United States Senate

WASHINGTON, DC 20510

February 21, 2023

The Honorable Merrick Garland
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, Northwest
Washington, D.C. 20530

The Honorable Martin J. Walsh
Secretary
U.S. Department of Labor
200 Constitution Avenue, Northwest
Washington, D.C. 20210

Dear Attorney General Garland and Secretary Walsh:

At the onset of the COVID-19 pandemic, Congress established temporary COVID-19 unemployment insurance (UI) programs, which provided short-term financial assistance to the millions of Americans that found themselves unemployed through no fault of their own. As well intentioned as the COVID-19 UI programs were, these programs were not immune from waste, fraud, and abuse.

On January 23, 2023, the U.S. Government Accountability Office (GAO) publicly released its report entitled, *Unemployment Insurance: Data Indicate Substantial Levels of Fraud during the Pandemic; DOL Should Implement an Antifraud Strategy*[1]. The findings embedded within this report are staggering. GAO found formal fraud determinations reported by state workforce agencies through June 2022 to be at least $4.3 billion. However, GAO determined that fraudulent payments could far exceed what states have reported, potentially in excess of $45 billion.

In addition to this analysis by GAO, Mr. Larry Turner, inspector general of the U.S. Department of Labor (DOL), recently testified in front of Congress that more than 21 percent of COVID-19 UI benefits – or approximately $191 billion – could have been improper "with a significant portion attributable to fraud[2]." And there are other estimates too. For example, the Foundation for Government Accountability at one point estimated that potentially $300 billion of COVID-19 UI benefits were fraudulent[3], while Axios reported that approximately $400 billion of COVID-19 UI benefits could potentially be fraudulent[4]. Irrespective of the actual dollar amount of COVID-19 UI fraud, each of these estimates are concerning in their own right.

In response to concerns about rampant fraud in these programs, the Trump administration established the National Unemployment Insurance Fraud Task Force (NUIFTF). And in May 2021, the U.S. Department of Justice also established the COVID-19 Fraud Enforcement Task Force[5]. As members of Congress, we continue to be concerned about the unprecedented amount of COVID-19 UI benefits that were fraudulent, and, presently, we are seeking insight into the effectiveness of these task forces and other efforts by your agencies in recouping fraudulent COVID-19 UI benefits.

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[1] https://www.gao.gov/assets/gao-23-105523.pdf
[2] https://www.oig.dol.gov/public/testimony/02082023.pdf?source=email
[3] https://thefga.org/press/unemployment-fraud-bonus-side-effect/
[4] https://www.axios.com/2021/06/10/pandemic-unemployment-fraud-benefits-stolen
[5] https://www.justice.gov/opa/pr/attorney-general-announces-task-force-combat-covid-19-fraud

Therefore, we respectfully request answers to the following questions.

1) How many individuals have been indicted since the enactment of the COVID-19 UI programs for obtaining or attempting to obtain fraudulent COVID-19 UI benefits?
2) Can you provide us with the specific number of individuals from which fraudulent COVID-19 UI benefits have been recouped as of the date of this letter?
3) In its recent report, GAO found that the DOL OIG, through June 2022, had recouped more than $850 million based on its COVID-19 UI fraud investigations. Can you provide us with the total monetary value of fraudulent COVID-19 UI benefits that have been recouped as of the date of this letter by NUIFTF or other individual federal or state agencies?
4) Of the fraudulent COVID-19 UI benefits that have been recouped, what is the total dollar amount that has been recouped from individuals residing in the U.S. and how much of that was recouped from individuals residing outside of the United States?
5) Of the fraudulent COVID-19 UI benefits that the federal government has yet to recoup, what is the dollar amount of these benefits that is believed to have gone to U.S. citizens, and what is the dollar amount of these benefits that is believed to have gone to non-U.S. citizens?
6) The DOL OIG previously warned that the Social Security numbers (SSNs) of thousands of federal prisoners were submitted with UI claims. What is the dollar amount of the fraudulent COVID-19 UI benefits that were distributed to individuals who submitted their COVID-19 UI claims using an SSN of an incarcerated individual?
7) What additional statutory authorities are necessary, if any, to improve the federal government's effectiveness in recouping fraudulent COVID-19 UI benefits?
8) What additional statutory authorities are necessary, if any, for the federal government to improve state workforce agencies' effectiveness in recouping fraudulent COVID-19 UI benefits?

Thank you for your prompt attention to this request. As Congress works to continue its oversight of the billions of taxpayer dollars that was spent throughout the course of the COVID-19 pandemic, it is important that we identify to what degree efforts to recoup fraudulent COVID-19 UI benefits have been successful.

Sincerely,

John Thune
United States Senator

Todd Young
United States Senator

Mike Crapo
United States Senator

Steve Daines
United States Senator

James Lankford
United States Senator