liability to be repaid by the benefit recipient for any payment of
14 benefits determined to be obtained by the recipient's fraudulent
15 statements or actions. The first seventy-five percent of the
16 penalty collected from the benefit recipient shall be deposited in
17 the state's Unemployment Trust Fund with the remaining twenty-five
18 percent of the penalty collected to be deposited in a special
19 administrative account to be used for increased integrity
20 activities to identify and recover erroneous payments of benefits
21 created by fraudulent activities of benefit recipients. Penalty
22 amounts established due to fraudulent activities of benefit
23 recipients may not be used to offset future benefits payable to
24 benefit recipients.

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