

United States Senate

January 3, 2023

Dear State Workforce Agent:

On September 21st, the Office of Inspector General (OIG) of the Department of Labor issued an alert memorandum indicating that \$45.6 billion of potentially fraudulent unemployment insurance (UI) benefits were distributed by state workforce agencies (SWA) and the Employment and Training Administration (ETA) between March 2020 and April 2022.

The OIG found the 45.6 billion taxpayer dollars were distributed across four high-risk categories to individuals with Social Security numbers: (1) filed in multiple states, (2) of deceased persons, (3) used to file UI claims with suspicious email accounts, and (4) of federal prisoners. This included \$139 million to dead Americans and at least \$267 million to federal prisoners, numbers which are absolutely unacceptable.

In their effort to understand the scope of potential abuse and fraud of UI benefits, auditors with the OIG have requested UI data from more than 50 SWAs. However, the OIG has complained it has “encountered numerous issues, including: (1) SWAs not providing access for each request, until subpoenas were issued to each SWA, (2) the OIG receiving data months after the request, and (3) the OIG receiving unusable and incomplete data.”

I am urging you to quickly, transparently and fully provide the requested UI information to the OIG, if you have not already provided it, so the OIG can understand the extent of potential fraud and abuse within a program funded by federal tax dollars. We are stewards of America’s tax dollars and when programs fail to spend dollars correctly, Congress must exercise proper budgetary oversight.

Transparency in federal accounting is absolutely essential, especially given our unbelievable \$31 trillion federal debt. We must all work together to ensure federal dollars are spent wisely and are not unnecessarily exposed to waste, fraud and abuse. As such, I ask that you provide written responses to the following questions:

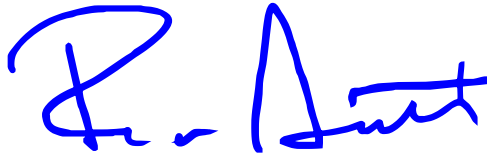
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1. What were the reasons for delaying the requested data to the Department of Labor OIG?
2. Were there any federal guidelines or regulations that impeded your ability to fight against fraud in UI benefits?
3. What steps have you taken to safeguard federal UI benefits from being distributed to the aforementioned four high-risk categories?
4. When do you expect to be fully compliant with the Department of Labor OIG's request for data?

Thank you for your attention on this important matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Scott". The signature is stylized with a large initial "R" and a prominent "S".

Rick Scott
United States Senator