



# MIKE DEWINE

## GOVERNOR OF OHIO

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Hon. Joseph R. Biden, Jr.  
President of the United States  
1600 Pennsylvania Avenue, NW  
Washington, D.C. 20500

March 10, 2021

Dear Mr. President,

The global pandemic and subsequent economic turmoil have put the nation's unemployment systems to the test in distributing benefits to Americans whose work has been impacted by COVID-19 crisis. As with any sizable effort such as this, the idea of access to quick cash has invited rampant fraud attempts across the nation. It is notable that at least in Ohio, the number of successful attempts at fraud being committed against our *traditional* unemployment system is dwarfed by the amount of fraud being discovered within the federal Pandemic Unemployment Assistance (PUA) program. Our established state systems have been much more successful at preventing fraud.

PUA was designed by Congress and the U.S. Department of Labor and handed off to the states for administration of the benefits. Ohio, like most states, had no system in place for administering this program and had to build it from scratch in alignment with the new federal guidelines. In designing the system, the federal government opted for looser requirements in favor of rapidly distributing funds, and while that decision is understandable, it compounded the fraud issue.

With the benefit of several months of experience, we've now learned that in making it easy for people to apply for and receive benefits, the federal rules also made it easy for criminals to steal citizens' information off the dark web and use it to scam the system. Based on our understanding, this criminal enterprise is commonly being run out of Russia, China, and Nigeria.

Those attempting to commit fraud and committing fraud are sophisticated enough to move from state to state and continue to exploit this program. When one state implements a useful strategy to prevent fraud, the criminals simply move on to another state to commit their crime.

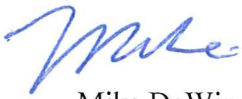
Nationally, billions of federal taxpayer dollars have already been lost through unemployment compensation fraud, and we must stop the bleeding.

Because fraud is now rampant in the new PUA federal unemployment program, the process for paying legitimate claims to Americans in need has had to slow as states work to separate legitimate claims from illegitimate ones. Hard working families with very serious, very urgent

needs have paid a price for this fraud, beyond the cost to the public treasury, through unacceptably long claim delays.

We urge you to immediately develop a national, coordinated response to this ongoing attempt to defraud the American people and our national and state governments. While states are doing everything they can to administer the federal programs while maintaining system integrity, a state-by-state response is proving inadequate. This is not an Ohio problem – it's a national problem that requires a national solution.

Sincerely,



Mike DeWine  
Governor of Ohio



Jon Husted  
Lt. Governor of Ohio

MR. PRESIDENT —  
THANKS FOR ALL THE  
HELP WITH THE VACCINE.  
WE ENJOY WORKING WITH  
YOUR TEAM! — MY BEST —  
Mike

CC: Marty Walsh, Nominee for U.S. Secretary of Labor