



January 25, 2021

The Honorable Joseph R. Biden
President of the United States
The White House
1600 Pennsylvania Avenue, Northwest
Washington, D.C. 20500

Dear Mr. President:

California and many other states are experiencing fraud at a much greater rate than previously understood—perpetrated by international and interstate criminal organizations moving from state to state—in the payment of state unemployment benefits. Therefore, we ask that you create a federal task force to help coordinate and support states in identifying, preventing, and combatting unemployment benefit fraud by international and interstate criminal organizations, while also ensuring that states are able to process benefits claims for deserving recipients as quickly as possible.

With the onset of the pandemic last spring and the ensuing economic downturn, Congress passed the *CARES Act* to provide expanded unemployment benefits with a mandate to disburse benefits as quickly as possible. While this was a necessary step to avoid serious damage to public health and the economy, state unemployment systems simply did not have the resources to handle so many benefit claims, nor to pay benefits to millions of workers who were not previously eligible. Further, the Trump Administration failed to provide sufficient coordination to help states identify and prevent fraud from organized international criminal networks.

We appreciate that you have made clear that your Administration will take a more active role in helping states address the pandemic and resulting economic crisis. Therefore, we ask that you create a task force led by the Department of Labor and including the Department of Homeland Security, the Federal Bureau of Investigation, the U.S. Secret Service, and other relevant federal agencies to work with states to identify, prevent, combat, and share information regarding unemployment insurance fraud, given that these organized criminal gangs appear to be moving from state to state exploiting the same weaknesses. We also ask that the task force make recommendations to Congress and to states regarding the integration of newly eligible populations into existing unemployment programs; program administration, eligibility, and benefit levels; combating fraud and identity theft; and enhanced methods of income reporting and verification.

We look forward to the Biden-Harris Administration serving as a true partner with the states that are on the front lines of combatting this pandemic, and we stand ready to help in any way we can.

Sincerely,


NANCY PELOSI
Speaker of the House


DIANNE FEINSTEIN
United States Senator

/s/
ALEX PADILLA
United States Senator