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KDOL Launches Effort to Stop Identity Theft-Related Unemployment Fraud

Topeka, KS - The Kansas Department of Labor (KDOL) today announced actions it is taking in an effort to combat the growing threat of identity theft. Kansas, like every other state, is seeing a historic increase in reports of fraudulent unemployment claims. To date, KDOL has prevented approximately 45,000 identity theft-related fraudulent claims from being paid out.

“We are seeing a record spike in identity theft-related unemployment fraud in Kansas and nationally,” Acting Secretary of Labor Ryan Wright said. “Identity theft is not a nameless, faceless crime. Fraudsters are victimizing our family members, friends, neighbors and coworkers. The Kansas Department of Labor is working with law enforcement and adding additional layers of protection for Kansans, but we need your help to combat this growing threat.”

In response, KDOL created the www.ReportFraud.ks.gov website. The site serves as a one-stop shop for any person that suspects she or he may have been a victim of identity theft. Once a suspected identity theft claim is reported on the site, the system generates a police report number and tips for victims to use to help mitigate the damage from the theft. The agency’s fraud team is then able to prevent the fraudulent claims from being paid.

“We have created this easy to use website as a simple way for individuals and businesses to report any suspected cases of identity theft related to an unemployment claim,” Wright said. “In addition to being able to report suspicious activity, we have also provided a number of resources for those who have become victims to identity theft to protect themselves.”

Fraudulent claims are filed using the names and Personally Identifiable Information (PII) of people who have not lost their jobs. Employees are often unaware a claim has been made on their behalf until they receive a “Notice of Determination” letter in the mail from KDOL or until their employer receives a notice to verify the employee’s status.

“A review of these fraudulent claims indicates that scammers are obtaining personal information through activities such as credit card data breaches, email phishing schemes or sophisticated cybersecurity attacks and using that information to illegally attempt to collect unemployment insurance,” Wright said. “Consumers need to be vigilant, and if they find they are impacted, immediately take action.”
KDOL is taking multiple steps to investigate these fraudulent claims and hold those responsible accountable. The agency is putting in place a number of measures, including doubling the size of the fraud and special investigation unit and deploying specialized technology to target scammers and help stem the tide of identity theft and unemployment insurance fraud.

“KDOL is a law enforcement agency and we will not stop pursuing these fraudsters. We are working with every traditional and digital tool available to help us track and stop these criminals. They will eventually be caught and punished,” Wright said.

Along with these measures, KDOL is reaching out to employers across Kansas to raise awareness and alert them to the growing number of cases where scammers have reached out to multiple employees of the same business.

If a fraudulent claim is created using an employee’s PII, including Social Security number and/or date of birth, that employee’s information has officially been exposed, putting this person at risk for further harm. Unfortunately, KDOL is only able to address identity theft related to suspected fraudulent unemployment claims. Reporting an instance of identity theft to KDOL is not a replacement for taking additional steps to protect an individual’s personal information, such as notifying financial institutions or credit bureaus. The public is encouraged to regularly check their credit reports. More information can be found on the Report Fraud site.

Since March 15, KDOL has paid out more than 2.5 million weekly claims totaling over $2 billion between regular unemployment and the federal pandemic programs. For more information, or to apply for unemployment benefits, go to www.GetKansasBenefits.gov.

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