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THE NEW YORK STATE DEPARTMENT OF LABOR STOPS FRAUDSTERS FROM STEALING MORE THAN \$5.5 BILLION IN UNEMPLOYMENT BENEFITS DURING COVID-19 PANDEMIC

Since the Beginning of the Pandemic, New York State has Paid more than \$65 billion in Unemployment Benefits to over 4 Million New Yorkers

NYS Department of Labor has Identified Over 425,000 Fraudulent Claims, Continues PSA Campaign Warning New Yorkers to Protect Themselves Against Fraud

The New York State Department of Labor today announced that it has identified over 425,000 fraudulent unemployment benefit claims during the COVID-19 pandemic,

preventing fraudsters from stealing more than \$5.5 billion in benefits. The DOL has referred hundreds of thousands of fraud cases to federal prosecutors, and continues to work with law enforcement partners on the federal, state, and local level to hold fraudsters accountable.

Since the pandemic began in March 2020, the Department of Labor has paid over \$65 billion to more than 4 million New Yorkers – representing more than 30 typical years' worth of benefits paid in just 11 months.

“Unemployment fraud is – sadly – a scourge that we have to fight every day, but it is particularly despicable that criminals would use a global pandemic as cover to attempt to defraud our system. These benefits have been a lifeline for millions of New Yorkers over the last year, and every day our Office of Special Investigations is working to protect our system from fraud and abuse,” **said New York State Labor Commissioner Roberta Reardon**. “Our team is using technology, including artificial intelligence and other sophisticated techniques, to identify fraud as quickly as possible and stop these criminals in their tracks. We will continue to work with our law enforcement partners at all levels to bring these thieves to justice.”

Criminals are using real New Yorkers' identities — likely stolen during previous data breaches involving institutions like banks, insurance companies, and major employers — to file fraudulent claims and illegally collect benefits in the name of individuals who are not unemployed. In response to this uptick in fraudulent claims, the Department of Labor Commissioner and Department of Financial Services have launched a public service announcement campaign, educating New Yorkers about how to protect themselves against identity theft, which can be viewed [here](#). Anyone who receives a monetary determination letter from the Department of Labor, but did not apply for unemployment benefits should **immediately** report it to the DOL at on.ny.gov/uifraud.

In addition, these New Yorkers should take steps to proactively protect themselves, including those listed at IdentityTheft.gov, such as:

- Changing passwords, logins, and pins for online accounts, especially banks;
- Placing a free fraud alert on their accounts with the three credit bureaus (Experian, TransUnion, and Equifax);
- Getting a free credit report from annualcreditreport.com;
- Reporting the identity theft to the FTC;
- Filing a report with their local police department, if they wish; and
- Reporting a misused Social Security number.

In addition to the Office of Special Investigation's robust investigative efforts, the Department of Labor receives information from sources including other government agencies, claimants, and employers to fight fraud. The Department of Labor also works closely with law enforcement partners at all levels, including the US DOL Office of Inspector General, the Secret Service, and the FBI.

Since March, the Department of Labor has identified over 425,000 fraudulent claims during the COVID-19 crisis -- thanks to these proactive efforts, and strong protections built into the application system, over \$5.5 billion that would have gone to fraudsters has been protected. A vast majority of the fraudulent claims were caught before a single cent was paid, and the Department of Labor continues to aggressively combat unemployment insurance fraud.

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