

U.S. Rep. Steil: Requests review from DOL Inspector General of waste, fraud, and abuse in unemployment

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Steil and Wisconsin Republican Delegation Request Review from DOL Inspector General of Waste, Fraud, and Abuse in Unemployment

JANESVILLE, WISCONSIN—Today, Congressman Bryan Steil (WI-01) joined the Wisconsin Republican delegation to send a letter to the Department of Labor (DOL) Acting Inspector General Larry Turner requesting a review of the potential extent of waste, fraud, and abuse in Wisconsin's unemployment system.

The Evers Administration has failed to respond to two previous inquiries from the Members of Congress concerning fraudulent unemployment claims and Wisconsin's participation in the Federal Pandemic Unemployment Compensation (FPUC) program. At a time when we should be focused on getting workers back to work, Governor Evers vetoed WI AB 336 that would have ended the supplemental funding for unemployment benefits. Unfortunately, the Wisconsin Assembly was not able to override the Governor's veto and the program will continue into September, further hurting our return to normal.

With reports of widespread fraud and lack of action by Governor Evers, the lawmakers request that the DOL investigate Wisconsin and other states unemployment insurance systems.

“The Governor has consistently failed to be transparent or provide leadership when it comes to the Wisconsin unemployment system. While the Governor may be okay with the status quo, I am not. The reports of potential fraud are troubling and we need to take the necessary actions to protect taxpayers,” **said Rep. Steil.**

You can read the full text of the letter [here](#) or find it below:

Dear Acting Inspector General Turner:

Since March 2020, the federal government has authorized a vast increase in federal funds for unemployment benefits that are managed by state unemployment agencies. As states across the country debate whether to continue receiving these additional funds, we write to raise our urgent concern with the impact these additional benefits have had on fraud in state unemployment programs. Amidst the increased flow of federal dollars, your office has consistently warned states and highlighted instances of increased fraud that will likely reach into the hundreds of billions of dollars.[1] A recent article highlights the online criminal ecosystem that has emerged to coach bad actors on how to better defraud state unemployment systems.[2] This is a trend we do not want to see continue.

In May, we urged Wisconsin Governor Tony Evers to end the additional benefits provided through the Federal Pandemic Unemployment Compensation program to get Wisconsinites back to work. In June, we sent a letter asking Governor Evers what efforts he had taken to steward increased federal dollars. We have not received a response to either of these letters. Finally, the governor has vetoed legislation ending these benefits and the Wisconsin Legislature was unable to override this veto. Unfortunately, we have not received any information from

Wisconsin officials on how they plan to protect these federal dollars that will almost certainly continue to flow to Wisconsin until they expire on September 6, 2021. So, we ask you to review this program in Wisconsin and other states across the country to determine the extent of any waste, fraud, and abuse.

After more than a year of unprecedented federal spending, it is time we begin a full accounting of where federal funds have gone. Thank you in advance for your efforts to ensure taxpayer dollars are not wasted or lost to those committing fraud on the system.