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KDOL Cracks Down on Unemployment Fraud *More than \$23M has been returned to the UI Trust Fund*

TOPEKA, Kan. – Kansas Department of Labor (KDOL) officials are drawing attention to unemployment fraud as a serious drain on the state’s economy and spotlighting the severe consequences of the crime.

Unemployment Insurance (UI) fraud is the willful misrepresentation of information by an individual for purposes of collecting unemployment benefits. Anyone who collects unemployment while knowingly doing something that would make them ineligible has committed fraud.

“The KDOL Employment Security Trust Fund was designed to benefit workers who have lost their job through no fault of their own,” Kansas Labor Secretary Lana Gordon said. “By aggressively targeting fraud and actively recovering overpayment benefits, we’re protecting taxpayers and hardworking Kansans.”

KDOL has investigated nearly 21,000 potentially fraudulent unemployment benefit cases since 2012. More than \$23 million has been recovered and returned to the UI Trust Fund.

UI fraud costs employers and workers across the state in lost jobs, lost profit, lower wages and higher costs for goods and services. Employer tax rates are affected when workers make fraudulent claims against their account.

“All allegations of fraud are taken seriously,” Sec. Gordon said. “We want to preserve the Trust Fund for Kansans who truly need to avail themselves of these benefits. The vast majority of Kansans are applying for these benefits correctly.”

UI fraud is a felony in Kansas and offenders can be prosecuted for making false statements or withholding material information to obtain benefits. In addition to a felony record, those convicted of unemployment fraud must pay back all overpayments, face stiff penalties and cannot qualify for benefits again for five years. The law requires KDOL to investigate all reported cases of fraud. Officials have a 100-percent success rate prosecuting these offenders.

If you believe someone is fraudulently collecting unemployment benefits, please report it immediately to the Fraud Investigations Unit. You can make an anonymous fraud report online at www.stophedrainnow.com.

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The Kansas Department of Labor assists in the prevention of economic insecurity through unemployment insurance and workers compensation, by providing a fair and efficient venue to exercise employer and employee rights, and by helping employers promote a safe work environment for their employees. This facilitates compliance with labor laws while enabling advancement of the economic well being of the citizens of Kansas.

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