

**Congress of the United States**  
Washington, DC 20515

February 18, 2022

Delivered Via E-mail

The Honorable Larry Turner  
Inspector General  
Department of Labor  
200 Constitution Avenue, NW  
Washington, DC 20

Dear General Turner:

On February 7, 2022, the Department of Labor's Employment and Training Administration (ETA) issued *Unemployment Insurance Program Letter (UIPL) No. 21-21, Change 1*, addressing program integrity issues related to the Coronavirus Aid, Relief, and Economic Security (CARES) Act unemployment insurance program. Over the last two years, the Office of Inspector General (OIG) has aggressively pursued fraudulent unemployment insurance claims and recovery of taxpayer dollars diverted to those who did not actually qualify for benefits or overpayment of benefits. We seek to ensure that ETA consulted with OIG to confirm the waivers outlined in the UIPL would not adversely impact existing investigations surrounding UI fraud.

Program integrity cannot be sacrificed for expediency. In fact, the Government Accountability Office estimated that \$87.3 billion in CARES Act unemployment insurance funds, about 10% of all CARES Act unemployment insurance funds, could have been paid improperly.

White House estimates of improper payments in the Federal-State UI program of 19% equating to an estimated \$78 billion fiscal year 2021. This partial estimate does not include the period of the greatest fraudulent activity when generous \$600/week and \$300/week federal supplements made unemployment a lucrative target for fraudsters. In total, Federal and state spending on enhanced pandemic unemployment benefits reached more than \$850 billion in less than two years.

ETA's statement on the new UIPL suggests that expediency may in fact be the case. ETA provides five new loopholes for how "states may apply blanket waiver of recovery of overpayments" but fail to require any determination of whether fraud existed. While the UIPL states there is legal authority for such action, it is unclear if this accurate.

Given the OIG's work ensuring the recovery of taxpayer dollars, we would like to understand how your work will continue after the UIPL, and in particular any impact on your ability to initiate and conduct investigation and prosecution of fraudulent activity in pandemic unemployment programs. Please provide answers to the questions below by February 28, 2022. Please provide answers after each written question.

1. Did ETA consult with the OIG to ensure these waivers would not impact existing investigations? If so, what was OIG's response?
2. Did ETA consult with the OIG to confirm the UIPL was in accordance with the law? If so, what legal opinion did OIG provide?
3. Will ETA's interpretation adversely impact the OIG's pursuit of fraud in the UI program?
4. Is ETA adequately responding to the OIG's outstanding report recommendations?
5. Is there a possibility that the UIPL will allow for fraudulent CARES Act unemployment insurance payments to go uncollected?

Thank you for your attention to this matter.

Sincerely,



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Richard Burr  
Ranking Member  
Senate Health, Education, Labor and Pensions Committee



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Kevin Brady  
Ranking Member  
House Ways and Means Committee



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Mike Crapo  
Ranking Member  
Senate Finance Committee



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James Comer  
Ranking Member  
House Committee on Oversight and Reform



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Rob Portman  
Ranking Member  
Senate Homeland Security and Governmental Affairs Committee