

FRAUDULENT UNEMPLOYMENT CLAIMS

(to be provided to Employee)

Everywhere you look, identity fraud is making news these days. Equifax, LexisNexis, ChoicePoint, Bank of America, SAIC and others have recently announced that their data has been compromised, exposing hundreds of thousands of Americans to possible identity fraud.

According to [2018 Identity Fraud: Fraud Enters a New Era of Complexity](#) from Javelin Strategy & Research, in 2017, there were 16.7 million victims of identity fraud, a record high that followed a previous record the year before. For the first time, more Social Security numbers were exposed than credit card numbers.

We've all heard about the most publicized identity theft crime — thieves using stolen social security numbers to apply for credit cards. In many cases, victims don't realize something's awry until they apply for a loan and find their credit has been destroyed.

But the most underpublicized identity theft crime is one in which thieves defraud state governments of payroll taxes by filing fraudulent unemployment claims. This crime depletes state unemployment insurance trust funds, which can result in tax increases for employers to keep the funds solvent.

It can be a lucrative scheme. File a false unemployment claim and you can receive \$400 per week for 26 weeks. That's a quick \$10,400. Do it for 100 social security numbers and you've made a quick \$1,040,000. It's tough to make crime pay much better than that.

If you are suspecting that someone may have filed an unemployment claims with your personal identification information (PII), we suggest take the following actions:

Reporting Identity Theft and Unemployment Fraud:

1. File a police report immediately at the closest police station available.
2. Contact the credit reporting agencies to report Identity Theft. Link below: <http://www.consumer.ftc.gov/features/feature-0014-identity-theft>
3. Visit your state website to report unemployment fraud
4. Review your bank accounts. Any funds deposited into your account from unemployment will be required to pay back.