



United States House Committee on **Ways & Means** **CHAIRMAN JASON SMITH**

Smith, Comer, Ways and Means Republicans Introduce Legislation to Recover Hundreds of Billions in Stolen Unemployment Benefits

The Protecting Taxpayers and Victims of Unemployment Fraud Act, provides states with incentives to investigate and recover lost funds, fight and prevent future fraud, and extends the statute of limitations for prosecuting fraud.

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WASHINGTON, DC – Today, House Ways and Means Committee Chairman Jason Smith (MO-08) and House Committee on Oversight and Accountability Chairman James Comer (KY-01) were joined by Ways and Means Committee Republicans to introduce legislation to recover potentially hundreds of billions of dollars in stolen unemployment benefits. Up to \$400 billion, nearly half, of the \$878 billion in unemployment benefits may have been lost to fraud. The bill, H.R. 1163, Protecting Taxpayers and Victims of Unemployment Fraud Act, provides states with incentives to investigate and recover lost funds, fight and prevent future fraud, and extends the statute of limitations for prosecuting fraud.

[ONE-PAGER: Protecting Taxpayers and Victims of Unemployment Fraud Act](#)

House Ways and Means Committee Chairman Smith said: “At a time when Americans were suffering from government lockdowns, hundreds of billions were being stolen from those in need. Yet the Biden Administration has ignored the rampant identity theft and fraud that’s left these people devastated. It has kept itself and the American people in the dark about the size and scope of unemployment fraud that was stolen during COVID. House Republicans are now turning on the lights after raising the alarm about this greatest theft of tax dollars in American history. Unemployment insurance theft has put American families in a terrible position, and taxpayers expect Congress to go after and

recover every single possible dollar that was stolen by criminals and international crime rings. This bill will recover stolen taxpayer money, help states ensure this scale of fraud never happens again, and help bring to justice those who committed these crimes.”

House Committee on Oversight and Accountability Chairman James

Comer: “Pandemic unemployment fraud may be the greatest heist of American taxpayer dollars in history. Hundreds of billions of dollars were stolen by fraudsters, foreign adversaries, and international criminals. Not only is this gross mismanagement of taxpayer dollars, but it’s also a national security threat.

“Our bill, the Protecting Taxpayers and Victims of Unemployment Fraud Act, aims to recover these stolen taxpayer dollars and provides targeted solutions to prevent future theft of unemployment benefits. We must ensure Americans’ hard-earned dollars are stewarded, not squandered or stolen.”

Since 2020, Ways and Means Republicans have demanded answers on the massive fraud in the COVID unemployment benefits program. Requests to hold oversight hearings were ignored by Ways and Means Democrats when they were in control of Congress. What’s worse, they made it easier to defraud taxpayers by voting to end ID verification requirements and phaseouts of emergency UI programs they had previously supported.

Earlier this month, Republicans held an oversight hearing with federal officials on the size, scale, and severity of the fraud. They admitted they are still trying to determine how much money was lost to fraud and they expect to recover far less than what was stolen. For taxpayers who are struggling with inflation and working hard for their income, that is unacceptable.

[READ: Ways and Means Republicans Seek Answers on Hundreds of Billions in Fraudulent Unemployment Benefits](#)

[WATCH: Officials Admit They Will Never Recover Most of the Stolen Money](#)

Background:

H.R.1163 – Protecting Taxpayers and Victims of Unemployment Fraud Act will protect taxpayers by:

- Allowing states to keep 25 percent of recovered fraudulent overpayments of federal funds.
- Allowing states to use recovered funds to improve program integrity and fraud prevention.
- Allowing states to keep 5 percent of state UI overpayments, conditioned on meeting data matching integrity conditions and dedicating those funds to preventing future fraud.
- Extending the statute of limitations for criminal charges or civil actions from 5 to 10 years.

Read the bill text [here](#).

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