GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

MEMORANDUM

DATE: May 15, 2026

TO: The Honorable Mary Cavanagh, Chair,
Senate Appropriations Subcommittee on LEO/MEDC

The Honorable Nancy Jenkins-Arno, Chair
House Appropriations Subcommittee on Labor and Economic Opportunity

Kathryn Summers, Director, Senate Fiscal Agency

Mary Ann Cleary, Director, House Fiscal Agency

Jen Flood, State Budget Director

FROM: Jason Palmer, Director
Michigan Unemployment Insurance Agency
Department of Labor and Economic Opportunity

SUBJECT: Article 9, Part 2**,** Section 803 of 2025 PA 22
Unemployment Insurance Agency Fraud and Noncompliance Reporting

Attached is the Unemployment Insurance Agency Fraud and Noncompliance Reporting document for the 2nd quarter of fiscal year 2025/2026, prepared by the Unemployment Insurance Agency, under Article 9, Part 2, Section 803 of 2025 PA 22.

Should you have any questions regarding this report or need additional information please contact Andrew Crane, UIA Legislative Liaison, at Cranea3@michigan.gov or 517-243-9778.

cc: Members – Senate Appropriations Subcommittee on LEO/MEDC
Members – House Appropriations Subcommittee on Labor and Economic Opportunity
Senate Policy Office
House of Representatives Policy Office

Unemployment Insurance Agency Fraud and Noncompliance Report
Quarterly Report
2nd Quarter: January 1 – March 31, 2026

Sec. 803. The Unemployment Insurance Agency shall provide a quarterly report within 45 days after the end of each quarter 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 Unemployment Insurance Agency, classified by employer or claimant, during the quarter.

Employers: 0 fraudulent cases; 1,000 negligence penalty cases; 4,525 non-reporting penalty cases; 2,533 wage penalty cases; 2,098 late reporting penalty cases

Claimants: 118 fraudulent cases

(b) The total amount of penalties and interest issued on fraudulent and non-compliant cases during the quarter.

Employers: $ 2,992,134.00

Claimants: $ 14,544,322.91

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

Employers: $ 4,802,429.49

Claimants: $ 3,420,812.14

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

Employers: $ 7,243,064.00

Claimants: $ 2,650,000.00

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

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