



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

MEMORANDUM

DATE: March 7, 2023

TO: Honorable Sarah Anthony, Chair, Senate Appropriations Committee
Honorable Angela Witwer, Chair, House Appropriations Committee
Kathryn Summers, Director, Senate Fiscal Agency
Mary Ann Cleary, Director, House Fiscal Agency
Chris Harkins, Director, State Budget Office

FROM: Julia Dale, Director
Michigan Unemployment Insurance Agency
Department of Labor and Economic Opportunity

SUBJECT: Pursuant to Section 1076 of PA 166 of 2022
Unemployment Insurance Agency Fraud and Noncompliance Reporting

Attached is the Unemployment Insurance Agency Fraud and Noncompliance Reporting document, prepared by the Unemployment Insurance Agency, pursuant to Section 1076 of PA 166 of 2022.

Should you have any questions regarding this report or need additional information please contact Rachael Wineland, UIA Legislative Liaison, at WinelandR@michigan.gov or 517- 290-3053.

cc: Members – Senate Appropriations Committee
Members – House Appropriations Committee



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**Unemployment Insurance Agency
Fraud and Noncompliance Report
Quarterly Report 1st Quarter: October 1 – December 31, 2022**

Sec. 1076. The department of Labor and Economic Opportunity, on behalf of the Unemployment Insurance Agency, shall provide a quarterly report to the members of the senate and house committees on appropriations, the senate and house fiscal agencies, and the state budget director that includes, but is not limited to, the following:

- a) The number of new fraudulent and noncompliant cases that have been identified or issued by UI, classified by employer or claimant during the quarter:

Employers: 0 fraudulent cases, 7,343 negligence penalty cases, 7,758 non-reporting penalty cases, 13,513 wage penalty cases, 12,757 late reporting penalty cases

Claimants: 1,150 new fraudulent cases

- b) The total amount of penalties and interest issued on fraudulent and noncompliant cases during the quarter:

Employers \$ 12,903,376.15

Claimants \$ 4,930,309.99

- c) The total amount of penalties and interest dollars received during the quarter by employer or claimant:

Employers \$ 6,802,641.82

Claimants \$ 544,505.22

- d) The total amount of penalties and interest still owed to the state by employer or claimant:

Employers \$ 9,499,369.00¹

Claimants \$ 6,750,000.00¹

- e) The number of fraudulent cases that have been appealed by an employer or claimant during the quarter:

22 Claimant fraud cases appealed, and 0 Employer Fraud cases appealed

¹ As reported audited Fiscal Year 2022 Contingent Fund – not yet published.

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