

Unemployment fraudsters targeting Mass., other states amid devastating coronavirus pandemic, officials say

By [Travis Andersen](#) Globe Staff, Updated May 27, 2020, 4:52 p.m.

Law enforcement officials are warning the public to be on guard against a massive unemployment insurance scam targeting several states including Massachusetts, amid a horrifying spike in jobless claims nationwide during [the COVID-19 pandemic](#).

In a statement Wednesday, the Massachusetts Executive Office of Labor and Workforce Development said criminal enterprises in possession of stolen information have tried to file “large amounts” of phony jobless claims in Massachusetts.

“This is part of a national unemployment fraud scheme,” the labor and workforce development office said.

The office said the state Department of Unemployment Assistance has started implementing additional identify verification measures that will temporarily delay payment for “many” jobless claims in Massachusetts. And, the statement said, certain unemployment applicants may be asked to provide additional identifying information to help officials verify the validity of their claims.

“Protecting the integrity of the unemployment system and ensuring benefits are going only to valid claimants is the top priority of the Department of Unemployment

Assistance,” said Labor and Workforce Development Secretary Rosalin Acosta in her office’s statement. “While the program integrity measures we are taking will unfortunately mean that some claimants will experience temporary delays in payment, we believe these steps are necessary to respond to this unemployment scam. We are working rapidly to respond to this scheme and urge individuals who may have had a false unemployment claim filed in their name to contact the Department.”

The state advisory was echoed Wednesday by the Boston Police Department, which warned city residents in a separate statement about the predatory scammers.

Massachusetts has seen roughly 1.23 million [new jobless claims since mid-March](#) amid the shuttering of thousands of non-essential businesses to combat the spread of COVID-19.

“The U. S. Secret Service has issued an alert relative to the massive fraud against State Unemployment Insurance programs by foreign actors,” Boston police said.

“Massachusetts is one of the States reporting significant false claims using stolen identities. Boston Police have taken numerous reports over the past two weeks.”

Authorities urge the public to file police reports with as much information as possible if they think they’ve been fleeced, as well as notify their human resources department if they’re still employed, police said.

They also provided a link to the state’s Fraud Reporting Form available online at <https://www.mass.gov/info-details/report-unemployment-benefits-fraud>.

“Notify credit bureaus of compromised information to help circumvent possible future fraud,” Boston police said. “Victims of identity theft can also file a report and find additional guidance at www.identitytheft.gov.”

The warnings from city and state officials followed an explosive May 16 report in the New York Times, which said a government memo showed investigators from the U.S. Secret Service had information suggesting the scheme was coming from a well-organized Nigerian fraud ring and could result in losses in the range of hundreds of millions of dollars.

The memo warned of attacks targeting unemployment offices in Washington State, Florida, Massachusetts, North Carolina, Oklahoma, Rhode Island and Wyoming, the Times reported.

"It is assumed the fraud ring behind this possess a substantial [personal identifying information] database to submit the volume of applications observed thus far," the memo said, according to the Times report.

Material from the Associated Press was used in this report.

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