

United States Senate

August 28, 2025

Michael C. Mikulka
Acting Deputy Inspector General
Office of Inspector General
Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Dear Acting Deputy Inspector General Mikulka,

I appreciate the Office of Inspector General's ongoing work to examine unemployment insurance (UI) fraud, especially suspicious claims involving the deceased, prisoners, suspicious email accounts, and multiple states.¹ These efforts will hopefully result in strengthening the program and recovering billions of dollars.

As founder and chair of the Senate DOGE Caucus, I'm leading congressional efforts to protect taxpayers from unscrupulous fraudsters who are taking advantage of public programs intended to help those in need.

The hundreds of billions of dollars lost during the COVID-19 pandemic should be a wake-up call for everyone responsible for administering public programs about how easy it is to rip off the government.² Sadly, some of the fraud was the result of inside jobs.

Several years ago, I brought attention to thousands of government employees who were receiving two paychecks from taxpayers, one for being on the public payroll and another for being on the unemployment rolls. These "unemployed" included hundreds of Department of Homeland Security employees who were also collecting overtime pay.³ Staff at other agencies,

¹ "COVID-19: ETA Needs to Improve Its Oversight of States' Efforts to Identify Multistate UI Fraud," report no. 19-25-004-03-315, U.S. Department of Labor Office of Inspector General, August 4, 2025; <https://www.oig.dol.gov/public/reports/oa/2025/19-25-004-03-315.pdf>.

² "COVID-19 Relief: Consequences of Fraud and Lessons for Prevention," U.S. Government Accountability Office, April 9, 2025; <https://www.gao.gov/assets/gao-25-107746.pdf>.

³ "More than \$2.6 Million in Potentially Fraudulent LWA Payments Were Linked to DHS Employees' Identities," Department of Homeland Security Office of Inspector General, September 27, 2022; <https://www.oig.dhs.gov/sites/default/files/assets/2022-09/OIG-22-73-Sep22.pdf>.

including the Internal Revenue Service (IRS),⁴ Amtrak⁵, and the U.S. Postal Service (USPS),⁶ were also claiming to be unemployed.

Because most of these cases involved the enhanced unemployment benefits provided during the pandemic, I requested an investigation by the Pandemic Response Accountability Committee (PACE) in January 2023.⁷ As far as I know, no action was ever taken to address the issue. This isn't entirely surprising since the committee was overwhelmed pursuing hundreds of billions of dollars of potential pandemic fraud.⁸

Double dipping on the dole isn't a new scheme. Neither are efforts to stop it.

⁴ While employed full-time by the IRS, a Tennessee woman falsely claimed that she was not employed and fraudulently obtained \$16,050 in unemployment insurance benefits.

"Five Current or Former IRS Employees Charged with Defrauding Federal COVID-19 Relief Programs," Department of Justice Office of Public Affairs, October 4, 2022; <https://www.justice.gov/opa/pr/five-current-or-former-irs-employees-charged-defrauding-federal-covid-19-relief-programs>.

⁵ A Louisiana man applied for and obtained more than \$1,000 in unemployment benefits despite being fully employed by Amtrak.

"Amtrak Employee Charged with Cares Act Fraud and Theft of Government Funds," Department of Justice U.S. Attorney's Office Eastern District of Louisiana, March 7, 2022; <https://www.justice.gov/usao-edla/pr/amtrak-employee-charged-cares-act-fraud-and-theft-government-funds>.

A Pennsylvania woman who falsely claimed that she had lost her job due to the pandemic received \$9,379 in unemployment benefits despite being an Amtrak employee at the time.

"AMTRAK OIG INVESTIGATION LEADS TO INDICTMENT OF FORMER AMTRAK EMPLOYEE FOR PANDEMIC RELIEF FRAUD," Amtrak Office of Inspector General, September 29, 2022; <https://amtrakoig.gov/news/investigations-press-release/amtrak-oig-investigation-leads-indictment-former-amtrak-employee>.

⁶ Four individuals in Illinois are charged with applying for fraudulent unemployment insurance benefits while being employed by the U.S. Postal Service

"ATTORNEY GENERAL RAOUL CHARGES SIX COOK COUNTY RESIDENTS OVER UNEMPLOYMENT, SMALL BUSINESS ADMINISTRATION LOAN FRAUD; Charges Stem from Investigation by Raoul's Task Force on Unemployment Insurance Benefits Fraud into Alleged Fraud by Postal Service Employees," Illinois Attorney General, June 23, 2022; https://illinoisattorneygeneral.gov/pressroom/2022_06/20220623c.html.

Two individuals in Pennsylvania fraudulently applied for and received pandemic unemployment benefits while being employed by the U.S. Postal Service.

"Philadelphia, Lehigh Valley Postal Workers Agree to Repay Fraudulently Obtained Unemployment Assistance Benefits," Department of Justice U.S. Attorney's Office Eastern District of Pennsylvania, January 6, 2023; <https://www.justice.gov/usao-edpa/pr/philadelphia-lehigh-valley-postal-workers-agree-repay-fraudulently-obtained>.

A reported suspect in Ohio successfully claimed unemployment under her own name, even though she was working for both the U.S. Postal Service and the Ohio Department of Job and Family Services at the time.

Thomas Brewster, "States Spent Millions On Deloitte's 'Anti-Fraud' Covid Unemployment Systems. They Suffered Billions In Fraud.," Forbes, October 31, 2022; <https://www.forbes.com/sites/thomasbrewster/2022/10/31/covid-pandemic-fraud-hits-billions-despite-deloitte-contracts-worth-hundreds-of-millions/?sh=1bbe46f5669f>.

⁷ Correspondence from U.S. Senator Joni Ernst to Pandemic Response Accountability Committee Chair Michael E. Horowitz, January 27, 2023;

https://www.ernst.senate.gov/imo/media/doc/letter_to_pandemic_response_accountability_committee.pdf.

⁸ "COVID-19 Relief: Consequences of Fraud and Lessons for Prevention," U.S. Government Accountability Office, April 9, 2025; <https://www.gao.gov/assets/gao-25-107746.pdf>.

By comparing federal payroll files with state public assistance lists, the Carter administration's Operation Match detected more than 1,100 government employees who were fraudulently drawing welfare benefits.⁹

Nearly half a century later, the problem persists. Just recently, individuals working for the Department of Labor (DOL), USPS, Social Security Administration (SSA), Department of Veterans Affairs (VA), and IRS were caught claiming to be out of work to collect unemployment benefits;

- A full-time DOL employee received nearly \$46,000 in jobless benefits while claiming *every week* for a year-and-a-half that he did not work or receive any income.¹⁰
- A USPS employee in Michigan collected hundreds of thousands of dollars of unemployment assistance *from multiples states* over four years. His scheme was only brought to an end after a vigilant supervisor noticed he was receiving mail at multiple addresses along his delivery route despite not living in that area.¹¹
- Another postal worker in Massachusetts applied for and obtained unemployment assistance while being employed by USPS.¹²
- A full-time SSA employee collected more than \$30,000 in unemployment benefits over two years.¹³

⁹ Judith Havemann, "IRS Information to Be Used In Hunt for Welfare Abusers," The Washington Post, March 16, 1986; <https://www.washingtonpost.com/archive/politics/1986/03/17/irs-information-to-be-used-in-hunt-for-welfare-abusers/31ca4890-5afd-4135-805a-588f6fad715f/>.

"Double-dipping?," UPI/The Daily Iowan, December 28, 1978; <https://dailyiowan.lib.uiowa.edu/DI/1978/di1978-09-28.pdf>.

¹⁰ "Former Department of Labor Employee Indicted for Fraudulently Obtaining Over \$40,000 in Pandemic Unemployment Assistance Benefits," U.S. Attorney's Office, District of Massachusetts, U.S. Department of Justice, August 26, 2025; <https://www.justice.gov/usao-ma/pr/former-department-labor-employee-indicted-fraudulently-obtaining-over-40000-pandemic>.

¹¹ Paula Wethington, "Detroit mail carrier accused of defrauding pandemic-era unemployment benefit programs," CBS News Detroit, May 27, 2025; <https://www.cbsnews.com/detroit/news/man-accused-of-fraud-unemployment-insurance-benefits/>.

Samantha Sayles, "Supervisor catches Detroit mail carrier using his route to defraud government, per officials," WDIV-TV Click On Detroit, June 1, 2025; <https://www.clickondetroit.com/news/local/2025/06/01/supervisor-catches-detroit-mail-carrier-using-his-route-to-defraud-government-per-officials/>.

¹² "U.S. Postal Service Employee Convicted of Theft of Postal Money Orders and Wire Fraud," U.S. Attorney's Office, District of Massachusetts, U.S. Department of Justice, November 1, 2023; <https://www.justice.gov/usao-ma/pr/us-postal-service-employee-convicted-theft-postal-money-orders-and-wire-fraud>.

¹³ "Social Security Administration Employee Charged with Fraudulently Obtaining COVID-19 Related Benefits," U.S. Attorney's Office, Western District of Missouri, U.S. Department of Justice, July 2, 2025; <https://www.justice.gov/usao-wdmo/pr/social-security-administration-employee-charged-fraudulently-obtaining-covid-19>.

- A VA employee who worked at the Veterans Health Administration and then the IRS collected more than \$130,000 by claiming he was unemployed. During the six years he claimed to be out of work, he was promoted several times at his government jobs.¹⁴

The problem is not limited to public employees on the payroll of the federal government;

- In Georgia, more than 280 full-time state employees received unemployment benefits over a two-year period. The fraudulent payments totaled more than \$6.7 million, averaging about \$23,700 per employee. The scammers included an unemployment insurance claims examiner and a tax examiner. Some even filed unemployment claims from their government offices while on duty! Georgia's Inspector General informed the state's Department of Labor (GDOL) "of this issue and made multiple overtures, personally and through an intermediary, for help conducting the initial proactive review," but "each was rebuffed." The obstruction and lack of cooperation by the GDOL created hurdles for detecting the fraud being committed by the bureaucracy.¹⁵
- In Indiana, a Department of Workforce Development employee hired to assist people sign up for jobless benefits fraudulently applied for and received more than \$10,000 of payments for herself. She also used her position to override the agency's computer system to pay fraudulent jobless benefits to her husband.¹⁶
- The Commonwealth of Massachusetts paid \$315,340 in jobless benefits to at least 22 state employees while they were on the state's payroll. This amount is likely just the tip of the iceberg, since it was calculated from a random, statistical sample of claims filed for Pandemic Unemployment Assistance.¹⁷
- A supervisor for the New York State Department of Taxation and Finance fraudulently claimed nearly \$17,000 in unemployment insurance benefits while collecting a taxpayer-funded salary.¹⁸

¹⁴ "Former Government Employee and Wife Plead Guilty to Defrauding the Department of Veterans Affairs," U.S. Attorney's Office, Southern District of California. U.S. Department of Justice, February 6, 2025; <https://www.justice.gov/usao-sdca/pr/former-government-employee-and-wife-plead-guilty-defrauding-department-veterans>.

¹⁵ Correspondence from Georgia State Inspector General Scott McAfee to David Dove, Executive Counsel to the Governor of Georgia, January 4, 2023; <https://oig.georgia.gov/document/document/2023-01-04ui-fraud-letter/download>.

"Eight Former State Employees Indicted for Pandemic Unemployment Fraud," Georgia Office of the Inspector General, August 3, 2023; <https://oig.georgia.gov/press-releases/2023-08-03/eight-former-state-employees-indicted-pandemic-unemployment-fraud>.

¹⁶ Indiana Inspector General Investigative Report on Indiana Department of Workforce Development employee criminal activity, case 2021-09-0274, December 27, 2022; https://www.in.gov/ig/files/2021-09-0274-DWD-Employee-Criminal-Activity_PUBLIC.pdf.

¹⁷ "Executive Office of Labor and Workforce Development—Department of Unemployment Assistance," Massachusetts Office of the State Auditor, December 12, 2024; <https://www.mass.gov/doc/audit-report-executive-office-of-labor-and-workforce-development-department-of-unemployment-assistance/download>.

¹⁸ "Attorney General James Announces Arrest of New York State Employee for Unemployment Insurance Theft and Tax Secrecy Violations," New York State Attorney General, June 15, 2022; <https://ag.ny.gov/press-release/2022/attorney-general-james-announces-arrest-new-york-state-employee-unemployment>.

- A New Jersey Department of Labor and Workforce Development clerk used her official position to collect \$56,030 of unemployment benefits for herself.¹⁹

There are far more elaborate schemes by government employees to defraud unemployment programs, including identity theft²⁰ or taking kickbacks and bribes in exchange for bogus benefits.²¹ What makes these particular cases stand out is that the fraudsters blatantly used their own names to collect unemployment benefits at the same time they were also receiving government paychecks, and got away with it, sometimes for years.

It wasn't just one or two bad apples, either. Hundreds, even thousands, of government employees appear to have been ripping off the unemployment system by claiming to be unemployed. Some of these fraudulent claims may also be the result of identity theft, like the California Employment Development Department employee who applied for and received unemployment benefits using the name of the state's senior U.S. senator at the time.²²

It now makes sense why there was so much protesting from bureaucrats about granting DOGE access to federal databases to try to detect fraud!

¹⁹ "Ten People Charged with Various COVID-19 Fraud Crimes Across the State," New Jersey Office of the Inspector General, April 8, 2025;

https://oig.dol.gov/public/Press%20Releases/Ten%20People%20Charged%20with%20Various%20COVID-19%20Fraud%20Crimes%20Across%20the%20State_NJ-AG_04082025.pdf.

²⁰ "Former State Government Employee and Her Ex-Boyfriend Sentenced to Federal Prison for Fraudulently Obtaining COVID-19 Jobless Relief," U.S. Attorney's Office, Central District of California, U.S. Department of Justice, May 9, 2025; <https://www.justice.gov/usao-cdca/pr/former-state-government-employee-and-her-ex-boyfriend-sentenced-federal-prison>.

"Former State Employee Pleads Guilty to Unemployment Insurance Fraud Scheme," U.S. Attorney's Office, Eastern District of Michigan, U.S. Department of Justice, May 12, 2025; <https://www.justice.gov/usao-edmi/pr/former-state-employee-pleads-guilty-unemployment-insurance-fraud-scheme>.

²¹ "Former State Employee Sentenced for Taking Bribes to Approve Fraudulent Claims for Unemployment Insurance Benefits," U.S. Attorney's Office, Eastern District of Michigan, U.S. Department of Justice, June 16, 2025; <https://www.justice.gov/usao-edmi/pr/former-state-employee-sentenced-taking-bribes-approve-fraudulent-claims-unemployment>.

Jim Brunner and Paul Roberts, "Ex-WA state employee gets 5 years for pandemic fraud of jobless claims," Seattle Times, September 20, 2022; <https://www.seattletimes.com/seattle-news/ex-state-employee-gets-5-years-for-pandemic-fraud-of-jobless-claims/>.

Jim Provance, "Former state employees accused of unemployment fraud," Toledo Blade August 31, 2023; <https://www.toledoblade.com/local/politics/2023/08/31/state-employee-charged-clearing-path-unemployment-fraud/stories/20230831102>.

Jeremy Pelzer, "Ohio authorities looking into dozens of potential unemployment fraud cases by state workers," cleveland.com, September 1, 2023; <https://www.cleveland.com/news/2023/08/ohio-authorities-looking-into-dozens-of-potential-unemployment-fraud-cases-by-state-workers.html>.

²² "Two COVID-19 Unemployment Benefit Fraud Schemes Charged in the Eastern District of California," U.S. Attorney's Office, Eastern District of California, U.S. Department of Justice, December 17, 2020; <https://www.justice.gov/usao-edca/pr/two-covid-19-unemployment-benefit-fraud-schemes-charged-eastern-district-california>.

In some cases, it is government employees themselves who are the victims. False claims were even filed using the names of public officials, such as the governor of Ohio.²³

It's time to root out the rip-off artists and put an end to the inside jobs by making it impossible to collect employment and unemployment benefits from the government at the same time. Since both lists are maintained by government, this *should* be a rather easy fix.

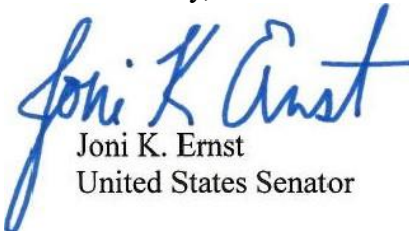
The Employment and Training Administration recently provided \$562.6 million to support the detection and prevention of fraud in UI programs, including identity verification and overpayment recovery activities.²⁴

Along with the data analytics involving Social Security numbers the OIG used to identify billions in potentially fraudulent UI benefits, the resources and template are available for spotting government employees receiving both paychecks and unemployment checks or imposters using stolen identities of unsuspecting civil servants.

I would, therefore, request that the OIG conduct an audit to determine if fraudulent unemployment benefits are being paid to government employees or using the identities of civil servants, and also make recommendations to end double dipping on the dole.

Please let me know if you have any questions or if I can be of any assistance with your efforts and thank you again for your ongoing work on behalf of taxpayers.

Sincerely,



Joni K. Ernst
United States Senator

²³ Mark Williams, "Fraudulent unemployment claims so numerous, one was filed in Gov. Mike DeWine's name," The Columbus Dispatch, January 21, 2021; <https://www.dispatch.com/story/business/2021/01/21/ohio-unemployment-claims-fraud-governor-mike-dewine/4235270001/>.

²⁴ "COVID-19: ETA Needs to Improve Its Oversight of States' Efforts to Identify Multistate UI Fraud," report no. 19-25-004-03-315, U.S. Department of Labor Office of Inspector General, August 4, 2025; <https://www.oig.dol.gov/public/reports/oa/2025/19-25-004-03-315.pdf>.