



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

HB3520

Introduced 2/22/2021, by Rep. Keith R. Wheeler

#### SYNOPSIS AS INTRODUCED:

20 ILCS 2505/2505-760 new  
820 ILCS 405/2703 new

Amends the Department of Revenue Law of the Civil Administrative Code of Illinois and the Unemployment Insurance Act. Provides that the Department of Revenue and the Department of Employment Security shall cooperate by sharing information and data necessary to identify fraudulent activity with respect to claims for unemployment benefits and to protect taxpayers from the effects of reported income in connection with fraudulent claims.

LRB102 12785 JLS 18124 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Department of Revenue Law of the Civil  
5 Administrative Code of Illinois is amended by adding Section  
6 2505-760 as follows:

7 (20 ILCS 2505/2505-760 new)

8 Sec. 2505-760. Unemployment benefit fraud prevention. The  
9 Department of Employment Security and the Department of  
10 Revenue shall cooperate under the Unemployment Insurance Act  
11 by sharing information concerning any suspected fraudulent  
12 unemployment benefit received by an Illinois taxpayer, as  
13 provided under Section 2703 of the Unemployment Insurance Act.  
14 The Department may adopt rules for the purposes of  
15 establishing a safe, secure, and expedited method of  
16 identifying Illinois taxpayers who have claimed or been paid  
17 fraudulent unemployment benefits and taking necessary actions  
18 to hold the Illinois taxpayer harmless from adverse changes to  
19 his or her income, based upon fraudulent acts, reported to the  
20 Department for tax filing or payment purposes provided under  
21 the Illinois Income Tax Act.

22 Section 10. The Unemployment Insurance Act is amended by

1 adding Section 2703 as follows:

2 (820 ILCS 405/2703 new)

3 Sec. 2703. Exchange of information with Department of  
4 Revenue for fraud prevention. The administration of this Act  
5 shall include cooperation between the Department of Employment  
6 Security and the Department of Revenue to securely exchange  
7 information for purposes of ensuring the accuracy and  
8 legitimacy of unemployment insurance, including the  
9 application and receipt of unemployment benefits, provided for  
10 under this Act. The Department, in collaboration with the  
11 Department of Revenue, shall adopt a method of verification  
12 that seeks to identify any suspected fraudulent activity in  
13 the unemployment benefits system, including establishing a  
14 safe, secure, and expedited method of notification from one  
15 agency to another whenever there is suspected fraud in the  
16 benefits claimed by or paid to an Illinois resident. The  
17 Department may establish a safe and secure database containing  
18 any reported or suspected case of fraud which shall be  
19 accessible to the Department of Revenue for purposes of  
20 identifying individuals who have claimed or been paid  
21 fraudulent unemployment benefits.