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# UNEMPLOYMENT FRAUD PROSECUTION IN CONNECTICUT—HOW A PARTNERSHIP BETWEEN THE CONNECTICUT DEPARTMENT OF LABOR AND DIVISION OF CRIMINAL JUSTICE SUCCEEDED IN ITS GOALS OF DETECTION, PROSECUTION, RESTITUTION, AND DETERRENCE

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UNEMPLOYMENT FRAUD PROSECUTION IN  
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DETERRENCE

*Assistant State's Attorney Marcia Arthur Pillsbury\**

*Prior to 2013, individuals in Connecticut who committed unemployment compensation fraud were rarely criminally prosecuted. In late 2012, a partnership was formed between the Connecticut Department of Labor and the Division of Criminal Justice. Since then, more than 230 individuals responsible for almost \$4 million of fraud have been arrested and over \$2.1 million in restitution has been recovered.*

INTRODUCTION

All covered employers in Connecticut pay unemployment taxes that go into the State's Unemployment Compensation Trust Fund.<sup>1</sup>

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\* Attorney Pillsbury received her Bachelor's Degree from the University of Virginia in 1979. She received her Juris Doctor from the University of Connecticut School of Law and was admitted to the Connecticut Bar in 1986. She then worked as an Assistant Clerk of the Superior Court for one year. In 1988 she was hired as a Deputy Assistant State's Attorney in the Judicial District of New London, where she prosecuted many different types of cases, including narcotics trafficking, robberies, burglaries, DUIs, assaults, sexual assaults, and child abuse. She worked as an Assistant State's Attorney until 1994, when her active duty military spouse was transferred first to Virginia, then to Italy, and finally to Rhode Island. Attorney Pillsbury subsequently moved back to Connecticut and, in 2009, was rehired as an Assistant State's Attorney in the Office of the Chief State's Attorney. She handles criminal appeals and habeas corpus proceedings, and also travels to various offices around the state to assist with trials. Since late 2012, Attorney Pillsbury has been working in a partnership with the Connecticut Department of Labor (CTDOL) to investigate and prosecute unemployment fraud. She is also currently working with the Division of Criminal Justice (DCJ) Cold Case Unit. Attorney Pillsbury would like to express her sincere thanks to DCJ Inspectors Peter Corcoran and Mark Puglielli and all of the staff at the CTDOL Benefit Payment Control Unit (BPCU) for their assistance during the production of this article. It was truly a TEAM effort!

1. Non-profit employers and state, municipal, and tribal governments have the option of paying into the Trust Fund or reimbursing the Trust Fund dollar-for-dollar for benefits paid out to their employees.

According to the Connecticut Department of Labor (CTDOL), as of December 1, 2017, the number of registered employers was 104,311. When an individual becomes unemployed through no fault of their own, and is found to be eligible for unemployment compensation, benefits are paid to the claimant out of the Trust Fund. Many states began borrowing money from the United States Department of Labor (USDOL) to continue paying out benefits because not enough employer taxes were being collected to keep the fund solvent. In 2011, the total amount of unemployment fraud in the United States was \$3.3 billion.<sup>2</sup> By February 2012, the CTDOL owed the United States government \$710 million.<sup>3</sup> It became critical for CTDOL to ensure that it was not losing even more money by paying out claims that were fraudulent.

### I. THE UNEMPLOYMENT COMPENSATION SYSTEM

The Federal-State Unemployment Insurance Program is overseen by USDOL.<sup>4</sup> Generally speaking, USDOL establishes the framework for the unemployment insurance compensation system, while the individual states determine exactly how the program will be administered in that state.<sup>5</sup>

For example, while USDOL requires that unemployment benefits be paid, each individual state determines what its benefit rate will be, based on the state's cost-of-living, unemployment rate, and other factors.<sup>6</sup> This means that the benefit rate varies from state to state. As of December 1, 2017, Connecticut's maximum weekly benefit rate was \$613.<sup>7</sup> By comparison, Massachusetts had the highest maximum weekly benefit at \$742, and Mississippi was one of several states that had the lowest

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2. *Fraudulent Unemployment Benefits Payments Totaled \$3.3 Billion in 2011: Paper*, HUFFINGTON POST (Apr. 29, 2013, 4:11 PM), [https://www.huffingtonpost.com/2013/04/28/fraudulent-unemployment-benefits\\_n\\_3175092.html](https://www.huffingtonpost.com/2013/04/28/fraudulent-unemployment-benefits_n_3175092.html) [<https://perma.cc/7VQK-G7W8>].

3. *Employment Security Advisory Board Meeting Minutes*, CONN. DEP'T OF LABOR (Feb. 24, 2012), <https://www.ctdol.state.ct.us/ESAdvisoryBoard/Minutes-022412.pdf> [<https://perma.cc/47UB-F29U>].

4. *See generally State Unemployment Insurance Benefits*, U.S. DEP'T OF LABOR, <https://workforcesecurity.doleta.gov/unemploy/uifactsheet.asp> [<https://perma.cc/LX7M-6S7Y>].

5. *Id.*

6. OFFICE OF UNEMPLOYMENT INS., U.S. DEP'T OF LABOR, UNEMPLOYMENT COMPENSATION: FEDERAL-STATE PARTNERSHIP 11-12 (2017), <https://workforcesecurity.doleta.gov/unemploy/pdf/partnership.pdf> [hereinafter UNEMPLOYMENT COMPENSATION] [<https://perma.cc/ZNS5-GQCQ>].

7. *See 2017 to 2018 Maximum Weekly Unemployment Benefits by State*, SAVING 2 INVEST, <http://www.savingtoinvest.com/maximum-weekly-unemployment-benefits-by-state/> [<https://perma.cc/QH6Y-H993>].

maximum weekly benefit rate of \$235.<sup>8</sup>

The autonomy given to the individual states also manifests itself in other areas of the program. For example, while USDOL requires that states pay unemployment benefits, the maximum number of weeks that are paid to an individual in one year is determined by each state.<sup>9</sup> In Connecticut, the maximum number of weeks is twenty-six.<sup>10</sup> However, in July 2008, USDOL extended that time period due to the economic recession.<sup>11</sup> That extension lasted until January 1, 2014.<sup>12</sup> Any benefits paid out after the initial twenty-six weeks were reimbursed by USDOL.<sup>13</sup>

## II. FILING AN UNEMPLOYMENT COMPENSATION CLAIM

### A. *Who Can File*

The intended beneficiaries of unemployment compensation are individuals who become unemployed through no fault of their own.<sup>14</sup> This includes individuals who are laid off, who work for a company that goes out of business, and seasonal employees. All of these individuals should be eligible, provided that they meet fundamental requirements, such as the ability to, and availability for, work. Eligibility requirements are set forth in CONN. GEN. STAT. § 31-235.<sup>15</sup> According to CTDOL, for the week ending December 5, 2017, a total of 36,203 claimants filed for unemployment compensation benefits.

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8. *See id.*

9. *See State Unemployment Insurance Benefits, supra* note 4.

10. Media Release, Conn. Dep't of Labor, Federal Unemployment Benefits Set to End Dec. 28; Claimants Urged to Utilize Employment Resources (Dec. 13, 2013) <https://www.ctdol.state.ct.us/communic/2013-12/12-13%20EUC%20set%20to%20end%20Dec%20%2028.pdf> [<https://perma.cc/MM6J-6A52>].

11. *Id.*

12. UNEMPLOYMENT COMPENSATION, *supra* note 6, at 2. All states establish requirements and procedures that must be followed in order for a claimant to collect unemployment insurance benefits. *Id.* at 11–12. In Connecticut these requirements and procedures are set forth in Chapter 567 of the Connecticut General Statutes and by the Connecticut Department of Labor. *See generally* CONN. GEN. STAT. §§ 31-222 to 31-274j (2015); CONN. DEP'T OF LABOR, UNEMPLOYMENT INSURANCE: A GUIDE TO COLLECTING BENEFITS IN THE STATE OF CONNECTICUT (2017) [hereinafter A GUIDE TO COLLECTING BENEFITS], <http://www.ctdol.state.ct.us/progsupt/unemplt/claimant-guide/uc-288.pdf> [<https://perma.cc/M3QH-U3ZS>].

13. CONN. GEN. STAT. § 31-232i(2).

14. *State Unemployment Insurance Benefits, supra* note 4, at 12; A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 18.

15. CONN. GEN. STAT. § 31-235.

### B. *Filing an Unemployment Claim*

Unemployment benefit claims can be filed online or by phone.<sup>16</sup> A claim should be filed as soon as possible after a claimant becomes unemployed. Information provided by the claimant to CTDOL is used to calculate their weekly benefit rate.<sup>17</sup> For example, a claimant may not be completely laid off, but the employer may have reduced their hours from full-time to part-time due to a lack of business. The claimant may still be entitled to benefits; however, the benefits must be calculated using a particular formula.

CTDOL Customer Service Call Centers in the state are manned by personnel who are trained in handling issues that might arise when someone is trying to file a claim, or issues may arise when a claimant works in one state, but the employer is based in another state. The claimant may still be entitled to benefits; however, the benefits must be calculated using a particular formula.<sup>18</sup> Then, a determination must be made as to which state the actual claim should be filed in and which state will pay the benefits.

### C. *The Unemployment Notice and Employee Information Packet*

When an individual is separated from their employment for *any* reason, the employer is required to issue them an Unemployment Notice and Employee Information Packet.<sup>19</sup> These documents contain instructions and important information that will facilitate the filing of a claim. If an individual attempts to file a claim, but the employer has not provided the required separation packet, then CTDOL sends a secondary request to the employer in order to verify that the claimant is, in fact, either partially, temporarily, or permanently laid off.<sup>20</sup>

The issuance of the Unemployment Notice and the Employee Information Packet protects the employer by documenting the reason for the unemployment. If the reason does not form a basis for the payment of benefits, then the employer will not be exposed to a higher unemployment tax. The Unemployment Notice and Employee Information Packet protects the rights of the worker by providing them with the physical forms and information that will enable them to file for

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16. A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 3.

17. *Id.* at 13–14.

18. CONN. GEN. STAT. § 31-229.

19. *See* CONN. AGENCIES REGS. § 31-222-9(1) (2001).

20. CONN. AGENCIES REGS. § 31-222-9(3).

benefits.<sup>21</sup>

D. *Monetary and Non-Monetary Eligibility*

An individual must be eligible both monetarily and non-monetarily in order to qualify for unemployment compensation benefits.<sup>22</sup> Monetary eligibility depends on whether the claimant has earned enough money over the first four of the past five calendar quarters (called the “Base Period”) to qualify.<sup>23</sup> If a claimant has had very few or no earnings, they will not be eligible for unemployment compensation benefits.<sup>24</sup>

Factors in the determination of non-monetary eligibility include the nature of the separation from employment—particularly, whether the separation was for a disqualifying reason—and whether the claimant is able and available to work full-time or part-time.<sup>25</sup> The claimant must also actively be seeking new employment.<sup>26</sup>

CTDOL provides claimants with an opportunity to be heard, often including an opportunity for rebuttal.<sup>27</sup> In doubtful cases, agency policy presumes coverage and eligibility. If it is later determined that the benefits were paid in error, or were paid due to fraud, then the claimant must work with CTDOL to pay back the amount that was overpaid.<sup>28</sup>

E. *Employer Unemployment Compensation Insurance Tax Rate*

Generally, the unemployment tax rate for employers is based on how many of its workers file for and collect unemployment benefits.<sup>29</sup> For example, an employer who has many seasonal employees—such as a landscaping company—will pay a higher unemployment tax rate than a small, family business that never lays an employee off. This is because, if the landscaper’s employees collect unemployment benefits during the time periods when they are not able to work due to weather, for example, the landscaper’s unemployment tax rate may increase.

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21. *Id.*

22. CONN. AGENCIES REGS. § 31-235-2; A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 12.

23. CONN. GEN. STAT. § 31-230; A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 13–14.

24. A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 12, 15.

25. CONN. GEN. STAT. § 31-235.

26. *Id.*

27. A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 30–32.

28. CONN. AGENCIES REGS. §§ 31-273-3 to 31-273-7 (2015).

29. CONN. GEN. STAT. § 31-225a.

#### F. *Weekly Benefit Rate*

Once CTDOL has determined that a claimant is eligible for benefits, a weekly benefit rate is calculated.<sup>30</sup> First, the claimant's average earnings are calculated based on the two highest Base Period quarters.<sup>31</sup> Second, the amount calculated in the first step is divided by twenty-six—the maximum number of weeks for which benefits can be collected. The number cannot exceed the current maximum weekly benefit rate of \$613.<sup>32</sup> Finally, that amount is multiplied by forty. As long as the resulting amount is equal to or greater than the total amount of Base Period earnings, the claimant is eligible for the weekly benefit rate that was calculated in the second step.<sup>33</sup> The weekly benefit amount may be reduced if the claimant is receiving other income, such as a pension, severance pay, and/or vacation pay.<sup>34</sup>

Maximum weekly benefit rates can obviously have an impact on the total amount of benefits that can be obtained fraudulently. For example, in a state that has a maximum weekly benefit rate of \$700, the amount of benefits paid to a single individual under a single twenty-six week fraudulent claim equals \$18,200 (26 weeks multiplied by \$700). If a person is fraudulently collecting unemployment compensation in numerous states and/or under multiple social security numbers (SSNs), the total amount of the fraud can be staggering.

The amount of benefits that an individual could fraudulently collect was particularly high from 2009 to 2013 when ninety-nine week federal extensions were in effect<sup>35</sup> because they could be collecting fraudulently for almost two years. The Connecticut Division of Criminal Justice (DCJ) Unemployment Compensation Fraud Unit has prosecuted defendants whose fraud exceeded \$100,000 during that time period.<sup>36</sup>

In Connecticut, a claimant may also be entitled to an additional

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30. CONN. GEN. STAT. § 31-230; A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 13–15.

31. *See supra* Subpart II.D.

32. *See 2017 to 2018 Maximum Weekly Unemployment Benefits by State*, SAVING 2 INVEST, <http://www.savingtoinvest.com/maximum-weekly-unemployment-benefits-by-state/> [<https://perma.cc/744Y-Z96Y>].

33. CONN. GEN. STAT. § 31-230; A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 14.

34. A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 27.

35. *See supra* Part I.

36. *See generally* Connecticut v. Lopez, No. H15N-CR15-0278372-S (Conn. Sup. Ct.) (outstanding re-arrest warrant); Connecticut v. Sibrian, No. H15N-CR17-0287210-S (Conn. Sup. Ct.) (pending).

fifteen dollars per week per dependent—up to a maximum of five dependents.<sup>37</sup> Spouses may be claimed as dependents if they live with the claimant and they are *not* collecting unemployment themselves.<sup>38</sup> Other dependents include dependent children under eighteen years of age, dependent children under twenty-one years of age who are full-time students, incapacitated dependent children, and non-working spouses.<sup>39</sup> However, in no case may dependency allowances increase the claimant's benefits to above their maximum weekly benefit rate.<sup>40</sup>

In the case of fraudulent claims, the total amount of the fraud can increase if there are dependency allowances included in the weekly benefits. For example, if the claimant indicates that they have five eligible dependents, they will receive an extra seventy-five dollars per week. If the claim was paid for ninety-nine weeks under the federal extensions and was subsequently found to be fraudulent, then the claimant fraudulently received \$7425 in dependent allowances in addition to the amount of their weekly benefits.

#### G. *How Benefits Are Distributed*

Weekly unemployment compensation benefits are distributed to claimants either by direct deposit into a checking account or by deposit of the benefit amount onto a debit card.<sup>41</sup> Debit cards are issued to claimants from a bank with which CTDOL has a contract—currently Key Bank.

#### H. *Benefit Year*

A “Benefit Year” is the fifty-two-week period beginning with the Sunday of the week in which the claimant initiates benefits.<sup>42</sup> The claimant can collect benefits for up to twenty-six weeks in a Benefit Year.<sup>43</sup> The weeks do not have to be consecutive.<sup>44</sup>

#### I. *Claim Renewal*

Once a claim is initiated and benefits are being paid, the claimant

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37. CONN. GEN. STAT. § 31-234.

38. *Id.*

39. *Id.*

40. A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 15.

41. *Id.* at 4, 11–12.

42. CONN. GEN. STAT. § 31-230.

43. CONN. GEN. STAT. § 31-231b.

44. A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 4–5.

must renew the claim each week by phone or computer.<sup>45</sup> In order to access their unemployment compensation account, the claimant must enter their SSN and a personal identification number (PIN) that the claimant created.<sup>46</sup> The claimant is required to answer a series of at least seven automated questions that are designed to determine the ongoing eligibility of their claim.<sup>47</sup>

The questions are answered by the claimant using the phone pad or computer keyboard to respond “yes or no” to each inquiry. For example, the first question asks whether the claimant is able, available, and actively seeking full-time employment.<sup>48</sup> Another question asks if the claimant worked full-time, part-time, or was self-employed during the specific claim week.<sup>49</sup> If there are any problems during the phone-in or computer session, claimants should call or visit the nearest American Job Center for assistance.<sup>50</sup> This claim renewal process must take place before any benefits are released to the claimant.<sup>51</sup>

J. *Unemployment Insurance: A Guide to Collecting Benefits in the State of Connecticut*

Every individual who initiates a claim for unemployment benefits is mailed an information booklet that explains how the system works and what CTDOL requires of all claimants.<sup>52</sup> The booklet is also available on the CTDOL website.<sup>53</sup> Claimants are warned that there are serious penalties for submitting false statements or withholding information about employment and earnings in order to receive or increase benefits.<sup>54</sup>

Claimants are responsible for reading the information booklet. They are advised that they must report all work, including self-employment, when the work is performed, even if no payment is received at the time.<sup>55</sup> Claimants who withhold or provide false information to obtain

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45. *Id.*

46. *Id.* at 6–7.

47. *Id.* at 9–10.

48. *Id.* at 9.

49. *Id.*

50. A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 2–5. Information about American Job Center locations and services provided can be found on the CTDOL website. CONN. DEP’T OF LABOR, [www.ctdol.state.ct.us](http://www.ctdol.state.ct.us) [<https://perma.cc/W54Y-HZ7J>].

51. A GUIDE TO COLLECTING BENEFITS, *supra* note 12.

52. A GUIDE TO COLLECTING BENEFITS, *supra* note 12.

53. *File for Unemployment Benefit*, CONN. DEP’T OF LABOR, [www.FileCTUI.com](http://www.FileCTUI.com) (last visited May 8, 2018).

54. A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 4.

55. *Id.* at 10–11.

or increase benefits are subject to incarceration and/or a fine.<sup>56</sup>

The following warning is found on the cover of the information booklet: “You are responsible for understanding your rights and responsibilities outlined in this booklet.”<sup>57</sup>

Claimants are also instructed that it is their responsibility to notify CTDOL of any change in address.<sup>58</sup> This may become critical because, if the claimant does not receive and respond to CTDOL mail that attempts to resolve an unpaid balance because the claimant has not updated their address, the case may be referred to DCJ for prosecution.

### III. THE DEPARTMENT OF LABOR-DIVISION OF CRIMINAL JUSTICE PARTNERSHIP

The Benefit Payment Control Unit (BPCU) at CTDOL is responsible for investigating claims that may be fraudulent.<sup>59</sup> Prior to 2013, when BPCU investigators determined that a particular claim was fraudulent, they sent the claimant a letter informing them that the fraud had been detected and that the claimant was required to pay back the money that was obtained fraudulently.<sup>60</sup> Criminal prosecution for this type of fraud was rare in Connecticut, even though claimants were warned that it was possible.<sup>61</sup>

When it became necessary for the state to borrow money from the federal government to cover its unemployment claims, CTDOL administrators began developing ways to attack the fraudulent claim problem.<sup>62</sup> They approached Chief State’s Attorney Kevin Kane of the Connecticut DCJ with the idea of forming a partnership in which the BPCU would forward its fraudulent claim cases to a specially trained

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56. *Id.*

57. *Id.*

58. *Id.* at 10.

59. *Benefit Payment Control Unit*, CONN. DEP’T OF LABOR, <https://www.ctdol.state.ct.us/BPCU/> [<https://perma.cc/Y4LB-5WS5>].

60. CONN. AGENCIES REGS. § 31-273-5.

61. A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 33–35.

62. Media Release, Conn. Dep’t of Labor, Labor Department Recovers More Than \$4.6 Million in Fraudulently Collected Unemployment Benefits, (Feb. 28, 2013) [hereinafter Recovers More Than \$4.6 Million], [https://www.ctdol.state.ct.us/communic/2013-2/DOL%20Recovers%20\\$4.6%20Million%20in%20Fraudulently%20Collected%20UI%20Benefit%20s.pdf](https://www.ctdol.state.ct.us/communic/2013-2/DOL%20Recovers%20$4.6%20Million%20in%20Fraudulently%20Collected%20UI%20Benefit%20s.pdf) [<https://perma.cc/2F5D-PAFQ>]; *see also* Media Release, Conn. Dep’t of Labor, Labor Department, Office of the Chief State’s Attorney, Partner to Combat Unemployment Insurance Fraud, (June 28, 2013) [hereinafter Partner to Combat Unemployment Insurance Fraud], <https://www.ctdol.state.ct.us/communic/2013-6/6-28%20Integrity%20partnership%20release.pdf> [<https://perma.cc/7RSW-ELRU>].

law enforcement unit in the DCJ. The goals of the partnership would be to detect and identify perpetrators of unemployment compensation fraud, prosecute offenders, recover stolen money, and deter others from committing fraud.

To fund the partnership, CTDOL applied to USDOL for federal funding. The grant was approved and includes the costs of one prosecuting attorney, two inspectors, and their expenses for the sole purpose of prosecuting cases involving unemployment compensation fraud.<sup>63</sup>

#### IV. DCJ UNEMPLOYMENT COMPENSATION FRAUD UNIT ORGANIZATION

##### A. *The Prosecutor*

In December 2012, I was transferred out of a unit in the Office of the Chief State's Attorney to begin meeting with CTDOL personnel to decide how the partnership would function on a day-to-day level. At that time, I had almost ten years of experience prosecuting many different types of criminal cases, from motor vehicle infractions to serious felonies.

Initially, it was necessary for me to learn about the unemployment compensation process. I had numerous meetings at CTDOL (Unemployment Compensation 101) so that I could familiarize myself with the administrative processes that I would need to understand later during our criminal investigations and once we were in court.

Among many things, I learned the history of unemployment insurance, how claims are made, how an individual's benefit amount is calculated, how fraud can be committed, how fraud is detected, and what administrative due process procedures CTDOL follows.

I met with and observed the work of CTDOL staff at all phases of the claim and appeals processes. For example, I sat with CTDOL Adjudicators, who give individuals an opportunity to explain why their claims were not fraudulent. I also observed the Adjudicators give employers an opportunity to explain why they should not be held accountable for a particular claim (thereby possibly causing their unemployment insurance tax rates to increase).

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63. See Partner to Combat Unemployment Insurance Fraud, *supra* note 62.

### B. *The Inspectors*

In May 2013, two inspectors were hired to work with me and the BPCU to investigate cases that were forwarded to the DCJ and, once a warrant was signed, arrest the individual who had committed the alleged fraud. Inspectors in the DCJ must have extensive police detective experience to be considered eligible for the position.<sup>64</sup> They are sworn law enforcement officers with full arrest powers.<sup>65</sup>

One of the aforementioned inspectors is a twenty-three-year veteran of the West Hartford Police Department with extensive experience investigating financial crimes. The second inspector is a former Naval Criminal Investigative Service (NCIS) Federal agent who, upon leaving NCIS, worked as an agent for the U.S. Postal Service, Office of the Inspector General (OIG), investigating worker's compensation fraud. Though the two Unemployment Compensation Fraud Unit inspectors work as a team, one inspector is designated as the "lead" for each case.

## V. FROM DOL TO CRIMINAL COURT—ADMINISTRATIVE DUE PROCESS

### A. *A Claimant Must Have a Valid SSN*

A person who files for unemployment benefits must have a SSN.<sup>66</sup> Connecticut requires wage-paying employers to file quarterly wage/earnings reports with CTDOL.<sup>67</sup> That is, they must provide CTDOL with information regarding whom they paid and specify the amount

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64. The Connecticut Division of Criminal Justice put out a Personnel Notice stating: Minimum qualifications are seven (7) years as a law enforcement officer, three (3) years of which must have been involved in criminal investigations, and possession of a valid motor vehicle license. Applicants must be in good general health and will be required to take and pass a physical examination prior to appointment as an Inspector. Applicants must also be proficient in the use of firearms and may be tested prior to appointment.

*Personnel Notice: Inspector*, CONN. DIV. OF CRIMINAL JUSTICE (Dec. 8, 2014 9:54 A.M.), <http://www.ct.gov/csao/cwp/view.asp?q=557664> [<https://perma.cc/2862-ULPH>].

65. CONN. GEN. STAT. § 51-286(a) to (b) (2015).

66. Media Release, Conn. Dep't of Labor, CTDOL's Social Security Verification Program Provides New Tool in Preventing UI Fraud, (July 16, 2013) [hereinafter *Social Security Verification Program*], <https://www.ctdol.state.ct.us/communic/2013-7/7-16-13%20SS%20verification%20program%20helps%20prevent%20UI%20fraud.pdf> [<https://perma.cc/U7U8-A9VQ>]; see also *Reporting Unemployment Fraud*, CONN. DEP'T OF LABOR, <http://www.ctdol.state.ct.us/BPCU/fraud.htm> [<https://perma.cc/C9DR-KW38>].

67. CONN. GEN. STAT. § 31-225a(j).

paid.<sup>68</sup> The paid employees are designated by their SSNs.<sup>69</sup>

About the same time the CTDOL-DCJ partnership was formed, CTDOL refined its system to enable the agency, using claimant SSNs, to intercept federal income tax refunds for delinquent fraudulent overpayments. The system also intercepts state income tax refunds for delinquent *non*-fraudulent overpayments. CTDOL could already intercept state income tax refunds for fraudulent overpayments.<sup>70</sup> In addition, CTDOL implemented an automated cross-checking of the SSNs of individuals filing claims against the U.S. Social Security Administration (SSA) database.<sup>71</sup> These initiatives dramatically increased the number of potentially fraudulent claims that required additional investigation by the BPCU.

#### B. *Request for a Certification of Earnings*

Once a potentially fraudulent claim is identified, the BPCU then delves deeper into the specific details of the claim to determine whether fraud has occurred. First, a “Request for a Certification of Earnings” is sent to the employer. This request is for much more specific wage and earnings information than the information provided in the quarterly wage/earnings reports that the employer is required to file with CTDOL. The BPCU uses this information to conduct a full audit of the claim.<sup>72</sup> Once that information is received, the BPCU performs a detailed audit of the account to determine if the claim is fraudulent, when the fraudulent claim was filed, and exactly how much money was obtained fraudulently by the claimant.

#### C. *Predetermination Hearing Request*

If the BPCU determines that a claim is fraudulent, a “Predetermination Hearing Request” letter is sent to the claimant. This letter notifies the claimant of the alleged fraudulent “overpayment.” The overpayment amount includes the amount of the benefits that were obtained fraudulently and a monetary penalty. The amount of the monetary penalty is set forth in CONN. GEN. STAT. § 31-273(2)(A), which states:

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68. *Id.*

69. CONN. GEN. STAT. § 31-225a(j)(1).

70. Social Security Verification Program, *supra* note 66.

71. A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 4.

72. *Benefit Payment Control Unit Overview*, CONN. DEP’T OF LABOR, <http://www.ctdol.state.ct.us/BPCU/index.htm> [<https://perma.cc/Y2DR-XRTF>].

For any determination of an overpayment made on or after October 1, 2013, any person who has made a claim for benefits under this chapter and has knowingly made a false statement or representation or has knowingly failed to disclose a material fact in order to obtain benefits or to increase the amount of benefits to which such person may be entitled under this chapter shall be subject to a penalty of fifty per cent of the amount of overpayment for the first offense and a penalty of one hundred per cent of the amount of overpayment for any subsequent offense.<sup>73</sup>

The letter also informs the claimant that they have the right to request a hearing, either by phone or by mail, to explain why the benefits were not obtained fraudulently and why they should not be assessed a monetary penalty and interest.<sup>74</sup> Per CONN. GEN. STAT. § 31-273(b)(1), interest accrues at the rate of one percent of the amount overpaid per month.<sup>75</sup>

If the BPCU case is based on either compensation eligibility or the basis for the separation (the employee was laid off as opposed to being fired or quitting), the employer is also notified when a hearing has been scheduled.<sup>76</sup> The employer can be heard either prior to or during this hearing by phone or by mail.<sup>77</sup> CTDOL requires that employers respond, and there are penalties if they do not.<sup>78</sup> In most cases, an employer will verify that the claimant has collected benefits fraudulently, especially if the employer's unemployment insurance tax rate might increase due to the fraud.

#### D. *Appeal Process*

If, upon receiving the "Predetermination Hearing Request" letter, a claimant provides information at a hearing, a CTDOL Adjudicator (who represents "the Administrator" of the unemployment compensation program) will make a decision based on information that is in the CTDOL file, information that is provided by the claimant, and information, if any, that is provided by the employer. The Administrator's decision is mailed to the claimant in a "Final Determination Letter."<sup>79</sup> Once the Administrator issues a decision,

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73. CONN. GEN. STAT. § 31-273(2)(A).

74. CONN. AGENCIES REGS. § 31-244-2a to 9a.

75. CONN. GEN. STAT. § 31-273(b)(1).

76. CONN. AGENCIES REGS. §§ 31-244-2a to 9a.

77. CONN. GEN. STAT. § 31-241(a).

78. A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 31.

79. CONN. AGENCIES REGS. § 31-273-5(e) (2014).

either party can appeal.<sup>80</sup> The appeal is decided by a CTDOL Appeals Referee, whose decision can be appealed to the CTDOL Board of Review.<sup>81</sup> The decision of the Board of Review can be appealed to the Connecticut Superior Court.<sup>82</sup>

If a claimant does not respond to the “Predetermination Hearing Request” letter, or if a claimant does not file a timely appeal of either the Adjudicator’s, the Appeal Referee’s, the Board of Review’s, or the Superior Court’s decision, then CTDOL informs the claimant by letter that they owe CTDOL the amount of the benefits that were obtained fraudulently, plus the monetary penalty and interest. A claimant who is found by the Administrator to have collected benefits fraudulently must begin making payments immediately on the debt owed to CTDOL.

It is important to note that, unless or until the Administrator’s decision is overturned at some level of the appeal process, the decision remains in force and payments must be made.<sup>83</sup> CTDOL notifies the claimant of the amount that is owed and the claimant is given an opportunity to pay the money back, either as a lump sum or on a payment plan.<sup>84</sup>

#### E. *CTDOL Recourses for Nonpayment*

If, after the claimant has been notified by CTDOL that restitution is required and attempts to recoup the fraudulently-obtained benefits are not successful, then CTDOL has several options: it can garnish the wages of the claimant, if there are any, until the amount owed is recovered;<sup>85</sup> it can intercept any state and/or federal tax refunds that are owed to the claimant;<sup>86</sup> it can withhold, or “offset,” any unemployment benefits that the claimant may become entitled to subsequent to the fraud determination and apply them to the balance owed;<sup>87</sup> and/or it can refer the case to the DCJ for criminal prosecution.<sup>88</sup> Generally speaking, CTDOL will not proceed with both wage garnishment and criminal prosecution at the same time.

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80. CONN. GEN. STAT. § 31-242.

81. CONN. GEN. STAT. § 31-237e.

82. CONN. GEN. STAT. § 31-249b.

83. CONN. GEN. STAT. § 31-243.

84. A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 34–35.

85. Social Security Verification Program, *supra* note 66.

86. *Id.*

87. CONN. AGENCIES REGS. § 31-273-7(a).

88. Recovers More Than \$4.6 Million, *supra* note 62.

#### F. *Where DOL Fraud Cases Are Prosecuted*

When the Unemployment Compensation Fraud Unit was being formed, a decision had to be made as to where criminal charges would be filed and prosecuted. In the majority of criminal cases, charges are filed in the judicial district in which the alleged crime has occurred. In most cases, the defendant resides in the same district or close to it. In cases of unemployment compensation fraud, the crime could be deemed to have occurred where the claimant accessed their account to process a fraudulent claim (usually on their phone or computer) *or* where the fraudulent claims are submitted to and paid out from (at CTDOL).

Although there are thirteen judicial districts in Connecticut, we decided to file all of our unemployment compensation fraud charges in the Judicial District of New Britain, which is the jurisdiction in which the CTDOL administration is located. While we recognized that it might be more convenient for some defendants for us to prosecute the cases in the judicial district in which they reside, because these are specialized prosecutions, we decided that there would be more consistency in how the cases were handled and disposed of if they were all filed in one court.<sup>89</sup>

#### G. *Development and Investigation of Cases at DCJ*

Cases of unemployment compensation fraud that have been processed by the BPCU and for which no or very little restitution has been made over a long period of time (usually at least twelve monthly billing cycles) are referred to the DCJ for prosecution.

First, the DCJ inspectors formally open a criminal case. They then review all of the documents in CTDOL's file, including audits and any statements by the claimant that may have been received by CTDOL either orally or in writing. In the majority of cases, once the inspectors have verified that a claimant fraudulently obtained unemployment compensation benefits, they contact the claimant to see if the claimant wishes to meet with them to explain what occurred. If such a meeting is scheduled, it is at a reasonable place and time of the claimant's choosing. Thus, *Miranda*<sup>90</sup> warnings are not required, because the claimant is not "in custody." In the vast majority of cases, the claimants admit to the inspectors that they submitted fraudulent claims.

There are some cases in which no attempt to contact the claimant is

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89. *See supra* Part III.

90. *See generally* *Miranda v. Arizona*, 384 U.S. 436 (1966).

made. The majority of these cases involve individuals who have used another person's SSN to obtain benefits. In these instances, the inspectors do not want to tip off the claimant that a criminal investigation is underway. These investigations are given high priority in order to minimize any damage to an identity theft victim.

Other individuals who are not usually contacted to set up an interview are those who are not legally authorized to work in the United States. They collect unemployment benefits by either fabricating an SSN or by stealing or purchasing another person's SSN. Again, the inspectors do not want to alert the individual that a criminal investigation is underway. As of December 1, 2017, thirty-one individuals who were not legally authorized to work in the United States had been arrested by the Unemployment Compensation Fraud Unit inspectors, accounting for more than \$1.4 million in fraud.

Once the inspectors have completed their investigation, an arrest warrant is prepared and signed by the lead inspector. By signing the warrant, the inspector asserts that he has probable cause to believe that each charged crime has been committed by the individual named in the warrant. The warrant is then forwarded to me for review. I sign the warrant if I also believe that there is probable cause. The warrant is then forwarded to the New Britain Superior Court, where a Superior Court judge reviews the warrant. If the judge makes a finding of probable cause and signs the warrant, it then becomes "active" and is returned to the inspectors to be served on the accused.

#### H. *The Criminal Charges*

In the vast majority of cases, the amount of unemployment compensation fraud is more than \$2000 and the claimant is charged with larceny in the first degree by defrauding a public community,<sup>91</sup> which is a class B felony punishable by not less than one year nor more than twenty years in prison and/or up to a \$15,000 fine.<sup>92</sup> If the amount of the unemployment compensation fraud is less than \$2000, the claimant is charged with larceny in the second degree by defrauding a public community,<sup>93</sup> which is a class C felony punishable by not less than one year nor more than ten years in prison and/or up to a \$10,000 fine.<sup>94</sup>

In addition to a larceny charge, the claimant is also charged with

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91. CONN. GEN. STAT. § 53a-122(a)(4).

92. CONN. GEN. STAT. § 53a-35a(6).

93. CONN. GEN. STAT. § 53a-123(a)(4).

94. CONN. GEN. STAT. § 53a-35(a)(7).

felony unemployment compensation fraud if the fraud is in excess of \$500, which is a class D felony punishable by not less than one year nor more than five years in prison, and/or up to a \$5000 fine.<sup>95</sup> They are charged with misdemeanor unemployment compensation fraud if the fraud is less than \$500, which is a class A misdemeanor punishable by not more than one year in prison and/or up to a \$2000 fine.<sup>96</sup>

In addition, claimants who use the SSN of another actual person, as opposed to an invalid SSN, are charged with identity theft. Identity theft is defined in CONN. GEN. STAT. § 53a-129(a) as “knowing[] use[] [of] personal identifying information of another person to obtain or attempt to obtain money, credit, goods, services, property or medical information without the consent of such other person.”<sup>97</sup>

If the victim is under the age of sixty and the amount of the fraud exceeds \$10,000, or the victim is over the age of sixty and the amount of the fraud exceeds \$5000, the charge is identity theft in the first degree, which is a class B felony punishable by not less than one year nor more than twenty years in prison and/or up to a \$15,000 fine.<sup>98</sup> If the victim is under sixty and the amount of the fraud exceeds \$5000, or the victim is over age sixty, the charge is second degree identity theft, which is a class C felony punishable by not less than one year nor more than ten years in prison and/or up to a \$10,000 fine.<sup>99</sup> Third degree identity theft is charged if the person commits identity theft as defined in CONN. GEN. STAT. § 53a-129d, which is a class D felony punishable by not less than one year nor more than five years in prison, and/or up to a \$5000 fine.<sup>100</sup>

### I. *The Prosecution*

Once a defendant has been arrested, I take over the case for court proceedings; however, the two inspectors and I work very closely together during all phases of the prosecution. The bottom-line goal of these cases is to obtain restitution for CTDOL. If a defendant exhibits an ability to pay restitution and a good faith effort at payment to CTDOL is made prior to disposition of the case, we have no interest in seeing a defendant convicted of a felony or incarcerated. This strategy applies to all defendants unless they have an extensive criminal history, were

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95. CONN. GEN. STAT. § 31-273(f)(2).

96. CONN. GEN. STAT. § 31-273(f)(1).

97. CONN. GEN. STAT. § 53a-129(a).

98. CONN. GEN. STAT. § 53a-129(b).

99. CONN. GEN. STAT. § 53a-129(c).

100. CONN. GEN. STAT. § 53a-129d.

already on probation when they committed the unemployment compensation fraud, have previously been formally deported, or if there is no effort to make up-front restitution.

Defendants in our cases have run the gamut from a seventy-two-year old who had never received so much as a speeding ticket (the case was dismissed upon immediate payment of full restitution) to an individual who had fifteen prior felony convictions, used seven different SSNs to commit the fraud, and used accomplices to fraudulently collect benefits while she was incarcerated (defendant convicted of felonies and sentenced to six years of incarceration).<sup>101</sup>

In the majority of unemployment compensation fraud cases, the defendants have no criminal record. Therefore, they may be eligible for a diversionary program called Accelerated Rehabilitation (AR).<sup>102</sup> Generally, if defendants are granted admission to the program, they must make restitution to CTDOL and must not have any new arrests during the course of the program (a maximum of two years). If they are successful, the case is dismissed and they will have no criminal record.

If the defendant has a criminal record, then the extent of the record, nature of the prior convictions, and defendant's age at the time of the prior convictions will be factored into the state's offer that is made in an effort to dispose of the case prior to trial.

Because these are document-based cases, it is extremely risky for a defendant to roll the dice and go to trial, especially if one of the charges is a class B felony. In the more than four years that the unit has been in existence, there has not been a single trial.

## VI. TYPICAL CASES

### A. *Administrative Cross-Checks*

When a claim for unemployment compensation is filed, it is cross-checked against state databases, such as the database of current inmates of the Department of Correction (DOC) and the Directory of New Hires (any person who has recently been hired should not be collecting unemployment compensation benefits), and federal databases, such as the Social Security Administration and the National Directory of New Hires. These cross-checks can detect claimants who may not be reporting any wages in order to obtain benefits, may be under-reporting

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101. See generally *Connecticut v. Atmore*, No. H15N-CR13-0269293-S (Conn. Super. Ct.).

102. CONN. GEN. STAT. § 54-56e(a)–(b).

their wages in order to obtain a higher weekly benefit amount, or who may be incarcerated and clearly not available to work.

While working with federal law enforcement agents, the Unemployment Compensation Fraud Unit inspectors investigated and ultimately arrested seven U.S. Postal Service employees after a cross-check revealed that they were collecting benefits they were not entitled to.<sup>103</sup>

#### B. *Improper Use of Social Security Numbers*

The majority of cases that are referred for prosecution due to improper use of one or more SSNs involve defendants who are not legally authorized to work in the United States. They either use an invalid SSN, purchase the SSN of an unsuspecting individual on the black market, or fabricate a SSN that ends up belonging to an unsuspecting individual.

It should be noted that defendants who are not legally authorized to work in the United States are treated no differently by our unit than other defendants. However, in some cases the United States Department of Homeland Security (DHS) and Immigration and Customs Enforcement (ICE) have detained or taken custody of these individuals for deportation proceedings after they have been arrested, sometimes for reasons unrelated to the unemployment compensation fraud.

In a number of instances, fraud has been detected when an identity theft victim reports to CTDOL that unemployment compensation benefits are being collected by someone else using the victim's SSN. For example, in Florida, a victim legitimately filed for unemployment compensation but was denied benefits because their SSN was being used to collect benefits in Connecticut.<sup>104</sup> The individual using the Florida victim's SSN was subsequently arrested and prosecuted.

#### C. *Issues Regarding Ability to and Availability for Work*

Unemployment benefits are meant to assist an individual who, through no fault of their own, finds themselves out of work.<sup>105</sup> While

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103. David Owens, *7 Postal Workers Face Unemployment Compensation Fraud Charges*, HARTFORD COURANT (June 13, 2014), [http://articles.courant.com/2014-06-13/news/hc-postal-workers-fraudf-0614-20140613\\_1\\_unemployment-benefits-fraud-unit-chief-state](http://articles.courant.com/2014-06-13/news/hc-postal-workers-fraudf-0614-20140613_1_unemployment-benefits-fraud-unit-chief-state) [<https://perma.cc/H9LJ-9AB8>].

104. *See generally* Connecticut v. Cambara, No. H15N-CR14-0271748-S (Conn. Super. Ct., Jud. Dist. New Britain, July 24, 2014).

105. CONN. GEN. STAT. § 31-235.

claimants are collecting benefits, they must be actively seeking new employment.<sup>106</sup> Claimants are instructed in *A Guide to Collecting Benefits* to keep a log of their efforts to find work and are subject to random “work search” audits.<sup>107</sup>

If a claimant is not able to work because, for example, they are hospitalized, they are not eligible for benefits. Similarly, if they are helping a friend or family member in a business, either part-time or full-time, and for little or no pay, they may not be “available” for work, and therefore, are not eligible for benefits.

#### D. *Collecting Benefits While Incarcerated*

In Connecticut, all incarcerated individuals (except those being held for very short periods of time in local police lockups) are supervised by the DOC. To assist CTDOL in combating fraud, the DOC provides the SSNs of all incarcerated individuals to CTDOL on a regular basis. CTDOL then cross-checks these DOC SSNs with the SSNs of unemployment compensation claimants. The relatively small size of Connecticut, and the fact that all inmates are under the control of one entity, made the implementation of this program easier than it would be in larger states with multiple prison and jail systems.

#### E. *Department of Labor Hotline Tips*

The CTDOL has a hotline that individuals can call anonymously to report instances of unemployment compensation fraud. The tip-line information is prominently advertised on the CTDOL website<sup>108</sup> and on billboards along some of the state’s busiest highways.

Many of the tips that are received on the hotline involve cases of individuals who are working and whose employers do not document their work (“working under the table”), enabling them to collect unemployment benefits and avoid paying income taxes. CTDOL has contracts with a number of surveillance companies that investigate and document the activities of individuals who are implicated in such tips. If a tip is substantiated and CTDOL is unsuccessful in obtaining restitution, the case is then referred for prosecution.<sup>109</sup>

A series of tips to the CTDOL hotline from one individual led to the arrest and prosecution of ten different defendants working for one

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106. *Id.*

107. A GUIDE TO COLLECTING BENEFITS, *supra* note 12, at 23, 35.

108. See UNEMPLOYMENT COMPENSATION, *supra* note 6.

109. See *Benefit Payment Control Unit*, *supra* note 59.

company who were collecting benefits using SSNs that did not belong to them.<sup>110</sup> The total amount of fraudulently-received benefits by the ten defendants was more than \$560,000.<sup>111</sup>

F. *Cases Taken by the United States Department of Justice for Prosecution*

The Unemployment Compensation Fraud Unit has had several cases in which the same individuals who were fraudulently collecting benefits in Connecticut were also fraudulently collecting in one or more other states. These cases involve multiple victims around the United States whose SSNs are being used in the fraud schemes. In order for the fraud committed by one individual in different states to be prosecuted, the cases are transferred to the U.S. Department of Justice to be docketed in federal court.

One case in Georgia involved Vicky Cohran and her two adult sons, Christopher Cohran and Nathan Cohran, who were arrested in a “fictitious employer” scheme. The three set up fake companies on paper in various states. The “companies” would file the required quarterly wage/earnings reports using fictitious employees. Vicky Cohran prepared federal and state income taxes for individuals and would then use their personal identifying information to fabricate “employees” of the fictitious companies. The names and personal identifying information of at least twenty-seven individuals were used in this scheme. The “employees” were then “laid off” and “filed” for unemployment benefits. All of the benefits were being paid to the Cohrans.<sup>112</sup>

The Cohrans scammed seven states with their scheme, with a total intended loss of approximately \$227,095, and a total actual loss of approximately \$120,214.<sup>113</sup> Notably, these seven states had some of the highest maximum weekly benefit rates in the country and the fictitious

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110. Press Release, State of Conn. Div. of Criminal Justice, Arrest of Jairo Sibrian (Apr. 6, 2017) (on file with author); Press Release, State of Conn. Div. of Criminal Justice, Arrest of Carmen Suyapa-Martinez (July 5, 2017) (on file with author).

111. *See supra* note 110.

112. To add insult to injury, Vicky Cohran would also inform her tax preparation customers that they were not getting a refund and then funnel any refunds into her own bank account.

113. *Multi-State Unemployment Scam Detected in CT Ends in Conviction*, HARTFORD BUS. (Jan. 8, 2016), <http://www.hartfordbusiness.com/article/20160108/NEWS01/160109945/multi-state-unemployment-scam-detected-in-ct-ends-in-conviction> [<https://perma.cc/2CVR-T86R>].

employees allegedly made very high salaries (for example, one made \$150,000 per year), so that they would all qualify for the maximum weekly benefit rate. Vicky Cohran was convicted of three felonies and sentenced to serve fifty-one months in federal prison.<sup>114</sup> Christopher Cohran and Nathan Cohran each plead guilty to felonies and were placed on probation.<sup>115</sup>

## VII. SUCCESS—CONVICTIONS, RESTITUTION, AND DETERRENCE

### A. Arrests/Fraud/Restitution

As of March 28, 2017, the Unemployment Compensation Fraud Unit had arrested 200 individuals who had attempted to collect more than \$5.5 million by filing fraudulent claims.<sup>116</sup> The total amount of restitution recouped was nearly \$1.8 million of the benefits that were actually paid.<sup>117</sup>

### B. Deterrence

Every time the Unemployment Compensation Fraud Unit makes an arrest, when significant sentences are imposed (such as felony convictions and incarceration), and when unusually newsworthy cases develop, such as the Postal workers investigation<sup>118</sup> and the case in which ten individuals from one company were arrested,<sup>119</sup> a press release is issued by DCJ. These press releases provide specific details about the fraudulent activity and are often picked up and reported by local media.<sup>120</sup>

While it is extremely difficult to measure or quantify “deterrence,” since the CTDOL-DCJ partnership was formed, CTDOL has been contacted by a significant number of individuals from various parts of

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114. *See generally* United States v. Cohran, No. 3:15-cr-00144, (D. Conn. Nov. 3, 2015); David Owens, *Woman Who Defrauded Unemployment Gets 51 Months in Federal Prison*, HARTFORD COURANT (Jan. 6, 2016), <http://www.courant.com/breaking-news/hc-unemployment-fraud-scheme-0107-20160106-story.html> [<https://perma.cc/AW5A-T3D2>].

115. *See generally* United States v. Christopher Cohran, No. 3:16-cr-00002(AWT) (D. Conn. May 17, 2016); United States v. Nathan Cohran, No. 3:16-cr-00003(AWT) (D. Conn. May 17, 2016).

116. *CT Nets \$1.8M from Unemployment Cheaters*, HARTFORD BUS. (Mar. 28, 2017), <http://m.hartfordbusiness.com/article/20170328/NEWS01/170329930> [<https://perma.cc/A9B6-2H5Y>].

117. *Id.*

118. *See supra* Subpart VI.A.

119. *See supra* Subpart VI.B.

120. *CT Nets \$1.8M from Unemployment Cheaters*, *supra* note 116.

the state who have voluntarily admitted that they received benefits to which they were not entitled and have requested an opportunity and mechanism for making restitution. In addition, the Unemployment Compensation Fraud Unit has received numerous calls from both attorneys and individuals seeking a means of paying back money they received fraudulently. These calls were made prior to the individuals being referred to DCJ for prosecution, thereby saving the individuals the embarrassment and inconvenience of being arrested. The calls also indicate that the work of the CTDOL-DCJ partnership is being noticed by members of the public.

On a more general level, it is believed that the number of arrests, the publicity surrounding them, and the fact that individuals from all corners of the state have been arrested, have made it highly likely that some individuals who have learned of the arrests have either stopped or not started collecting unemployment benefits fraudulently.

#### CONCLUSION

Over the past five years, the CTDOL-DCJ unemployment fraud team has been successful beyond all expectations. We initially hoped to make at least one arrest per month. In fact, there has been an arrest almost every week. No one really knew what to expect because there had never been a partnership like ours anywhere in the United States. Our experience has been shared with labor and law enforcement agencies all over the country in the hope that others can learn from our success. Although it is obvious that the formation of our partnership and our work was made relatively easy due to the small size of our state, we are confident that other agencies can learn from our program and, hopefully, meet the same goals that we set for ourselves—detection, prosecution, restitution, and deterrence.