

# Union Calendar No. 585

119<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 8873

[Report No. 119–671]

To recover unclaimed pandemic-era unemployment compensation funds held by financial institutions or escheated to State unclaimed property administrators, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2026

Ms. VAN DUYNE (for herself and Mr. SUOZZI) introduced the following bill;  
which was referred to the Committee on Ways and Means

MAY 29, 2026

Additional sponsor: Mr. FEENSTRA

MAY 29, 2026

Reported with an amendment, committed to the Committee of the Whole  
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on May 19, 2026]

# **A BILL**

To recover unclaimed pandemic-era unemployment compensation funds held by financial institutions or escheated to State unclaimed property administrators, and for other purposes.

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 “Recover COVID Unem-*  
5       *ployment Fraud in Banks Act”.*

6       **SEC. 2. NATIONAL RECOVERY COORDINATOR AND TASK**  
7               **FORCE.**

8       *(a) IN GENERAL.—*

9               *(1) DESIGNATION OF NATIONAL RECOVERY COOR-*  
10       *DINATOR.—The Secretary of Labor, in consultation*  
11       *with the Secretary of the Treasury, the Inspector Gen-*  
12       *eral of the Department of Labor, and the Attorney*  
13       *General, shall designate an official to serve as Na-*  
14       *tional Recovery Coordinator to oversee and coordinate*  
15       *the activities and responsibilities of the task force de-*  
16       *scribed in paragraph (2).*

17               *(2) TASK FORCE ESTABLISHMENT.—Not later*  
18       *than 30 days after the date of enactment of this Act,*  
19       *the National Recovery Coordinator shall convene a*  
20       *task force to be named the “Recover Pandemic Unem-*  
21       *ployment Funds in Banks Task Force” (in this sec-*  
22       *tion, the “Task Force”).*

23               *(3) MEMBERS.—The Task Force shall include—*  
24               *(A) the Attorney General, or their designee;*

1           (B) the Secretary of Labor, or their des-  
2           ignee;

3           (C) the Inspector General of the Department  
4           of Labor, or their designee;

5           (D) the Secretary of the Treasury, or their  
6           designee;

7           (E) the Chairman of the Federal Deposit  
8           Insurance Corporation, or their designee; and

9           (F) the Director of the Consumer Financial  
10          Protection Bureau, or their designee.

11       (b) *TASK FORCE RESPONSIBILITIES.*—It shall be the  
12       responsibility of the Task Force to—

13           (1) coordinate with applicable State agencies to  
14           identify Federal pandemic unemployment compensa-  
15           tion payments issued on prepaid debit cards that—

16               (A) are held by financial institutions, and  
17               other entities identified by the Inspector General  
18               of the Department of Labor, contracted by a  
19               State agency to transfer such payments to unem-  
20               ployment claimants; or

21               (B) were transferred by such an entity to,  
22               and are currently held by, a State agency re-  
23               sponsible for unclaimed property;

24           (2) coordinate with appropriate Federal agencies  
25           to develop model processes which comply with relevant

1       *Federal and State laws and result in cost-effective re-*  
2       *covery of the payments identified under paragraph*  
3       *(1), including issuing guidance, in coordination with*  
4       *the Secretary of Labor, to administrators of State*  
5       *agencies responsible for administering Federal unem-*  
6       *ployment compensation payments or determining*  
7       *fraud in such programs, including—*

8               *(A) guidelines for—*

9                   *(i) reviewing such payments and deter-*  
10                  *mining if such a payment was an improper*  
11                  *payment;*

12                  *(ii) determining whether cost-effective*  
13                  *recovery of an improper payment is pos-*  
14                  *sible, including a threshold, or a method-*  
15                  *ology for calculating a dollar threshold, for*  
16                  *cost-effective recovery; and*

17                  *(iii) actions, consistent with State law,*  
18                  *to be taken by the State agency if an im-*  
19                  *proper payment is determined to be the re-*  
20                  *sult of fraud;*

21               *(B) assurances that, subject to section*  
22               *303(g) of the Social Security Act (42 U.S.C.*  
23               *503(g)), any action taken in relation to a deter-*  
24               *mination that a payment identified under para-*

graph (1) is an improper payment shall be taken under State law;

(C) a model notice and information, developed in coordination with the Consumer Financial Protection Bureau, about resources available to individuals whose identity information is determined to have been fraudulently used to obtain Federal pandemic unemployment compensation;

(D) information on the legal pathways described under paragraphs (3) and (4) for recovery of payments that are improper payments held by financial institutions and agencies described in paragraph (1); and

(E) procedural requirements for State agencies to follow when funds are returned by such institutions that provides a standardized methodology to return funds to the Federal Government;

(3) issue guidance, in coordination with the Comptroller of the Currency and Chairman of the Federal Deposit Insurance Corporation, to financial institutions described in paragraph (1) that are holding payments that are improper payments that provides information on a legal pathway, consistent with

1        *banking regulations and applicable contracts with*  
2        *State agencies, for returning such payments to the*  
3        *appropriate State agency; and*

4            *(4) issue guidance, in coordination with the Sec-*  
5        *retary of Treasury, to administrators of State agen-*  
6        *cies responsible for unclaimed property on the obliga-*  
7        *tions of such agencies to review and return payments*  
8        *described in paragraph (1)(B) to the appropriate*  
9        *State agency.*

10        *(c) CONSULTATION REQUIREMENT.—In developing the*  
11        *guidance required to be issued under paragraphs (2), (3),*  
12        *and (4) of subsection (b), the Task Force shall consult with*  
13        *State agencies and incorporate best practices from previous*  
14        *attempts by any such States to recover payments deter-*  
15        *mined to be improper payments from institutions described*  
16        *in paragraph (1)(A) of such subsection.*

17        *(d) STATE ADMINISTRATIVE COSTS.—The Secretary of*  
18        *Labor shall reimburse States for all administrative costs in-*  
19        *curred as a result of coordination with the Task Force by*  
20        *reason of an agreement under section 2102, 2104, or 2107*  
21        *of the CARES Act (15 U.S.C. 9201; 9203; 9205).*

22        *(e) DEFINITIONS.—Except as otherwise specified, in*  
23        *this section:*

1           (1) *FEDERAL PANDEMIC UNEMPLOYMENT COM-*  
 2           *PENSATION.*—*The term “Federal pandemic unemploy-*  
 3           *ment compensation” means a payment of—*

4                   (A) *pandemic unemployment assistance*  
 5                   *under section 2102(b) of the CARES Act (15*  
 6                   *U.S.C. 9021(b));*

7                   (B) *Federal Pandemic Unemployment Com-*  
 8                   *ensation and Mixed Earner Unemployment*  
 9                   *Compensation under section 2104(b)(1) of the*  
 10                   *CARES Act (15 U.S.C. 9023(b)(1)); and*

11                   (C) *pandemic emergency unemployment*  
 12                   *compensation under section 2107(a)(2) of the*  
 13                   *CARES Act (15 U.S.C. 9025(a)(2)).*

14           (2) *IMPROPER PAYMENT.*—*The term “improper*  
 15           *payment” means any amount of a pandemic unem-*  
 16           *ployment payment to which the individual is not en-*  
 17           *titled.*

18           (3) *STATE; STATE AGENCY; STATE LAW.*—*The*  
 19           *terms “State”, “State agency”, and “State law” have*  
 20           *the meanings given those terms in section 205 of the*  
 21           *Federal-State Extended Unemployment Compensation*  
 22           *Act of 1970 (26 U.S.C. 3304 note).*



1 **SEC. 3. EXTENSION OF THE STATUTE OF LIMITATIONS FOR**  
 2 **PANDEMIC UNEMPLOYMENT FRAUD BY INDIVIDUALS UNDER CERTAIN UNEMPLOYMENT**  
 3 **PROGRAMS.**

5 (a) *PANDEMIC UNEMPLOYMENT ASSISTANCE.*—Section  
 6 2102 of the CARES Act (15 U.S.C. 9021) is amended—

7 (1) by redesignating subsection (h) as subsection  
 8 (i); and

9 (2) by inserting after subsection (g) the following  
 10 new subsection:

11 “(h) *STATUTE OF LIMITATIONS.*—

12 “(1) *IN GENERAL.*—Notwithstanding any other  
 13 provision of law and subject to paragraph (2), any  
 14 criminal prosecution or civil enforcement action for a  
 15 violation of, or conspiracy to violate, section 371, 641,  
 16 1028A, 1029, 1341, 1343, 1344, 1349, 1956, or 1957  
 17 of title 18, United States Code, or section 3729 or  
 18 3802 of title 31, United States Code, with respect to  
 19 any unemployment compensation claim funded in  
 20 whole or in part by pandemic unemployment assist-  
 21 ance under this section shall be brought not later than  
 22 10 years after the date of the violation or conspiracy.

23 “(2) *EXCEPTION.*—Paragraph (1) shall not  
 24 apply with respect to a criminal prosecution or civil  
 25 enforcement action if the statute of limitations appli-  
 26 cable to such criminal prosecution or civil enforce-

1        *ment action expired prior to the date of enactment of*  
2        *the Recover COVID Unemployment Fraud in Banks*  
3        *Act.”.*

4        *(b) FEDERAL PANDEMIC UNEMPLOYMENT COMPENSA-*  
5        *TION AND MIXED EARNER UNEMPLOYMENT COMPENSA-*  
6        *TION.—Section 2104(f) of the CARES Act (15 U.S.C.*  
7        *9023(f)) is amended by adding at the end the following new*  
8        *paragraph:*

9                *“(5) STATUTE OF LIMITATIONS.—*

10                *“(A) IN GENERAL.—Notwithstanding any*  
11                *other provision of law and subject to subpara-*  
12                *graph (B), any criminal prosecution or civil en-*  
13                *forcement action for a violation of, or conspiracy*  
14                *to violate, section 371, 641, 1028A, 1029, 1341,*  
15                *1343, 1344, 1349, 1956, or 1957 of title 18,*  
16                *United States Code, or section 3729 or 3802 of*  
17                *title 31, United States Code, with respect to any*  
18                *unemployment compensation claim funded in*  
19                *whole or in part by Federal Pandemic Unem-*  
20                *ployment Compensation or Mixed Earner Unem-*  
21                *ployment Compensation under this section shall*  
22                *be brought not later than 10 years after the date*  
23                *of the violation or conspiracy.*

24                *“(B) EXCEPTION.—Subparagraph (A) shall*  
25                *not apply with respect to a criminal prosecution*

1        *or civil enforcement action if the statute of limi-*  
 2        *tations applicable to such criminal prosecution*  
 3        *or civil enforcement action expired prior to the*  
 4        *date of enactment of the Recover COVID Unem-*  
 5        *ployment Fraud in Banks Act.”.*

6        (c) *PANDEMIC EMERGENCY UNEMPLOYMENT COM-*  
 7        *PENSATION.—Section 2107(e) of the CARES Act (15 U.S.C.*  
 8        *9025(e)) is amended by adding at the end the following new*  
 9        *paragraph:*

10        “(5) *STATUTE OF LIMITATIONS.—*

11                “(A) *IN GENERAL.—Notwithstanding any*  
 12        *other provision of law and subject to subpara-*  
 13        *graph (B), any criminal prosecution or civil en-*  
 14        *forcement action for a violation of, or conspiracy*  
 15        *to violate, section 371, 641, 1028A, 1029, 1341,*  
 16        *1343, 1344, 1349, 1956, or 1957 of title 18,*  
 17        *United States Code, or section 3729 or 3802 of*  
 18        *title 31, United States Code, with respect to any*  
 19        *unemployment compensation claim funded in*  
 20        *whole or in part by Pandemic Emergency Un-*  
 21        *employment Compensation under this section*  
 22        *shall be brought not later than 10 years after the*  
 23        *date of the violation or conspiracy.*

24                “(B) *EXCEPTION.—Subparagraph (A) shall*  
 25        *not apply with respect to a criminal prosecution*

1           *or civil enforcement action if the statute of limi-*  
2           *tations applicable to such criminal prosecution*  
3           *or civil enforcement action expired prior to the*  
4           *date of enactment of the Recover COVID Unem-*  
5           *ployment Fraud in Banks Act.”.*

6           *(d) EFFECTIVE DATE.—The amendments made by sec-*  
7           *tion Act shall take effect on the date of enactment of this*  
8           *Act.*



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