



## ***Chasing Cheaters* Partnership Recoups \$1M in Fraudulently Collected UI Benefits**

November 18, 2015 – A partnership between the Connecticut Department of Labor and the Division of Criminal Justice has resulted in the recoupment of more than \$1 million in Unemployment Insurance (UI) compensation and the arrest of 125 people charged with illegally collecting more than \$3.5 million in benefits.

With the recent repayment of more than \$32,000 from one individual who was also charged with embezzlement, the state's "Chasing Cheaters" program has resulted in the return of \$1,040,151 to the unemployment fund used for paying benefits. Additional repayments continue to be made as part of court-ordered restitution.

"From the first day we began our partnership with the Division of Criminal Justice, the goal has been to combine our resources to fight fraud and get the word out that crime does not pay when it comes to claiming benefits you are not entitled to collect," said State Labor Commissioner Sharon M. Palmer. "With close to 80 convictions and as many as five arrests in a month, we are sending a strong message to those who try to cheat the system."

"We are dealing with the intentional theft of tax dollars that have been allocated to benefit those in need. This is not about someone making a mistake," said Chief State's Attorney Kevin T. Kane.

"Unfortunately, these illegal actions hurt employers, the taxpayers of Connecticut, and the state's overall economic health," Kane added.

According to Kane, a person who is convicted of unemployment fraud is subject to a potential prison sentence and a fine. If a court decides to forego a prison sentence, it typically imposes a period of probation during which time the person is required to make restitution to the state of Connecticut for the amount that was illegally collected. Anyone failing to make payments while on probation can face further prosecution and a prison sentence.

Palmer noted that the Labor Department provides numerous opportunities for repayment before an arrest warrant is sought. She pointed out that the initiative has successfully uncovered the criminal actions of individuals who have attempted to cheat the state by using a number of illegal tactics, including collecting benefits while working, using another person's social security number, or creating false employment records. A number of those arrested to date have also been charged with Identity Theft for using a Social Security number assigned to someone else.

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Using funds provided by the federal Labor Department for integrity initiatives, an Unemployment Compensation Fraud Unit was established in 2011 in the Office of the Chief State's Attorney. The unit, comprised of two inspectors and a prosecutor, works with the Labor Department to prosecute cases of deliberate fraud, with substantiated cases compiled from public tips, integrity software and surveillance tools.

"No one wants to see dishonest people taking advantage of a system that exists to help those who are trying to make ends meet while looking for a new job," Kane added. "This partnership allows us to get the message out that there are serious consequences for breaking the law."

During the month of October, an additional \$400,000 was prevented from being fraudulently collected with the Labor Department's use of surveillance measures and the public's assistance. Citizen tips to the agency's Online Fraud System prevented \$139,697 in fraudulent payments while the surveillance program halted another \$268,683 that would have been paid to those not entitled to benefits.

"It is important to the integrity of the unemployment insurance system, and to Connecticut's employers who pay into the state fund that supports this program, to ensure benefits are provided only to those eligible to receive them," Palmer said. She urged any person suspecting unemployment fraud to use the Labor Department's online reporting option by going to the agency's website at [www.ct.gov/dol](http://www.ct.gov/dol), using the search feature and entering the words "report fraud" to obtain the report form.

Additional information about the program can also be found on the agency's website by using the search feature and entering the words "fraud prosecution program."

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Contact:  
Nancy Steffens  
Connecticut Department of Labor  
860-263-6537  
[nancy.steffens@ct.gov](mailto:nancy.steffens@ct.gov)

Contact:  
Mark A. Dupuis  
Office of the Chief State's Attorney  
860-258-5997  
[mark.dupuis@ct.gov](mailto:mark.dupuis@ct.gov)