

Dear Client,

Unemployment Compensation (UC) fraud has increased exponentially with the roll out of the new benefit system. Labor and Industry (L&I) is aware of the increase and are actively looking at placing additional security measures in place. The fraudsters are part of organized crime rings across the world trying to infiltrate the billions of dollars in stimulus monies earmarked for unemployment. These fraudsters are using personal information they've purchased off of the dark web, which have occurred through previous data breaches. Data breaches are in the news on a regular basis. Examples of some large data breaches include, Equifax, Adobe, eBay, Marriott International, Yahoo .

If you're receiving unemployment information for employees who are actively employed by your business, we'd suggest asking them if they have filed for UC. If they did not file for UC we suggest the following steps to stop the unemployment:

1. The employee should report the fraud to L&I through this link as identity theft:
 - a. [Pennsylvania's Unemployment Compensation \(UC\) Benefits System \(pa.gov\)](https://www.pa.gov/uc)
2. Please complete the link on our website, which says, "Report UC Fraud to ITS". If you have already notified our office and receive a Separation Information Request (SIR) for this employee you can disregard it.
3. Complete any fact finding forms online in the new benefit site and state the claim is fraudulent.
4. Most important is that your employees affected by this fraud need to know their information is now vulnerable and being used by fraudsters.

Below are some links to information regarding UC Fraud:

- <https://www.cnn.com/2021/06/10/politics/what-matters-unemployment-fraud/index.html>
- <https://www.foxbusiness.com/economy/unemployment-benefits-stolen-coronavirus-pandemic>
- <https://www.usatoday.com/in-depth/news/investigations/2020/12/30/unemployment-fraud-how-international-scammers-took-36-b-us/3960263001/>
- <https://www.10tv.com/article/news/local/ohio/nigerian-crime-ring-suspected-in-ohio-unemployment-thefts/530-75a0e29f-288f-48d3-8f19-5b1a864b523b>

Thank you,

Dom D'Agostino, Vice President

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