

TRAINING AND EMPLOYMENT NOTICE	NO. 05-22
	DATE September 15, 2022

TO: STATE WORKFORCE AGENCIES

FROM: BRENT PARTON 
Acting Assistant Secretary

SUBJECT: Authority of the U.S. Department of Labor's (Department) Office of Inspector General (DOL-OIG) to Receive Confidential Unemployment Compensation (UC) Data

1. **Purpose.** To remind states of DOL-OIG's authority under the Inspector General Act (IG Act) (Public Law 95-452) and to strongly encourage states to comply with data requests made by DOL-OIG.
2. **Action Requested.** The Department's Employment and Training Administration (ETA) requests that State Administrators provide the information in this Training and Employment Notice (TEN) to appropriate program and other staff in state workforce agencies.
3. **Summary and Background.**
 - a. Summary – ETA reminds states of DOL-OIG's authority under the Inspector General Act (IG Act) (Public Law 95-452) and strongly encourages states to comply with data requests made by DOL-OIG.
 - b. Background – ETA and states must continuously assess the UI program's vulnerabilities and seek new ways to ensure its integrity. DOL-OIG plays an essential role in working collaboratively with states to investigate fraud and audit state UI programs.
4. **Reminder to States.** DOL-OIG is required to conduct, supervise, and coordinate audits and investigations relating to the Unemployment Insurance (UI) program. Additionally, the IG Act requires DOL-OIG to recommend policies for, and to conduct, supervise, or coordinate relationships between the Department and other Federal agencies, state and local governmental agencies, and nongovernmental entities with respect to all matters relating to the promotion of economy and efficiency in the administration of, or the prevention and detection of fraud and abuse in, the UI program and the identification and prosecution of participants in such fraud or abuse. Under the IG Act, DOL-OIG is authorized to request information necessary for carrying out its duties and responsibilities under the IG Act.

Providing requested data under the IG Act does not conflict with federal regulations regarding the permissibility of disclosing confidential unemployment compensation (UC) data for purposes of UC program oversight and audits (*see* 20 C.F.R. 603.5(i)). Additionally,

as provided in UIPL No. 04-17, Change 1, there is no federal requirement that state UI agencies must enter into an agreement with DOL-OIG before any disclosures of confidential UC information are made to DOL-OIG for purposes of investigating UC fraud and for audits of UC programs.

ETA strongly encourages states to comply with data requests made by DOL-OIG for purposes of audits under DOL-OIG's authority set forth in the IG Act.

5. **Inquiries.** Please direct inquiries to the appropriate ETA Regional Office.

6. **References.**

- Inspector General Act of 1978, Pub. L. 95-452, as amended; and
- UIPL No. 04-17, Change 1, *Requirement for States to Refer Allegations of Unemployment Compensation (UC) Fraud, Waste, Abuse, Mismanagement, or Misconduct to the Department of Labor's (Department) Office of Inspector General's (DOL-OIG) and to Disclose Information Related to the Coronavirus Aid, Relief, and Economic Security (CARES) Act to DOL-OIG for Purposes of UC Fraud Investigation and Audits*, issued August 3, 2021, https://wdr.doleta.gov/directives/corr_doc.cfm?DOCN=5817.

7. **Attachment(s).** None.