

By Mr. Demers of Chicopee, petition of Richard H. Demers for legislation to strengthen the administration of the Employment Security Law. Commerce and Labor.

**The Commonwealth of Massachusetts**

In the Year One Thousand Nine Hundred and Eighty.

AN ACT TO STRENGTHEN THE ADMINISTRATION OF THE EMPLOYMENT SECURITY LAW.

*Be it enacted by the Senate and House of Representatives in General Court assembled and by the authority of the same, as follows:*

1 SECTION 1. Paragraph (3) of subsection (d) of section 14 of  
2 said chapter 151A, as appearing in chapter 397 of the acts of 1953,  
3 and as amended by section 5 of chapter 473 of the acts of 1976, is  
4 hereby further amended by striking out, in lines 1 and 2, the words  
5 "subsections (a) and (b) of section twenty-nine" and inserting in  
6 place thereof the words: — section twenty-nine and an amount  
7 equal to one-half of the benefits provided in section thirty A.

1 SECTION 2. Section 14C of chapter 151A, as appearing in  
2 chapter 720 of the acts of 1977, is hereby amended by striking out  
3 sentence (c) of paragraph (1) of subsection (h) and inserting in  
4 place thereof the following sentence: —  
5 (c) In no case shall the numerator of the required yield be less  
6 than total benefits paid in the prior year.

1 SECTION 3 Section 14C of chapter 151A, as appearing in  
2 chapter 720 of the acts of 1977, is hereby amended by striking out  
3 the first two sentences in paragraph (5) of subsection (h) and  
4 inserting in place thereof the following sentences: —  
5 An emergency rate increase shall be imposed at the beginning of  
6 any quarter if the fund balance of the accounts under this section at  
7 the beginning of the next preceding quarter was less than the total  
8 benefit payment charges under this section during the second

9 preceding quarter. The emergency rate increase will be up to one  
10 percent added to the rate established pursuant to subsections (e) or  
11 (h)(4), and will be effective for the remainder of the rate year. Any  
12 additional amount paid as a result of such emergency rate increase  
13 shall be credited to the solvency account established pursuant to  
14 subsection (f).

1 SECTION 4. Section 15 of said chapter 151A, as most recently  
2 amended by section 78 of chapter 478 of the acts of 1978, is hereby  
3 further amended by striking out subsection (b) and inserting in  
4 place thereof the following subsection: —

5 (b) The director may collect such overdue amounts, together  
6 with such interest or penalty, in a civil action or by petition for  
7 entry of judgment in the name of the commonwealth commenced  
8 within six years from January thirty-first next succeeding the last  
9 day of the calendar year in which wages were paid. If the director  
10 believes that the collection of contributions, interest or penalty will  
11 be jeopardized by delay, he may in his discretion commence a civil  
12 action to collect such amounts at any time prior to January thirty-  
13 first next succeeding the last day of the calendar year in which  
14 wages were paid, without regard to the date on which such contri-  
15 butions are due. If an employer has failed to give notice to the  
16 director of the fact, not otherwise determined, that he believes he is  
17 subject to the provisions of this chapter and to request a determina-  
18 tion of his liability, or if an employer has failed to file the contribu-  
19 tion reports required of him under this chapter or any regulation  
20 adopted pursuant thereto, showing the amounts of such wages and  
21 the contributions due thereon, or has filed false reports as to the  
22 amount of such wages or contributions with intent to defraud,  
23 then the provisions of this subsection shall not apply and the  
24 director may bring a civil action at any time for all periods, without  
25 regard to the year in which wages were paid.

26 If the employing unit is a corporation all overdue amounts,  
27 together with interest or penalty, are hereby made a personal debt  
28 of the president, the secretary and the treasurer, or officers exercis-  
29 ing corresponding functions.

30 Actions brought under this subsection shall be given precedence  
31 over other civil cases except petitions for review under section  
32 forty-two.

33 For the purposes of this subsection a civil action shall include a  
34 petition for entry of judgment filed under the provisions of subsec-  
35 tion (c).

1 SECTION 5. Subsection (6) of section 30A of said chapter  
2 151A, as appearing in section 1 of chapter 866 of the acts of 1970, is  
3 hereby amended by striking out, in line 1, the word "Any" and  
4 inserting in place thereof the words: — One-half of any.

1 SECTION 6. Section 46 of chapter 151A, as most recently  
2 amended by chapter 367 of the acts of 1978, is hereby further  
3 amended by inserting between the third and fourth sentences of  
4 said section the following sentence: —

5 For purposes of the administration of state and federal employ-  
6 ment taxes, information secured pursuant to this chapter may be  
7 made available to the Internal Revenue Service of the United  
8 States Department of the Treasury and the Department of  
9 Revenue of the Commonwealth of Massachusetts.

1 SECTION 7. The first sentence of section 71 of said chapter  
2 151A, as appearing in section 21 of chapter 763 of the acts of 1951,  
3 is hereby amended by striking out in line 12 the word "two" and  
4 inserting in place thereof the following word: — six.

1 SECTION 8. Chapter 151A, as most recently amended by  
2 chapter 478 of the acts of 1978, is hereby further amended by  
3 adding after section 71 the following section: —

4 *Section 71A.* If a redetermination or any administrative deci-  
5 sion upon review thereof has become final which redetermination  
6 or administrative decision found that an individual either was paid  
7 benefits to which he was not entitled or was paid benefits in excess  
8 of the amount to which he was entitled as a result of such redeter-  
9 mination or administrative decision and the repayment of such  
10 overpaid benefits remains unpaid, such overpaid benefits shall,  
11 until collected, be a lien against the assets of such individual,  
12 subordinate however to prior recorded liens, provided, that no lien  
13 created by this section shall be valid against a subsequent pur-  
14 chaser or mortgagee in good faith and for value of land of such

15 individual, or against subsequent attaching creditor of land of  
16 such individual unless and until there shall have been recorded in  
17 the registry of deeds for the county or district wherein the land lies a  
18 notice by the director of such lien, which notice shall state the  
19 name of the individual, his address within the Commonwealth  
20 and the total amount then unpaid of the aforesaid overpaid benef-  
21 its. If the land affected is registered land, the pertinent provisions of  
22 chapter one hundred and eighty-five shall apply. Such lien may be  
23 enforced or dissolved in the manner provided in chapter two  
24 hundred and fifty-four for enforcing or dissolving liens on build-  
25 ings and land.

26 No recording fee shall be paid by the director for filing a notice of  
27 lien under this section.

1 SECTION 9. Sections one and five shall take effect on Sep-  
2 tember thirtieth, nineteen hundred and seventy-nine and shall  
3 apply only to claims in benefit years beginning on or after Sep-  
4 tember thirtieth, nineteen hundred and seventy-nine. Sections two  
5 and three shall take effect on September thirtieth, nineteen  
6 hundred and seventy-nine. Sections four, six, seven and eight shall  
7 take effect upon passage.