



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

MEMORANDUM

DATE: February 15, 2024

TO: Honorable Mary Cavanagh, Chair, Senate Appropriations
Subcommittee on LEO/MEDC
Honorable Will Snyder, Chair, House Appropriations Subcommittee on Labor,
Economic Development, and Lifelong Learning
Kathryn Summers, Director, Senate Fiscal Agency
Mary Ann Cleary, Director, House Fiscal Agency
Jenn Flood, State Budget Director

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

SUBJECT: Pursuant to Section 803 of PA 119 of 2023
Unemployment Insurance Agency Fraud and Noncompliance Reporting

Attached is the Unemployment Insurance Agency Fraud and Noncompliance Reporting document for the 1st quarter of fiscal year 2023/2024, prepared by the Unemployment Insurance Agency, pursuant to Section 803 of PA 119 of 2023.

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 Subcommittee on LEO/MEDC
Members – House Appropriations Subcommittee on Labor, Economic Development, and Lifelong Learning
Senate Policy Office
House of Representatives Policy Office

**Unemployment Insurance Agency
Fraud and Noncompliance Report
Quarterly Report 3rd Quarter: Oct 1 – Dec 31, 2023**

Sec. 803. 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 the UIA, classified by employer or claimant during the quarter:

Employers: 0 fraudulent cases, 7,361 negligence penalty cases,
 5,974 non-reporting penalty cases, 13,159 wage penalty cases,
 12,544 late reporting penalty cases

Claimants: 2,091 new fraudulent cases

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

Employers \$ 17,745,571.04¹
Claimants \$ 473,299.64

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

Employers \$ 5,299,108.58
Claimants \$ 327,358.13

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

Employers \$ 8,747,915.00²
Claimants \$ 5,100,000.00²

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

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

¹Amount is gross additions, net reversals = (\$11,991,380.12)

² As reported audited Fiscal Year 2023 Contingent Fund – not yet published.

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