Attorney General Nessel Establishes Unemployment Insurance Fraud Task Force To Pursue Bad Actors

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LANSING -- Today, Attorney General Dana Nessel announced the creation of a Task Force to bring special focus and additional resources to bear in investigating and prosecuting fraud in the unemployment insurance program. The urgency to process claims and get benefits to Michigan families in need during the COVID-19 crisis created new opportunities for fraudsters to exploit the system. This Task Force is intended to help send the message that there are criminal consequences for fleecing a taxpayer-funded system intended to be a safety net for unemployed Michiganders.

In addition to the Attorney General, the other agencies participating in this task force include:

- The Michigan State Police
- The U.S. Department of Labor, Office of Inspector General
- The Michigan Department of Labor and Economic Opportunity
- The Michigan Department of Management & Budget
- The Michigan Department of Treasury

The Task Force will use all available tools under Michigan law to trace back computer IP addresses and utilize financial records to identify and prosecute fraudsters. In addition to prosecuting offenders to deter future conduct, the Task Force will attempt to recover illegally obtained benefits through restitution orders or other available mechanisms.

“I’m proud to partner with the professionals from these other agencies to address this significant problem,” said Nessel. “To steal money from this program intended to support households during a major global crisis is beyond reprehensible.”

“As part of the task force, my department’s number one priority is to weed out criminals and pay legitimate Michigan claimants, so vulnerable workers continue to get the benefits they deserve,” said LEO Director Jeff Donofrio. “We look forward to working closely with our state and federal partners to protect Michiganders and prevent unemployment fraud.”

“Whether it be a natural disaster or global pandemic, law enforcement knows that criminal actors use times of crisis to exploit systems and carry out their criminal actions,” stated Col. Joe Gasper, director of the MSP. “Our message to those who wish to fraudulently benefit from the COVID-19 crisis is that we’re watching and you will be caught.”

“Criminals are submitting fraudulent unemployment insurance claims, and illegally collecting the unemployment benefits created by the CARES Act at the expense of taxpayers and individuals truly in need of assistance during this pandemic. The Office of Inspector General is committed to working with our federal, state, and local law enforcement partners to vigorously pursue those who seek to exploit the Unemployment Insurance program for personal gain,” stated Irene Lindow, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General.

Those who wish to report fraud in the unemployment insurance program should do so by **visiting the UIA website** and click on the Report Fraud Now button.

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