

C

EXHIBIT C

DECLARATION OF GUADALUPE DIAZ

I, Guadalupe Diaz, being over age 18 and of sound mind do state as follows:

1. I am employed by the Colorado Department of Labor and Employment (“CDLE”) in the Division of Unemployment Insurance (“the Division”). I have worked for the Division for the past ten years. My current title is Labor and Employment Specialist III, Benefit Payment Control.
2. In my role, I am team lead of the Invalid Claims Team within the Benefit Payment Control section. I help oversee program integrity and assist deputies in reviewing cases of potential fraud and referring matters for criminal prosecution. I train and coach staff in the Benefits section and Invalid Claims team. I review news, information, and trends from other states that may help identify potential new sources or types of fraud claims. I assure that escalations of program integrity issues are promptly assigned to a member of the Invalid Claims team for processing.
3. During the COVID-19 pandemic, and particularly from 2020 to 2023, Colorado and other states experienced a significant uptick in the volume of fraudulent claims for unemployment insurance benefits and for extended pandemic benefits provided by the United States Department of Labor. The Division has received millions of fraudulent claims since the COVID-19 pandemic began in 2020.
4. On or about March 15, 2020, the Division adopted program integrity measures to ensure that benefits were paid correctly and to avoid payment of fraudulent claims, per USDOL. The program integrity process reviews and compares available information from a variety of sources, including claimants and employers, to flag potential discrepancies that could indicate a fraudulent claim.
5. Depending on the severity of the flagged issue(s), the claims system will establish a program integrity hold, which prevents the payment of benefits until further information can be requested, received, and reviewed by the Division.
6. If the system flags a claim, a program integrity pending issue (holding payment) is placed on the claim immediately and automatically sends a fact-finding request to the claimant, and the claimant receives an alert regarding the fact-finding. The claimant is given seven days to respond to a list of questions and provide personally identifying information, including but not limited to social security number, driver’s license number, passport(as another alternative of identification if the claimant does not have an ID or driver’s license) proof of address or a utility bill, a “selfie” photograph of the claimant, a “selfie” holding their driver’s license or ID, and lastly a eligible copy of the bank account statement associated with the claim not older than 90 days or their US Bank Reliacard card statement.
7. If the Division receives the requested information from a claimant within seven days, the information is reviewed (Fact-finding and documents) and verified by the deputy, and a

decision is made whether to release the hold, to seek further information, or to disqualify the claimant.

8. If the Division does not receive the requested information within seven days of sending the factfinding, the system sends a “reporting requirement disqualification” to the claimant, which informs the claimant that they have been disqualified for failing to provide information and provides notice of the right to appeal that decision within 20 days the decision was mailed.
9. If the deputy determines a program integrity hold should be removed, the hold is removed, and the claimant is notified of the decision. The claim is then released for adjudication of the separation(s) pending on the claim.

Mr. Abrams’ 2023 Claim for Benefits

10. Joshua Abrams has filed two claims for unemployment benefits with the Division to date. The first claim was effective March 5, 2023. The second claim was effective February 2, 2025.
11. Mr. Abrams’ March 2023 claim was subject to two program integrity holds, which were implemented on June 23, 2023, and June 26, 2023, respectively.
12. As to the first hold, the Division sent Abrams a fact-finding request on June 23, 2023. The Division received the requested information from Mr. Abrams that same day, and the hold was released on June 27, 2023.
13. As to the second hold, the Division sent Mr. Abrams a fact-finding request on June 26, 2023, but it did not receive the requested information from Mr. Abrams within seven days, so the hold was not released.
14. Mr. Abrams began reporting employment income again in Q3 of 2023, ending that unemployment claim. Mr. Abrams continued to report income throughout the entirety of Q4 of 2024, until January 31, 2025.
15. On March 30, 2023, Mr. Abrams tried to withdraw his 2023 claim for benefits, but his request was denied by a deputy of the Division. Mr. Abrams received a copy of the deputy’s decision, which included a notice of the right to appeal the deputy’s decision to a hearing officer within 20 days the decision was mailed.
16. Mr. Abrams exercised his right to appeal the deputy’s decision to the hearing officer. The hearing officer affirmed the deputy’s decision. Mr. Abrams received a copy of the hearing officer’s decision, which included a notice of the right to appeal the decision to a panel of the Industrial Claims Appeals Office (“ICAO”) within 20 days the decision as mailed.
17. Abrams exercised his right to appeal the hearing officer’s decision to the ICAO. A panel of the ICAO affirmed the hearing officer’s decision. Mr. Abrams received a copy of the ICAO panel’s decision, which included a notice of the right to appeal the panel’s decision to the Colorado Court of Appeals within 20 days the decision was mailed.

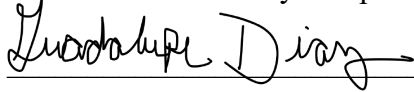
18. Mr. Abrams did not exercise his right to appeal the ICAO panel's decision to the Colorado Court of Appeals.
19. Mr. Abrams received payments on his 2023 unemployment claim from March 18,2023 through June 17,2023. Once the program integrity was adjudicated as eligible, the claimant received his payment from June 17,2023 through June 24,2023 paid on March 21st, 2025. On the new claim, payments were paid from February 8, 2025 through April 12,2025. The claimant request benefits for the week ending April 19,2025 but has not received payment since it was just requested Today.

Mr. Abrams' 2025 Claim for Benefits

20. The Division received a second claim for benefits from Mr. Abrams effective February 2, 2025.
21. At the time the Division received Mr. Abrams' 2025 claim, it had still not received the information requested from the program integrity factfinding sent on June 26, 2023, and the hold was still in place.
22. On March 15, 2025, the Division received the requested information from Mr. Abrams. The program integrity hold was cleared on March 17, 2025.
23. The Division adjudicated Mr. Abrams' separation on March 18, 2025.
24. On March 20, 2025, Mr. Abrams began receiving benefits from his 2025 claim.
25. As of the date of this writing, Mr. Abrams has been paid unemployment benefits via direct deposit from February 8, 2025, through the week ending April 12, 2025. Benefit week ending April 19, 2025 has not released payment since he just requested payment today, Monday the 21st.
26. If a claim for benefits is denied, a copy of the decision is sent to the claimant. The decision provides notice of the right to appeal the decision to a hearing officer within 20 days.
27. As of this writing, Mr. Abrams has not appealed any decision about his 2025 claim for benefits to a hearing officer.

I declare under penalty of perjury, pursuant to 28 U.S.C. § 1746, that the foregoing is true and correct to the best of my knowledge.

Executed this 21st day of April 2025.

A handwritten signature in black ink, appearing to read "Guadalupe Diaz", is written over a horizontal line.

Guadalupe Diaz