

# Fraudulent Unemployment Claims in the New Year

Wednesday, February 3, 2021

## Violations & What They Mean

As 2021 begins with the majority of the U.S. working remotely and more of our lives taking place within the digital workplace, we continue to see an increased amount of cybercrime. The Texas Workforce Commission (TWC) has reported increased fraud, waste, and program abuse allegations. But what does this mean, and what should we look for?

**Fraud**, is a willful act or course of deception, or an intentional concealment, omission, or perversion of truth, with the intent to obtain a material benefit or service for that person or another person, for which the person may not be eligible. [\(1\)](#)

In the case of the TWC, this can mean filing illegitimate claims for unemployment either in the name of the user or another person, acting as a representative of the TWC to have other authorize payments or claims, and more.

**Waste**, is any practice that a reasonably prudent person would deem careless or that would allow inefficient use of resources, items or services. Waste includes incurring unnecessary costs because of inefficient or ineffective practices, systems, or controls. [\(1\)](#)

For the TWC, this can mean improper use of department equipment, improper procedures, or using systems to either increase payments to an individual, or accept favors.

**Abuse**, is the intentional, wrongful or improper use or destruction of state resources, or a seriously improper practice that does not involve prosecutable fraud. Abuse may include misapplication or misuse of public resources. [\(1\)](#)

Abuse of TWC programs is any time someone may use or access the programs in a way they were not meant to be used, such as bribing, providing false claims, or initiating payments but fraud is not involved in the process.

## What to Do If You Are a Victim

Discovering you are a victim of fraud of one of the above violations can be confusing and stressful, but it is important to remain as calm as possible. Taking the following actions quickly can reduce the potential damage and put a stop to further fraudulent action.

1. Contact the Police department in the city in which you reside and get an incident report and number.
2. Consult the [Federal Trade Commission](#) website. (Checklist of further actions is available on this site.)
3. Contact one of the three credit reporting agencies listed below, and:
  - i. Ask that a free fraud alert be placed on your credit report.
  - ii. Ask for a free credit report. (You only need to contact one of the agencies, they will contact the other two on your behalf.)
  - iii. If needed, ask to have your credit account frozen.
    - **Equifax** (800) 349-9960
    - **Experian** (888) 397-3742
    - **TransUnion** (888) 909-8872
4. If bank or credit union account was compromised, contact the fraud department of each institution. Report the identity theft and, if needed, ask them to close or freeze the compromised account. [\(4\)](#)

If you experience unemployment claim fraud and are actively filing for unemployment, the TWC advises visiting [ID.me](#) to verify your identity. Or, to visit the [UI Fraud Submission Portal](#) if you are not filing or on unemployment.

### Where to Turn for Help

Should you have further questions regarding fraudulent employment claims, [visit the TWC website](#) or reach out to your IBTX consultant today.

1. [Texas Workforce Commission “Reporting Fraud” Webpage](#)
2. [Federal Trade Commission Identity Theft Reporting Webpage](#)
3. [ID.me Webpage](#)
4. [UI Fraud Submission Portal \(English\)](#)
5. [UI Fraud Submission Portal \(Spanish\)](#)