



NEW YORK STATE SENATOR

George M. Borrello

Statement from Senator George Borrello

GEORGE M. BORRELLO May 7, 2021

| ISSUE: **UNEMPLOYMENT FRAUD, TRANSPARENCY, COVID-19**



“Following the Department of Labor’s persistent refusal to provide data on the amount of fraudulent unemployment claims that have been paid out by New York State, it was encouraging to learn that Comptroller DiNapoli is auditing the controls and security of the agency’s unemployment system.

“As my colleagues and I emphasized at a press conference earlier this week, every aspect of this system is failing. It is failing claimants in need with frustrating and unending delays. It is failing small businesses who are being unfairly asked to cover the massive deficit created

by lax eligibility and rampant fraud. And it is failing New Yorkers, who are forced to pay among the nation's highest taxes to support a costly government bureaucracy that is too often dysfunctional and unaccountable.

“Under the leadership of the Comptroller, we look forward to an independent and thorough examination of the system and the factors that contributed to the unending problems that have plagued the agency this past year. As the Comptroller noted, this review will take approximately six months to one year.

“However, this audit does not give DOL license to continue to ignore my requests and those of several media outlets for critically important fraud data. Employers who are being hit with 200 percent increases in their UI rates deserve a full accounting of the losses they alone are being forced to cover and New Yorkers deserve transparency from the state government their tax dollars support.”