



*"The Voice of Business on Unemployment & Workers' Compensation"*

February 27, 2025

The Honorable Mike Johnson  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Jason Smith  
Chairman  
Committee on Ways and Means  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Virginia Foxx  
Chairwoman  
Rules Committee  
U. S. House of Representatives  
Washington, DC 20515

Dear Speaker Johnson, Chairman Smith, and Chairwoman Foxx:

We are writing in support of the Pandemic Unemployment Fraud Enforcement Act, HR 1156. This legislation is needed to enable the prosecution of fraud and criminal rings and recovery of billions of dollars in pandemic related funds.

UWC – Strategic Services on Unemployment and Workers' Compensation (UWC) is a national association dedicated to promoting sound unemployment insurance systems. Our members include many national and state business associations, payroll companies, third party administrators, state workforce agencies, and individual employers interested in unemployment compensation.

The COVID-19 Fraud Enforcement Task Force, the Government Accountability Office (GAO) and the U.S. Department of Labor Office of Inspector General (OIG) have recognized that additional time is needed to pursue criminal prosecution and recovery of funds.

There is broad support for an extension of time for prosecution. The remaining outstanding amounts for recovery are significant.

The Government Accountability Office (GAO) has estimated as much as \$100-315 billion in UI benefits were lost to fraud during the pandemic. Only \$5 billion has been recovered.

According to the COVID-19 Fraud Enforcement Task Force, 600 criminal UI fraud cases have been charged with associated losses of over \$300 million. In addition, the agency has 1,648 open, uncharged criminal matters.

The US Department of Labor has reported 157,000 UI fraud hotline complaints and more than 1,000 open field investigations.

The prosecution of criminals and fraudsters and the recovery of funds benefits federal accounts and sends a strong signal to fraudsters not to target state or federal unemployment funds that are financed by employers.

We urge you to favorably consider the Pandemic Unemployment Fraud Enforcement Act (HR 1156) to extend the period for prosecution and recovery of fraudulently claimed unemployment compensation.

Sincerely,



Douglas J. Holmes

President

UWC – Strategic Services on Unemployment & Workers' Compensation