



# Tony Evers

Office of the Governor | State of Wisconsin

April 30, 2026

Keith E. Sonderling  
Acting Secretary  
United States Department of Labor  
200 Constitution Avenue NW  
Washington, DC 20210

Dear Acting Secretary Sonderling:

As the new acting Secretary of the U.S. Department of Labor (U.S. DOL), I write to renew my time-sensitive request made to your predecessor, as well as President Donald J. Trump, urging U.S. DOL to restore approximately \$29 million in federal grant funding Wisconsin was awarded to continue our unemployment insurance (UI) system modernization project. This modernized system will bolster Wisconsin's ongoing efforts to prevent benefit fraud, waste, and abuse, a goal the Trump Administration claims to share with my administration, despite this termination of federal funding directly undercutting this work.

As governor, I take preventing fraud, waste, and abuse and ensuring the appropriate use of taxpayer dollars very seriously. After decades of neglect of our state's UI system by my predecessors, my administration got to work fixing our archaic UI system while finding and using innovative, first-of-their-kind solutions to help reduce benefit fraud. In fact, Wisconsin is a leader among states in modernizing its UI systems. Despite this important work, on May 22, 2025, the U.S. DOL terminated \$29 million of Wisconsin's UI modernization grant funding that was being used to efficiently and effectively reduce fraud and ensure correct payment of benefits. Notably, U.S. DOL informed Wisconsin that this funding "does not effectuate agency priorities," directly contradicting the Trump Administration's claim to care about addressing waste, fraud, and abuse.

Since this funding was terminated, my administration has repeatedly urged the U.S. DOL to reverse the decision to terminate this funding so that we can expeditiously continue our state's UI program modernization project. We explained in detail to the former U.S. DOL Secretary in a letter dated August 12, 2025, that terminating this funding would seriously hurt our efforts to identify and combat fraud in Wisconsin. After no resolution from the former U.S. DOL Secretary, I appealed directly to President Trump on February 24, urging him to reverse course and restore this funding. To date, I have not received a response from the President.

While my administration continues to make progress in updating our UI system, the U.S. DOL's decision to terminate federal funding has obstructed work on some of the most critical elements of our UI modernization project. The \$29 million in terminated federal funds included:

- \$11.25 million to create a state-of-the-art web-based and mobile employer portal, including a secure communications infrastructure to reduce improper payments and fraud;
- \$6.3 million to prevent and detect fraud, ensure program integrity, and improve cybersecurity and overpayment collections;

- \$6.8 million to modernize written communication with all UI customers through an agile and efficient systems interface, reducing costs and staff resources; and
- Nearly \$4.5 million to implement identity authentication and identity proofing tools, modernize the application process, enhance automation for case scheduling, and centrally document all interactions on a given claim.

The loss of federal funding to complete this modernization project threatens to hinder Wisconsin's efforts to combat fraud, serve the public, and reduce burdens to businesses. Despite the setback the funding rescission has created, I remain committed to improving our system with whatever resources are available. Thanks to the crucial work by my administration, Wisconsin had positioned itself to be one of the strongest-performing UI programs in the nation. The state's efforts significantly improve fraud prevention, strengthen communications, enhance claimant resources, and leverage technology to speed up processing, all while consistently exceeding or meeting federal timeliness and quality standards.

I urge you to take the critical action your predecessor would not and restore this federal funding Wisconsin desperately needs to continue doing our important work preventing fraud, waste, and abuse in our UI system.

Respectfully,

A handwritten signature in cursive script that reads "Tony Evers".

Tony Evers  
Governor

cc: President Donald J. Trump