



OFFICE OF INSPECTOR GENERAL U.S. DEPARTMENT OF LABOR

FOR IMMEDIATE RELEASE
January 8, 2025
www.oig.dol.gov

For Information Contact:
LaborOIGinfo@oig.dol.gov
(202) 693-7100

More Than 2,000 Individuals Charged for Unemployment Insurance Fraud Since the COVID-19 Pandemic Began

Washington, D.C. – Inspector General Larry D. Turner of the U.S. Department of Labor (DOL) today announced that the Office of Inspector General’s (OIG) efforts to combat unemployment insurance (UI) fraud have resulted in over 2,000 individuals being charged with crimes since the COVID-19 pandemic began in March 2020.

“This milestone demonstrates the dedication and expertise of our special agents, data scientists, intelligence analysts, digital forensic examiners, and support staff,” said Inspector General Turner. *“I am extremely proud of my team’s hard work to uncover fraud and protect taxpayer dollars. We remain committed to holding accountable those who exploit DOL programs and operations.”*

These investigations have already led to more than 1,400 convictions, resulting in a total of over 36,000 months of incarceration and \$1.1 billion in monetary accomplishments. Additionally, the DOL-OIG’s oversight work has identified close to \$47 billion in potential UI fraud.

Ongoing Challenges

In the DOL-OIG’s most recent [Semiannual Report to Congress](#)¹, Inspector General Turner raised concerns about the impending expiration of the statute of limitations for many pandemic-related UI fraud cases. Without an extension, opportunities to pursue additional investigations and recover stolen taxpayer funds will be lost. IG Turner also highlighted the depletion of supplemental pandemic oversight funds, which limits the DOL-OIG’s ability to continue investigations at the current pace. Extending the statute of limitations and providing additional resources are critical to ensuring that fraudsters are held accountable.

Background

The COVID-19 pandemic caused unemployment claims to surge to historic levels. Within five months, more than 57 million people filed initial claims through the UI program, a federal-state initiative designed as the first line of economic defense against unemployment. In response, over \$888 billion in federal and state UI benefits were distributed during the pandemic.

[As reported by DOL-OIG](#)², the rapid infusion of hundreds of billions in federal funds into the UI program gave individuals and organized criminal groups a high-value target to exploit. That,

¹ For more details, please visit: <https://www.oig.dol.gov/public/semiannuals/92.pdf>

² For more details about DOL-OIG UI investigations, please visit: <https://www.oig.dol.gov/doloiquioversightwork.htm>

combined with easily attainable stolen personally identifiable information and continuing UI program weaknesses, allowed criminals to defraud the system.

Within weeks of the distribution of the federal UI funds at the beginning of the pandemic, the DOL-OIG acted quickly to respond. In fact, since April 1, 2020, the DOL-OIG opened more than 209,000 investigative matters related to UI fraud, an increase of more than 1,000 times in the volume of the DOL-OIG's UI work. With less than 130 criminal investigators, the DOL-OIG leveraged data analytics to direct its limited resources to those matters that pose the greatest risk to the UI program, namely large-scale identity theft schemes involving multiple victims and organized-criminal groups, including street gangs.

For instance, in one pandemic-related UI fraud investigation into the theft of over \$30 million in UI benefits, a Georgia woman and her co-conspirators submitted more than 5,000 fraudulent applications for UI benefits using the personally identifiable information (PII) of identity theft victims. This resulted in UI benefits being funded through prepaid debit cards issued in the names of the purported applicants³. As part of the scheme, the defendant bribed a U.S. Postal Service carrier to unlawfully divert mail containing fraudulently obtained UI debit cards to the defendant. The defendant was sentenced to 120 months in federal prison. In another example, approximately 25 members and associates of a violent street gang pled guilty for their roles in a multimillion-dollar UI fraud scheme. They used the PII of more than 1,540 individuals to submit approximately 850 claims for UI benefits⁴. The defendants ultimately obtained about \$14 million in UI benefits after having filed for roughly \$40 million in benefits. To date, 12 defendants have been sentenced to terms of imprisonment for UI fraud, firearms and narcotics offenses, with sentences averaging 39 months of incarceration. These 12 defendants have also been ordered to pay more than \$3.5 million in criminal restitution to multiple State Workforce Agencies (SWA).

The DOL-OIG's accomplishments would not have been possible without its partnerships at the U.S. Department of Justice's (DOJ) National Unemployment Insurance Fraud Task Force, the COVID-19 Fraud Enforcement Task Force, the COVID-19 Fraud Strike Force teams, Organized Crime Drug Enforcement Task Forces (OCDETF), OCDETF Fusion Center, and the International Organized Crime and Intelligence Operations Center. The DOL-OIG also appreciates its collaboration with the DOL, SWAs, the partner U.S. Attorney Offices, the Pandemic Response Accountability Committee, the U.S. Secret Service, the FBI, Homeland Security Investigations, Internal Revenue Service-Criminal Investigation, the U.S. Postal Inspection Service, the Small Business Administration-OIG, the U.S. Department of Homeland Security-OIG, and its other federal, state, and local law enforcement partners.

For additional information on the DOL-OIG's oversight of the UI program, please visit www.oig.dol.gov/doloiguioversightwork.htm. If you suspect wrongdoing involving DOL programs or operations, contact the DOL-OIG Hotline at (800) 347-3756 or www.oig.dol.gov/hotlinecontact.htm.

³ For more details, please visit: <https://www.justice.gov/opa/pr/georgia-woman-sentenced-12-years-prison-30m-covid-19-unemployment-fraud-scheme-and-firearms>

⁴ For more details, please visit: <https://www.justice.gov/usao-edwi/pr/thirty-individuals-associated-milwaukee-street-gang-charged-federal-offenses-ranging>