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October 1, 2024–March 31, 2025

Semiannual Report to Congress

Office of Inspector General for the U.S. Department of Labor



OFFICE OF INSPECTOR GENERAL
E PLURIBUS UNUM
UNITED STATES
DEPARTMENT OF LABOR

A Message from the Acting Inspector General



I am honored to submit our *Semiannual Report to Congress,* summarizing the activities and accomplishments of the U.S. Department of Labor (DOL), Office of Inspector General (OIG), for the six-month period ending March 31, 2025.

The OIG remains committed to conducting independent and objective oversight to assess the effectiveness, efficiency, and integrity of DOL programs and operations. As outlined in this report, we continue to identify key challenges and risks through our audits and investigations.

Statute of Limitations

The OIG remains deeply concerned about the ongoing expiration of the statute of limitations for fraud related to pandemic-era unemployment insurance (UI) programs. For many cases, that period has already begun to lapse, making this the final opportunity to highlight the issue in a Semiannual Report before our ability to pursue justice in these cases is significantly diminished.

Since April 2020, the OIG has secured more than 2,000 indictments or initial charges, 1,500 convictions, 39,000 months of incarceration, and $1.1 billion in investigative monetary outcomes associated with UI fraud. While we will continue to pursue existing cases for as long as the law permits, the expiration of these statute of limitations—along with reduced funding—means we have begun scaling back on launching new investigations into pandemic-related UI fraud. Without an extension of the statute of limitations, fraudsters involved in some of the most egregious pandemic UI fraud cases will escape justice and the government will be unable to recoup stolen taxpayer funds.

OIG Accomplishments

OIG staff continue to deliver impressive results through their audit and investigative work, helping to safeguard federal programs and promote accountability. During this reporting period, the OIG issued 15 audit reports with 65 recommendations. Key findings include:

- **H-2A Program Oversight:** While the Employment and Training Administration (ETA) generally ensured compliance with core requirements of the H-2A program, further improvements are needed to ensure accurate wage payments and consistent post-adjudication review.

- **Mental Health Parity Enforcement:** The Employee Benefits Security Administration lacked critical tools to effectively enforce mental health parity rules and did not fully utilize the tools it did have. Some reviews took up to three years to complete.

- **Data Sharing to Combat Fraud:** A joint audit with the Small Business Administration (SBA) OIG found that better data sharing between DOL's ETA and SBA could reduce fraud. The OIG identified over $1.3 billion in potentially fraudulent UI and Economic Injury Disaster Loan payments to the same likely fraudsters.

- **Job Corps Drug Control Activities:** While Job Corps supported federal drug control priorities, it did not adequately measure or report on the impact of its activities, limiting the ability to demonstrate effectiveness.

Our investigative work also produced impressive results, with a total of 131 investigations completed, 202 indictments, 287 convictions, and more than $185 million in monetary accomplishments. Notable cases include:

- A Texas pharmacist and his business partner were sentenced to more than 15 years in prison and ordered to forfeit more than $400 million for defrauding the Office of Workers' Compensation Programs;

- A Detroit man was sentenced to nearly 8 years in prison for a $6.3 million identity theft UI fraud scheme that targeted multiple State Workforce Agencies;

- A former employee of the California Employment Development Department pled guilty for her role in an $800,000 UI fraud conspiracy;

- An Iowa farmer was sentenced to more than 15 years in prison for cattle theft, bankruptcy fraud, and a foreign labor certification fraud scheme that involved forced labor;

- A Boston pizzeria owner was sentenced to more than 8 years in prison for his role in forced labor and pandemic fraud schemes.

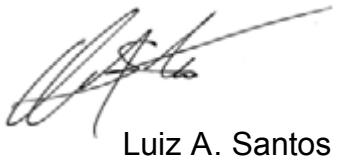
These significant results reflect the sustained efforts of our staff, and I want to take a moment to recognize their work. The professionalism and dedication shown by OIG personnel have been essential to our oversight mission, particularly in navigating complex cases and evolving oversight priorities.

Looking Ahead

As we continue our oversight work, we will maintain our focus on high-impact audits and investigations that promote accountability and transparency in DOL programs. Our oversight efforts will remain centered on protecting taxpayer dollars and supporting the Department's mission on behalf of American workers.

We are also closely monitoring recent changes within DOL resulting from broader government restructuring efforts. While the audits and investigations summarized in this report were largely conducted prior to these developments, we will continue to assess their impact in the months ahead. The OIG will incorporate these developments into our risk assessments and oversight planning, and we will provide timely updates to Congress and the Department should critical risks or operational concerns arise.

In closing, I would like to thank Congress and the Department for their support of our work to improve DOL programs and operations and protect the interests and benefits of the nation's workers and retirees.



Luiz A. Santos
Acting Inspector General

OIG Fiscal Year 2022–2026 Strategic Plan

OIG Mission

We serve the American people, DOL, and Congress by providing independent and objective oversight of Departmental programs through audits and investigations, and by combatting the influence of labor racketeering in the workplace.

Core Values

Excellence
We deliver relevant, quality, timely, high-impact products and services, through a workforce committed to accountability and the highest professional standards.

Integrity
We adhere to the highest ethical principles and perform our work in an honest and trustworthy manner.

Independence
We are committed to being free of conflicts of interest through objectivity and impartiality.

Service
We are a unified team, vigilant to duty through dedicated public service.

Transparency
We promote an environment of open communication through information sharing, accountability, and accurate reporting.

Strategic Goals

Goal 1: Deliver timely, relevant, and high-impact results.

Goal 2: Foster an internal OIG culture that drives high performance and engagement.

Goal 3: Promote responsible stewardship of OIG financial and non-financial resources.

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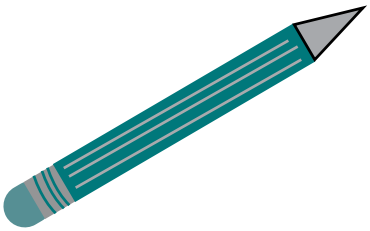
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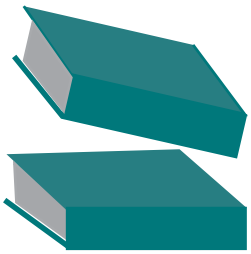
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15
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65
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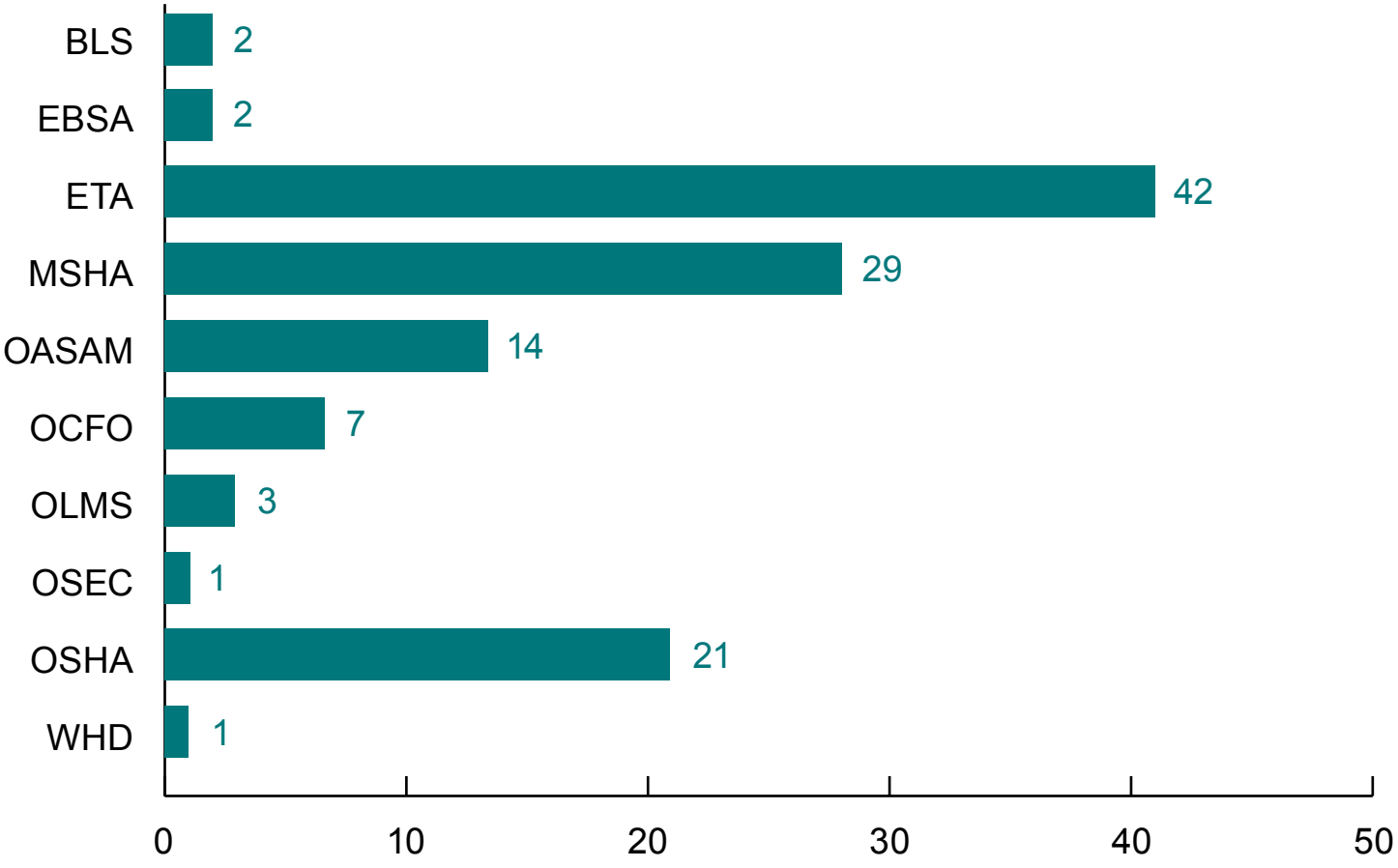


$926,513
Questioned Costs



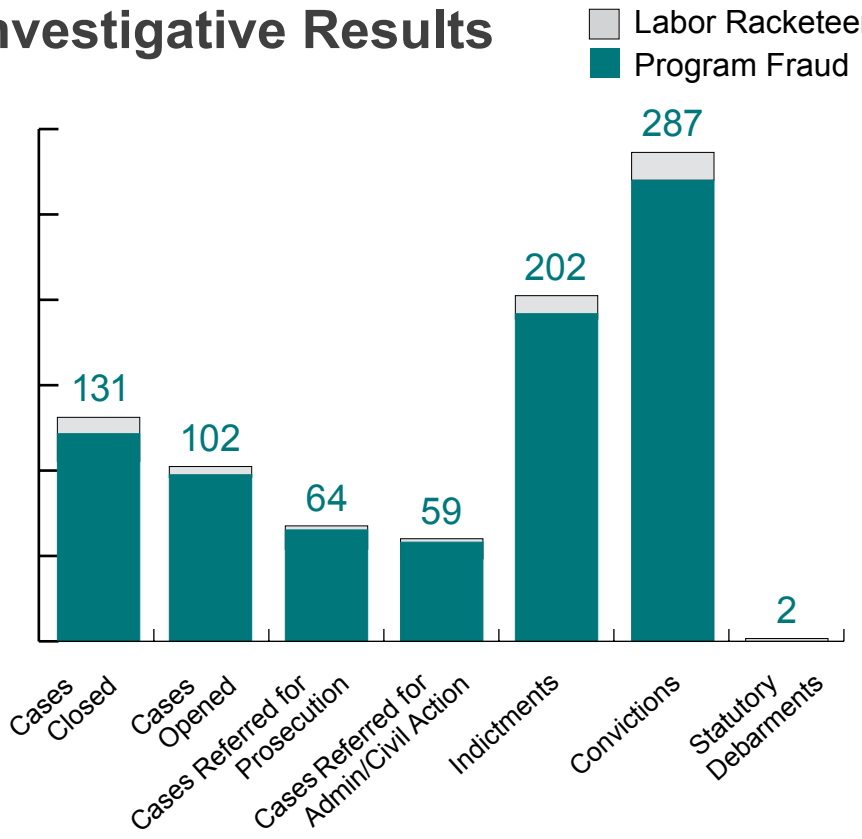
OIG Unimplemented Recommendations

OIG recommendations not fully implemented as of March 31, 2025



Investigative Statistics

Investigative Results

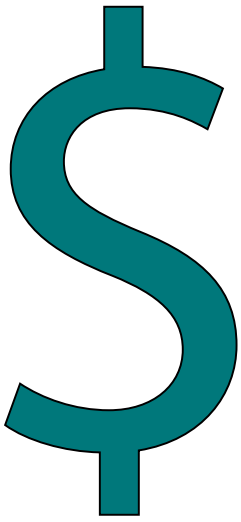


102/131



102 investigative cases opened and 131 cases closed

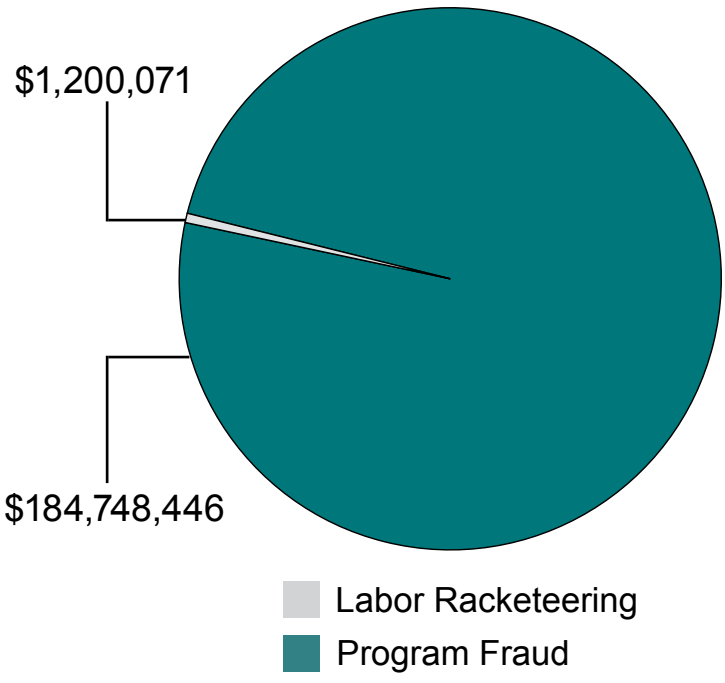
Monetary Accomplishments



Types include:

- Recoveries
- Cost-Efficiencies
- Restitutions
- Fines/Penalties
- Forfeitures
- Civil Monetary Actions

$185,948,517
Total



Significant Concerns

The Office of Inspector General (OIG) has identified the following areas of significant concern that cause the U.S. Department of Labor (DOL or Department) to be at particular risk for fraud, mismanagement, waste, abuse, or other deficiencies. The identified areas of concern reflect continuing matters as well as emerging issues. Many of these issues are detailed in our annual Top Management and Performance Challenges report, which can be found in its entirety at www.oig.dol.gov.

- Time Is Running Out for Congress to Extend the Statute of Limitations on Pandemic-Related Unemployment Insurance Fraud
- Deploying Unemployment Insurance Benefits Expeditiously and Efficiently While Reducing Improper Payments, including Fraud
- Providing the OIG Access to UI Claimant Data and Wage Records
- Risk of Unused Funds in State UI Accounts Not Being Returned to the U.S. Department of the Treasury
- Ensuring Reliable Estimates for Unemployment Trust Fund Amounts Reported in the Consolidated Financial Statements
- Curtailing Child Labor Law Violations
- Protecting the Safety and Health of Workers
- Protecting the Safety and Health of Miners
- Ensuring the Safety of Students and Staff at Job Corps Centers
- Protecting the Security of Employee Benefit Plan Assets
- Protecting Workers' Right to Unionize through Enforcing Persuader Activity Disclosure
- Maintaining the Integrity of Foreign Labor Certification Programs
- Managing Medical Benefits in the Office of Workers' Compensation Programs
- Ensuring the Solvency of the Black Lung Disability Trust Fund
- Improving the Performance Accountability of Workforce Development Programs
- Managing and Securing Data and Information Systems

Significant Concerns

Time Is Running Out for Congress to Extend the Statute of Limitations on Pandemic-Related Unemployment Insurance Fraud

We are extremely concerned that, unless Congress acts urgently to extend the criminal statute of limitations for fraud associated with pandemic-related unemployment insurance (UI) programs, many groups and individuals who have defrauded the UI program may escape justice. As it stands, the statute of limitations for many pandemic-related UI fraud cases has begun to expire, as the statutes most often used to prosecute UI fraud have five-year limitations. This is the final Semiannual Report to Congress in which we plan to highlight this issue before the statute of limitations significantly impairs our ability to pursue justice in these cases.

During the pandemic, the OIG was responsible for investigating an exceptional volume of complex pandemic-related UI fraud cases that increased a thousandfold compared to pre-pandemic levels. Since April 2020, the OIG has opened more than 209,000 investigative matters involving the UI program. We continue to receive up to 100 new UI fraud complaints each week. Notwithstanding the OIG's tireless efforts, a failure to extend the current statute of limitations associated with UI fraud means federal law enforcement will have to stop short of fully investigating and prosecuting some of the most egregious cases of UI fraud.

Notwithstanding the OIG's tireless efforts, a failure to extend the current statute of limitations associated with UI fraud means federal law enforcement will have to stop short of fully investigating and prosecuting some of the most egregious cases of UI fraud.

Furthermore, the pandemic-related UI fraud referrals we receive often include complex schemes involving criminal enterprises and bad actors who use sophisticated techniques to maintain anonymity. These investigations require significant resources and time. Supplemental pandemic funding from Congress allowed the OIG to hire more criminal investigators and significantly expand the number of staff reviewing UI fraud matters. As a result, the OIG has secured more than 2,000 indictments or initial charges, 1,500 convictions, 39,000 months of incarceration, and $1.1 billion in investigative monetary outcomes associated with UI fraud since April 2020. These resources also supported the issuance of 58 audit reports, which included 169 recommendations for corrective action by the Department of Labor (DOL). In addition, the OIG identified more than $75 billion in funds for better use and $407 million in questioned costs related to DOL's pandemic-related programs and operations (see Table 1).

Table 1: DOL-OIG's Cumulative Pandemic-Related Results, April 2020–March 2025

Audit Reports	58
Recommendations	169
Funds Identified for Better Use	$75 billion+
Questioned Costs	$407 million+
Indictments/Initial Charges	2,000+
Convictions	1,500+
Months of Incarceration Ordered	39,000+
Investigative Monetary Results[1]	$1.1 billion+

The OIG remains committed to investigating open pandemic-related UI fraud matters for as long as the statute of limitations allows. However, the exhaustion of supplemental funding and other budget limitations have forced the OIG to reduce staffing to well below pre-pandemic levels. That, combined with the ongoing expiration of the statute of limitations, has caused the OIG to begin pivoting away from opening new pandemic UI fraud investigations. As a result, we have significantly curtailed the opening of any new pandemic UI fraud investigations. Furthermore, we will continue the pause we implemented in Fiscal Year (FY) 2024 in reviewing the approximately 150,000 open pandemic UI fraud complaints we currently have awaiting review.

In August 2022, an extension of the statute of limitations was implemented for crimes involving the U.S. Small Business Administration's (SBA) Paycheck Protection Program (PPP) and Economic Injury Disaster Loan program (EIDL). Congress should likewise consider immediately extending the statute of limitations for existing laws in cases where pandemic-related UI programs have been defrauded. The expansion of the statute of limitations would provide investigators and prosecutors with the time to pursue and hold accountable those who defrauded the UI program and victimized the American people during the pandemic.

Deploying Unemployment Insurance Benefits Expeditiously and Efficiently While Reducing Improper Payments, Including Fraud

The OIG has long reported significant concerns with the Department and state workforce agencies' (SWA)[2] ability to deploy UI program benefits expeditiously and efficiently while ensuring integrity

1 Investigative Monetary Results include recoveries, cost-efficiencies, restitutions, fines/penalties, forfeitures, and civil monetary actions.

2 When referring to UI, this Semiannual Report to Congress uses "state" or "SWA" to refer to the body that administers the program within the state, district, or territory.

and adequate oversight. Since the onset of the COVID-19 pandemic, these concerns have grown. Workers faced delays in receiving UI benefits, improper payments soared, and our audit and investigative work found program weaknesses persisted during the pandemic and beyond—vulnerabilities that criminal organizations continue to exploit. We remain particularly concerned about the deployment of UI benefits in response to future emergencies, including natural disasters and economic downturns, as well as an immediate need to improve internal controls against fraud.[3]

WHAT IS AN IMPROPER PAYMENT?

A payment is improper if it should not have been made or was to the wrong recipient.

*

Examples include overpayments and underpayments.

*

An improper payment can be unintentional or intentional.

*

Intentional improper payments are more commonly referred to as financial fraud.

At the start of the pandemic, we identified critical issues, such as staffing shortages and outdated system capabilities, for DOL and states to address while implementing the Coronavirus Aid, Relief, and Economic Security (CARES) Act programs. While the Employment and Training Administration (ETA) and states made significant efforts to improve the program, challenges persist in reducing improper payments and ensuring timely benefit distribution. For example, despite improvements in payment timeliness since the end of the pandemic,[4] only 34 percent of reporting states were paying regular UI claimants on time in January 2025, compared to 75 percent before the pandemic started.[5]

Furthermore, the fraud risk to the UI program did not end with the pandemic. The program remains a target for criminals, including those using sophisticated and ever-evolving fraud schemes. For

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3 Fraud is a type of improper payment. The Office of Management and Budget (OMB) explains that, at a high level, a payment is "improper" if made in an incorrect amount or to the wrong recipient. Improper payments can result in a money loss that was either unintentional (accidental) or intentional (fraud). For more information, see OMB, Appendix C to OMB Circular A-123, Requirements for Payment Integrity Improvement, Memorandum (March 5, 2021), last accessed September 27, 2022, available at: https://www.whitehouse.gov/wp-content/uploads/2021/03/M-21-19.pdf.

4 Payment timeliness has improved since the pandemic, with the national rate of timely first payments rising from 57.8 percent in FY 2022 to 72.4 percent by the third quarter of FY 2024. However, despite these gains, further improvements are needed as states are challenged in meeting payment timeliness standards due to the new identity verification processes, essential for fraud prevention.

5 Based on OIG analysis of data on ETA's public reporting on States' UI Benefit Timeliness and Quality, available at: https://oui.doleta.gov/unemploy/btq.asp.

example, the estimated UI benefit fraud rates for FY 2024 in New York and Rhode Island exceeded 20 percent.[6] This means more than $1 in every $5 dollars paid out in UI benefits in those states went to criminals instead of legitimate claimants.

While the Department and states have implemented multiple tools and measures to prevent fraud, both foreign and domestic criminal organizations continue to exploit system weaknesses, raising serious concerns about program integrity and the effectiveness of state-level controls. For example, state UI systems' controls were unable to prevent criminal organizations from manipulating vulnerabilities in state UI websites to identify valid Social Security numbers—which they then used to file fake UI claims. Unless more is done at the federal and state levels to increase systemic integrity, the program's weaknesses will continue to expose American taxpayers and workers to significant risk of financial loss.

Reducing Improper Payments, Including Fraud

For over 20 years, the OIG has reported on weaknesses in the Department's ability to measure, report, and reduce improper payments in the UI program, which has experienced some of the highest improper payment rates across the federal government. For 18 of the last 21 years,[7] the reported estimated improper payment rate for the regular UI program has exceeded 10 percent.[8]

Over the last 4 years, DOL reported historically high rates of UI improper payments. Specifically, DOL reported an estimated improper payment rate of 18.71 percent for FY 2021 and 21.52 percent for FY 2022. Based on our audit and investigative work, the actual improper payment rate for these periods was likely higher. According to ETA, the rates for the regular UI program were also applied to pandemic programs, and the rates likely did not capture the actual improper payment rate for the temporary programs.[9] Although the FY 2024 estimated improper payment rate was reported as 14.41 percent, this rate still exceeds pre-pandemic levels and fails to meet federal requirements.

In February 2023,[10] then Inspector General Larry D. Turner testified to Congress that an estimated $191 billion in UI benefits during the pandemic period could have been paid improperly, with a

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6 Based on ETA's publicly reported data for the 2024 Improper Payments 1-Year Data, available at: https://www.dol.gov/agencies/eta/unemployment-insurance-payment-accuracy/data

7 UI improper payments data from FY 2004 through FY 2024 as reported to OMB.

8 To fully comply with the Payment Integrity Information Act of 2019, agencies must report an improper payment rate of less than 10 percent for each program and activity for which an estimate was published.

9 ETA applied the improper payment rate to the Federal Pandemic Unemployment Compensation program and the Pandemic Emergency Unemployment Compensation program, which paid over $530 billion in UI benefits.

10 "The Greatest Theft of American Tax Dollars: Unchecked Unemployment Fraud," Hearing, Statement for the Record of Larry D. Turner, Inspector General, U.S. Department of Labor; House Committee on Ways and Means (February 8, 2023), available at: https://www.oig.dol.gov/public/testimony/02082023.pdf

significant portion attributable to fraud. This unprecedented loss underscores the urgent need for systemic improvements and the importance of recovery efforts to mitigate the financial impact on both states and the federal government.

In August 2023, we started assessing the effects of waivers, including blanket waivers, on the recovery of UI overpayments, including fraud. While DOL provided guidance stating recovery of fraudulent payments may not be waived, we remain concerned states may have unintentionally waived or will waive fraudulent payments. In December 2023, ETA issued guidance allowing states to apply their finality laws to pandemic-related UI programs. This guidance provides that states may defer to state law to limit the period in which a state is authorized to reconsider a prior decision or determination made with regard to pandemic UI claims. Alongside overpayment waivers, allowing states to apply finality laws raises concerns about incentives for states to identify and recover improper payments. Furthermore, if states are unable to investigate cases beyond the finality period, fraud might go undetected and unprosecuted.

Combatting Large-Scale Fraud

During the COVID-19 pandemic, the UI program became an attractive target for fraud, a problem that persists today. Criminal groups—including malicious cyber-enabled[11] bad actors and those operating outside the United States—continually adapt their tactics to exploit systemic weaknesses in the UI program.

States face a wide range of sophisticated fraud schemes, including claims filed using fraudulent, stolen, or false identities; traditional eligibility fraud; "claims hijacking" or "claims/account takeovers" (where criminals change bank account or address information on a legitimate claim to intercept UI benefits); and cyber-attacks, such as phishing, social engineering, and bot attacks that overwhelm state UI systems. Criminals have even created duplicate state UI websites and social media pages to steal personally identifiable information (PII) and account access information like usernames and passwords.

Our investigators have identified extensive criminal activity linked to UI fraud, both domestically and internationally. Since April 1, 2020, this has included over 2,000 UI-related indictments/initial charges, which implicated criminals in organized groups whose members and associates engaged in acts involving murder, assault, narcotics trafficking, identity theft, and other crimes. Our investigators,

11 Per Executive Order 13984, issued January 19, 2021, "the term 'malicious cyber-enabled activities' refers to activities, other than those authorized by or in accordance with United States law that seek to compromise or impair the confidentiality, integrity, or availability of computer, information, or communications systems, networks, physical or virtual infrastructure controlled by computers or information systems, or information resident thereon."

auditors, and data scientists collaboratively identified[12] $46.9 billion in potentially fraudulent UI benefits paid in six high-risk areas, involving claims with Social Security numbers:

- filed in multiple states,
- of deceased persons,
- of federal prisoners,
- used to file for UI claims with suspicious email accounts,
- belonging to individuals under 14 years of age, and
- belonging to individuals 100 years of age or older.

We continue to detect and advise states on advanced fraud schemes and techniques. For example, bad actors have used overseas-hosted websites to impersonate state unemployment login pages. These fraudulent websites trick legitimate claimants into providing usernames and passwords to criminals, who change bank account routing information and divert UI benefits into accounts they control.

Furthermore, UI funds are being stolen by dangerous domestic criminals. In one OIG investigation, a criminal group engaged in large-scale drug manufacturing used stolen identities to file fraudulent UI claims and rent properties for their operations. The group produced counterfeit oxycodone pills laced with fentanyl in Maryland and Washington, DC. Members of the group admitted to obtaining at least $250,000 through a UI fraud scheme, and one suspect was ultimately arrested following a high-speed car chase.

The sheer scale of UI fraud highlights the urgent need for systemic improvements, including updated technology, and, according to ETA, increased funding. If left unaddressed, the UI program will remain vulnerable to exploitation by increasingly advanced criminal schemes.

Providing the OIG Access to UI Claimant Data and Wage Records

Barriers to the OIG's ongoing, timely, and complete access to UI claimant data and wage records from SWAs for both regular and emergency UI programs remain a significant concern. This situation adversely impacts the OIG's ability to provide independent oversight, to combat fraud, waste, and abuse, and to otherwise help DOL improve the integrity of the UI program. The primary barrier to such access is from DOL's interpretation of its own regulations, including a historical view that such access be restricted to specific

Barriers to the OIG's ongoing, timely, and complete access to UI claimant data and wage records from SWAs for both regular and emergency UI prog ms remain a significant concern.

12 Alert Memorandum: ETA Needs to Incorporate Data Analytics Capability to Improve Oversight of the Unemployment Insurance Program, Report No. 19-23-012-03-315 (September 25, 2023), available at: https://www.oig.dol.gov/public/reports/oa/2023/19-23-012-03-315.pdf

suspected instances of fraud. This interpretation and subsequent guidance to SWAs contradicts the Inspector General Act of 1978, as amended, which authorizes mandatory Inspector General access to information available to DOL, including grant recipient information related to DOL programs such as SWAs' UI data. DOL has taken steps to ensure temporary access and is engaged in rulemaking.

However, in our September 2022 alert memorandum,[13] the OIG highlighted DOL's authority to amend its interpretation of its regulations without changing the regulations themselves. Specifically, ETA can issue guidance to inform SWAs they must timely provide UI data and wage records without any constraints to the OIG for audits and investigations consistent with the Inspector General Act of 1978, as amended. The historic levels of improper payments the OIG has identified, including potential fraud, support the conclusion that the OIG's continued access to state UI data is imperative.

While DOL is in the process of amending regulations to facilitate the OIG's ongoing access to UI data and wage records, the OIG is authorized and needs to have timely access to this data and these records without constraints. Ongoing, timely, and complete access to SWA UI claimant data and wage records further enables the OIG to quickly identify large-scale fraud and expand its current efforts to share emerging fraud trends with ETA and states to strengthen the UI program and deter fraud.

In March 2025, the White House released Executive Order 14243 entitled "Stopping Waste, Fraud, and Abuse by Eliminating Information Silos." The Executive Order requires agency heads to ensure the federal government has unfettered access to comprehensive data from all state programs that receive federal funding, including, as appropriate, data generated by those programs but maintained in third-party databases. Furthermore, the Executive Order requires the Secretary of Labor and the Secretary's designees to receive "…unfettered access to all unemployment data and related payment records, including all such data and records currently available to the Department of Labor's Office of Inspector General." In alignment with the intent of this Executive Order, DOL should collect ongoing state UI records directly from SWAs moving forward, in which case the OIG will obtain the data directly from ETA.

Risk of Unused Funds in State UI Accounts Not Being Returned to the U.S. Department of the Treasury

We remain concerned that a significant amount of pandemic-related federal funding remains in state UI accounts. For example, in two CARES Act UI programs—Temporary Full Federal Funding of the First Week of Compensable Regular Unemployment for States with No Waiting Week (TFFF)

13 Alert Memorandum: Potentially Fraudulent Unemployment Insurance Payments in High Risk Areas Increased to $45.6 Billion, Report No. 19-22-005-03-315 (September 21, 2022), available at: https://www.oig.dol.gov/public/reports/oa/2022/19-22-005-03-315.pdf

and Emergency Unemployment Relief for Governmental Entities and Nonprofit Organizations (EURGENO)—we identified the need for reconciliation of more than $5 billion.[14]

Specifically, during our audit of TFFF, we identified the Department made approximately $12.5 billion of funding available in the 53 SWAs' invested Federal Unemployment Accounts.[15] Overall, the 53 SWAs drew down about $7.5 billion of the approximately $12.5 billion made available, leaving nearly $5 billion (40 percent) unused as of July 31, 2023—more than 22 months after the benefit eligibility period expired. To reduce unused funds' vulnerability to fraud, waste, and abuse, the Department needs to ensure that states reconcile and close out these accounts and return the funds to the U.S. Department of the Treasury (Treasury). According to ETA, as of April 11, 2025, 21 of the 53 SWAs had completed the reconciliation process and had their state subaccounts de-allotted. Further, ETA confirmed that 16 of the 21 SWAs had returned $1.4 billion to the Treasury. ETA stated they will provide additional information when the reconciliation and recovery is completed for the remaining SWAs.

Furthermore, during our audit of EURGENO, we identified that the Department made approximately $6.3 billion of relief funds available to the 53 SWAs' UI trust funds. We found that, 16 months after EURGENO ended,[16] approximately $844.1 million of EURGENO relief funds (19 percent of the total $4.5 billion allocated) remained unused in 32 states' UI trust funds. Given that this data does not include 21 SWAs, there could potentially be millions of dollars more remaining in other states' UI trust funds that need to be returned to the federal government. As a result, we recommended ETA reconcile the accounts of states with remaining balances and return $29 million to Treasury. As of March 7, 2025, ETA stated it is in the early implementation phase and has not provided evidence that any funds have been returned to Treasury.

Ensuring Reliable Estimates for Unemployment Trust Fund Amounts Reported in the Consolidated Financial Statements

In November 2024, DOL received its fourth consecutive qualified opinion and material weakness on its consolidated financial statements. This happened due to DOL's inability to

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14 COVID-19: ETA Needs a Plan to Reconcile and Return to the U.S. Treasury Nearly $5 Billion Unused by States for a Temporary Unemployment Insurance Program, Report No. 19-23-015-03-315 (September 28, 2023), available at: https://www.oig.dol.gov/public/reports/oa/2023/19-23-015-03-315.pdf; and COVID-19: Unemployment Relief for Governmental Entities and Nonprofit Organizations Should Have Been Better Managed, Report No. 19-23-010-03-315 (September 21, 2023), available at: https://www.oig.dol.gov/public/reports/oa/2023/19-23-010-03-315.pdf

15 Treasury transfers funds from the general fund to the Federal Unemployment Account in amounts estimated by the Department to be necessary to reimburse the states for the first week regular UI compensation was paid. The Federal Unemployment Account is an account within the federal UI trust fund that pays for the costs to administer the UI program, emergency benefits, loans to state trust funds, and program expansions like the CARES Act.

16 The EURGENO program ended on September 6, 2021. As of February 1, 2023, the total balance for the 32 states remained at approximately $844.1 million.

provide sufficient appropriate audit evidence about the methodology and underlying assumptions used to estimate certain pandemic-related UI amounts. Although the UI pandemic programs expired at the end of FY 2021, there continues to be UI benefit disbursement and related activities reported in DOL's financial statements. As of September 30, 2024, the financial statements included estimates of $7 billion in Unemployment Trust Fund obligations of COVID-19 funding and $10 billion in COVID-19 benefit overpayment receivables. The OIG is concerned DOL has been unable to remediate its material weakness over the estimates for certain reported Unemployment Trust Fund amounts, hampering its ability to obtain an unqualified opinion on the consolidated financial statements.

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The preparation of the financial statements requires management to make certain estimates and assumptions related to the UI pandemic programs that affect the amounts it reports therein. In FY 2021, DOL first reported an estimated obligation on its financial statements for future outlays of certain UI claims. These claims were for unemployment weeks that occurred prior to the expiration of the UI pandemic programs that were still in appeal or had not yet been processed. DOL also reported on its financial statements an estimate for UI benefit overpayment accounts receivable for those SWAs that had not reported any benefit overpayment receivables to DOL. However, DOL has not developed sufficient processes or controls to properly validate the reasonableness of the methodology and assumptions used to develop the estimates that were still being reported in its financial statements in FY 2024.

Curtailing Child Labor Law Violations

Collectively, U.S. labor laws cover most private, state, and local government employment and protect more than 165 million of America's workers in more than 11 million workplaces. The Fair Labor Standards Act of 1938 sets standards for minimum wage and overtime as well as youth employment. Enforced by DOL's Wage and Hour Division (WHD), the standards for youth employment are commonly known as child labor laws and are meant to ensure youth employment is safe, appropriate, and does not jeopardize the health, wellbeing, or educational opportunities for minors. We are concerned about the rise in child labor law violations and some recent changes in state child labor protections with additional proposals pending.

In FY 2024, DOL concluded 736 investigations that identified child labor violations. Specifically, DOL found 4,030 children employed in violation of the law, a 31 percent increase since 2019. In addition, DOL assessed more than $15.1 million in related penalties, which was an 89 percent increase from the previous year. Notably, this increase in child labor law violations since 2019 is occurring while WHD struggles to retain investigators. To address the increase in violations, DOL has spearheaded

an interagency task force to combat child labor exploitation, launched a National Child Labor Strategic Enforcement Initiative, and engaged in other federal and local collaboration efforts to improve the safety of working minors.

However, further complicating the issue, two laws recently passed in Arkansas and Iowa reduced state child labor protections. Similarly, in 2023, multiple bills to weaken child labor protections were introduced in Minnesota, Missouri, Nebraska, Ohio, and South Dakota. Furthermore, in 2024, Alabama, Florida, Indiana, Iowa, Kentucky, and West Virginia all enacted legislation to weaken child labor protections. We are currently examining WHD's efforts to curtail child labor law violations and are attempting to determine the cause for the rise of these violations.

Finally, while WHD does not have explicit authority to investigate labor trafficking, WHD investigators are in a unique position to detect potential labor trafficking indicators during the normal course of an investigation. As such, the OIG is concerned with WHD's handling of labor trafficking victims, particularly minors, when they are encountered in the field by WHD personnel. The OIG is currently conducting an audit to identify high-risk child labor concerns for additional oversight in FY 2025 and beyond.

Protecting the Safety and Health of Workers

The Occupational Safety and Health Administration (OSHA) assures the safety and health of approximately 130 million workers employed at more than 8 million worksites by enforcing standards; working collaboratively with states; and providing for research, information, education, and training. Failure to keep workplaces free of known safety and health hazards can lead to fatalities, injuries, illnesses, and serious legal consequences. The OIG remains concerned about OSHA's ability to target its enforcement activities to areas where it can have the greatest impact.

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OSHA carries out its enforcement responsibilities through a combination of self-initiated inspections and those resulting from complaints and referrals. For FY 2024, OSHA conducted 38,182 inspections, including 18,540 unprogrammed inspections, which resulted from employee complaints, injuries/fatalities, and referrals. OSHA continues to be challenged with reaching the number of worksites for which it is responsible and has seen an 11 percent reduction in its number of inspectors over the past 12 months—from 846 to 755.

Significant Concerns

Workplaces with high injury and illness rates should be a crucial target for directing OSHA's limited enforcement resources. However, as we reported in 2023,[17] OSHA's targeting programs that were specifically designed to reach workplaces with high rates of serious injuries targeted a very small percentage of these workplaces, and, of those targeted, fewer inspections actually occurred, leaving workers vulnerable to continuously high rates of injury and illness.

Furthermore, OSHA's ability to target enforcement is also impacted by its limited visibility into the numbers and types of injuries and illnesses occurring in warehouses, including those classified as online retailers. We found, on average, between 2016 and 2020, 59 percent of establishments in all industries failed to submit their mandatory annual injury and illness reports to OSHA. Additionally, OSHA could not identify if an establishment met the criteria for mandatory reporting and, therefore, could neither proactively remind specific establishments that they must report, nor effectively cite employers for non-compliance. Establishments' non-reporting continues to be a challenge for OSHA and results in an incomplete view of workplace injury and illness.

Protecting the Safety and Health of Miners

The Mine Safety and Health Administration's (MSHA) mission is to prevent death, injury, and illness from mining and promote safe and healthful workplaces for U.S. miners. The OIG is significantly concerned about four aspects of MSHA's ability to successfully fulfill its mission: (1) conducting inspections, (2) writing violations for identified hazards, (3) reducing fatalities, and (4) improving the frequency of MSHA's sampling for silica.

First, we are concerned about MSHA's ability to conduct inspections. The Federal Mine Safety and Health Act of 1977 requires MSHA to inspect every underground mine at least four times per year and every surface mine at least two times per year. A 2023 OIG audit[18] found MSHA did not complete an estimated 1,589 mandatory inspections for a period of four fiscal years from FY 2018 through FY 2021 despite reporting a nearly 100 percent completion rate. In addition, in November 2024, the OIG issued an alert memorandum[19] notifying leadership that MSHA

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17 COVID-19: OSHA Needs to Do More to Address High Injury Rates of Warehouse Workers, Report No. 19-23-013-10-105 (September 27, 2023), available at: https://www.oig.dol.gov/public/reports/oa/2023/19-23-013-10-105.pdf

18 COVID-19: MSHA Did Not Complete or Accurately Report Mandatory Inspections, Report No. 19-24-001-06-001 (October 17, 2023), available at: https://www.oig.dol.gov/public/reports/oa/2024/19-24-001-06-001.pdf

19 Alert Memorandum: Urgent Concerns for Miner Safety and Health in At Least Three U.S. Territories: MSHA Has Never Conducted Mandatory Inspections and Conducted Inappropriate Oversight of Mines in the Pacific Territories, Report No. 05-25-002-06-001 (November 12, 2024), available at: https://www.oig.dol.gov/public/reports/oa/2025/05-25-002-06-001.pdf

has failed to sufficiently identify its own jurisdiction and has never conducted mandatory mine inspections in at least three U.S. territories[20] where mining activity has occurred.

While MSHA has not provided the OIG with its planned corrective actions in response to our alert memorandum, MSHA has started taking actions in response to our 2023 audit. MSHA agreed to transparently report each year the number of attempted inspections caused by either a mine not operating at the time of the inspector's visit or a mine operator denying an MSHA inspector entry to the mine. However, accurate reporting will remain a concern for the OIG until we can verify MSHA's reporting changes. Furthermore, agency data contains inaccurate operating statuses for some mines. Inaccurate operating statuses are of serious concern because they can lead to MSHA not conducting required inspections, thereby risking miner safety.

Second, we are concerned about MSHA's ability to write violations for hazards it identifies during inspections. An OIG audit[21] found MSHA inspectors were not writing violations that adhered to the Federal Mine Safety and Health Act of 1977 and MSHA guidance for two reasons: (1) they were not following the guidance and (2) system controls were missing or improperly designed. We also found MSHA inspectors were extending violations for unjustified reasons and not timely verifying whether mine operators had abated hazards by required due dates. This was generally due to inspectors being responsible for mines located across large geographic areas and not revisiting the mines by the due dates. This concern is compounded by MSHA's failure to implement six of the OIG's nine recommendations from 2019 to improve MSHA's pre-assessment conferencing program, in which mine operators can challenge violations they feel MSHA inspectors did not write correctly.[22]

Third, we are concerned about the level of miner fatalities in two areas. According to MSHA's data, powered haulage and machinery accidents are the leading causes of miner fatalities (see Figure 1). These accidents have accounted for more than half of all miner fatalities for 7 years.

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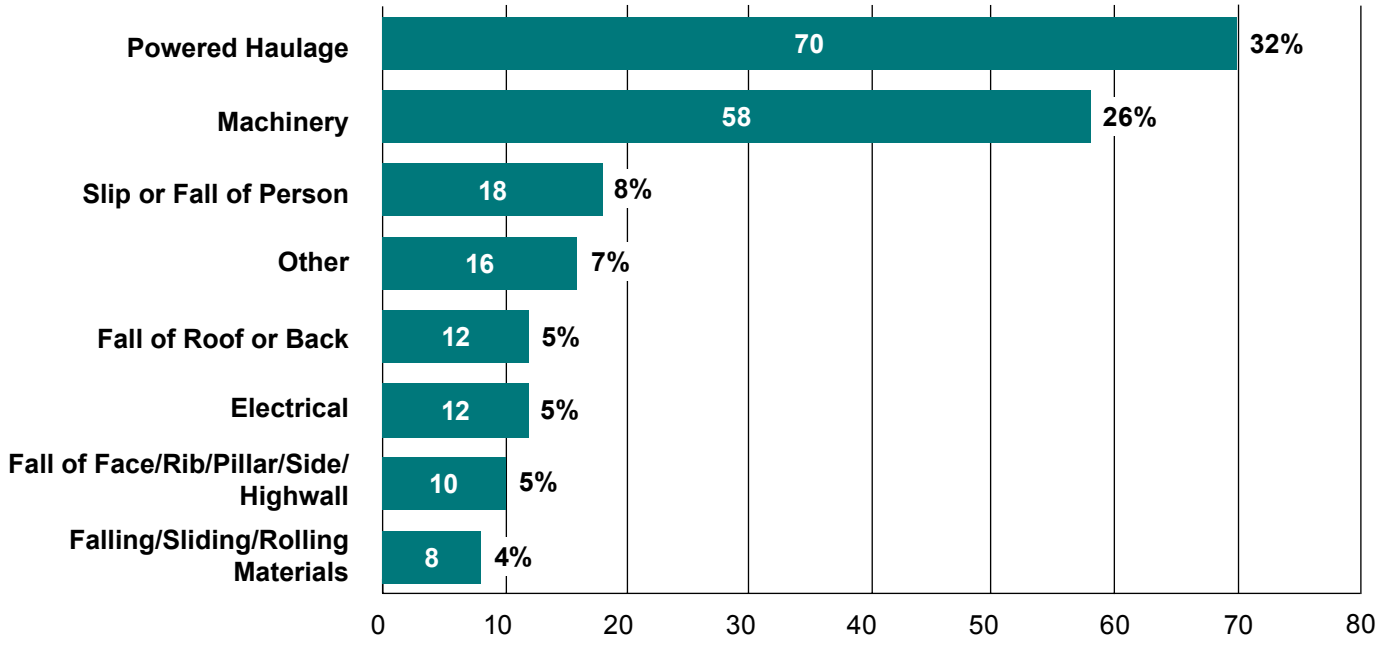
20 The three territories are American Samoa, Guam, and the Commonwealth of the Mariana Islands (Northern Mariana Islands) (collectively, the Pacific Territories).

21 MSHA Can Improve How Violations Are Issued, Terminated, Modified, and Vacated, Report No. 05-21-002-06-001 (March 31, 2021), available at: https://www.oig.dol.gov/public/reports/oa/2021/05-21-002-06-001.pdf

22 MSHA Can Improve Its Pre-Assessment Conferencing Program, Report No. 05-19-001-06-001 (September 23, 2019), available at: https://www.oig.dol.gov/public/reports/oa/2019/05-19-001-06-001.pdf

Significant Concerns

Figure 1: Number and Percentage of Top 8 Classes of Mining Fatalities, Calendar Years 2018–2024



Source: MSHA's Accident Injuries public dataset, as of March 14, 2025

On January 19, 2024, MSHA's final rule for the Safety Program for Surface Mobile Equipment became effective. The rule requires mine operators to develop, implement, and update written safety programs describing the actions it will take to identify hazards and risks to reduce accidents, injuries, and fatalities related to surface mobile equipment. This final rule is a positive mitigating step in conjunction with the performance of other prevention outreach. While we saw a decrease in machinery fatalities in 2024 from 2023, the powered haulage fatalities remained steady. We will remain concerned with the high number of powered haulage and machinery fatalities until the data shows a consistent decline in these incidents.

Finally, we remain concerned regarding how often MSHA is sampling for the presence of respirable crystalline silica. MSHA published a final rule on April 18, 2024, lowering the permissible exposure limit for respirable crystalline silica for all miners. This rule also includes other requirements to protect miner health, such as exposure sampling by mine operators, corrective actions to be taken when a miner's exposure exceeds the permissible exposure limit, and medical surveillance for metal and nonmetal mines. While this rule should help reduce occupational disease in miners and improve respiratory protection against airborne contaminants, the frequency of sampling performed by inspectors must be sufficient to address higher risk levels at mines.

Significant Concerns

In our November 2020 audit report,[23] we noted MSHA generally performed sampling during its mandatory inspections conducted quarterly for underground coal mines and semiannually for surface mines. Because silica levels can fluctuate, we have concerns regarding whether this frequency is enough to ensure the safety of miners at high-risk mines. Therefore, we recommended MSHA enhance its sampling program to increase the frequency of inspector samples where needed, such as through implementation of a risk-based approach. While MSHA agreed to study this recommendation and determine the necessity of increasing the frequency of inspector sampling by November 2021, it has yet to provide the results of that study or any corrective actions.

Ensuring the Safety of Students and Staff at Job Corps Centers

Ensuring the safety and health of students and staff at Job Corps centers—which are mostly residential, with students living on-campus—continues to be a concern of the OIG's due to ongoing issues with on-campus violence. In Program Year 2023, Job Corps centers reported 1,693 on-campus assaults. Preventing on-campus violence and other potential criminal behavior remains a challenge for Job Corps centers.

The use of fentanyl, a synthetic opioid that has rapidly become the leading cause of overdose death in the United States since 2016, and other dangerous drugs is also a significant concern within the Job Corps program. In Program Year 2022, six Job Corps students died of suspected unintentional drug overdoses, with three occurring on campus. Our analysis of Job Corps data for Program Year 2022 also identified five students and one staff member who had to be revived from a suspected drug overdose after being found unresponsive. A March 2021 OIG audit report showed Job Corps centers lacked the appropriate tools and resources to properly evaluate and mitigate issues related to substance abuse and mental health, which center personnel frequently attributed to causing student and staff safety concerns.

The significant age range of Job Corps students[24] can also pose challenges. Given the occurrence of sexual assaults and harassment on center campuses, there is an inherent risk with having adults co-enrolled with minors. The OIG will soon resume an audit focused on whether Job Corps ensured the safety of and mitigated program disruptions involving its minor students. The OIG also continues to monitor various safety initiatives and actions taken by Job Corps to keep students and staff safe.

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23 MSHA Needs to Improve Efforts to Protect Coal Miners from Respirable Crystalline Silica, Report No. 05-21-001-06-001 (November 12, 2020), available at: https://www.oig.dol.gov/public/reports/oa/2021/05-21-001-06-001.pdf

24 Per the Workforce Innovation and Opportunity Act, individuals aged 16 through 24 years are eligible to enroll in Job Corps and, once enrolled, can be in training for up to 3 years before finishing the program.

Significant Concerns

Protecting the Security of Employee Benefit Plan Assets

The OIG remains concerned about EBSA's ability to protect the integrity of pension, health, and other benefit plans of more than 156 million workers, retirees, and their families under ERISA.

The OIG remains concerned about the Employee Benefits Security Administration's (EBSA) ability to protect the integrity of pension, health, and other benefit plans of more than 156 million workers, retirees, and their families under the Employee Retirement Income Security Act of 1974 (ERISA). In particular, the OIG is concerned about the statutory limitations on EBSA's oversight authority and inadequate resources to conduct compliance and enforcement. From FY 2018 to FY 2025, EBSA's resources dropped 35 percent from 404 to 261 frontline staff.[25] Taking into consideration the 801,000 private retirement plans and 514,000 other welfare benefit plans with the 2.6 million health plans EBSA has jurisdiction over, this equates to 1 investigator for roughly every 15,000 plans. As a result, EBSA needs to focus its limited available resources on investigations that are most likely to result in the prevention, detection, and correction of ERISA violations. This is particularly important given the number of benefit plans EBSA oversees relative to the number of investigators it employs. This concern is further increased given volatility and instability in cryptocurrency and other digital assets.

A decades-long challenge to EBSA's compliance program, ERISA provisions allow billions of dollars in pension assets to escape full audit scrutiny. ERISA generally requires every employee benefit plan with more than 100 participants to obtain an audit of the plan's financial statements each year. However, an exemption in the law allowed auditors to perform "limited-scope audits." These audits excluded pension plan assets already certified by certain banks or insurance carriers and provided little to no confirmation regarding the actual existence or value of the assets.

Past OIG work[26] revealed that approximately $3 trillion in pension assets—including an estimated $800 billion to $1.1 trillion in hard-to-value alternative investments—received only limited-scope audits. According to EBSA, the pension asset amount increased to $5.3 trillion as of 2022. In 2019, the American Institute of Certified Public Accountants updated its accounting standards,[27] replacing limited-scope audits and imposing new performance requirements. We will follow up on our previous work on EBSA's oversight of limited-scope audits.

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25 EBSA's frontline staff includes investigators, auditors, and senior investigators who are responsible for detecting and correcting any and all ERISA violations.

26 EBSA Needs to Provide Additional Guidance and Oversight to ERISA Plans Holding Hard-to-Value Alternative Investments, Report No. 09-13-001-12-121 (September 30, 2013), available at: https://www.oig.dol.gov/public/reports/oa/2013/09-13-001-12-121.pdf

27 Forming an Opinion and Reporting on Financial Statements of Employee Benefit Plans Subject to ERISA, Statement on Auditing Standards No. 136 (July 2019), available at: https://www.aicpa-cima.com/resources/download/aicpa-statement-on-auditing-standards-no-136

Furthermore, EBSA lacks the authority under the Federal Employees' Retirement System Act to effectively oversee hundreds of billions of dollars in federal employee Thrift Savings Plan (TSP) assets.[28] EBSA has limited legal authority to compel the Federal Retirement Thrift Investment Board to implement its recommendations, which includes enforcing its recommendations to improve the TSP's cybersecurity posture. As a significant portion of the TSP's infrastructure was recently transferred to an outside third-party vendor, we are concerned about the threat cybersecurity breaches pose to the TSP. More generally, identifying and mitigating cyber threats requires a high degree of technical expertise. Cyber threats also potentially place trillions of dollars in other ERISA-covered retirement plan assets at risk.

Complicating the cyber landscape, EBSA has been cautioning investors about the volatility and instability of cryptocurrencies; expressed custodial, recordkeeping, and valuation concerns; and has indicated that these investments are subject to significant risks of fraud, theft, and loss. In March 2022, EBSA issued a Compliance Assistance Release[29] cautioning plan fiduciaries to exercise extreme care before they consider adding a cryptocurrency option to a 401(k) plan's investment menu for plan participants. To address these challenges, we plan to review EBSA's oversight of cryptocurrency options within retirement plans.

Protecting Workers' Right to Unionize through Enforcing Persuader Activity Disclosure

We are concerned the Office of Labor-Management Standards (OLMS) does not have the necessary tools to deter violations or enforce compliance to protect workers' rights to unionize. OLMS is responsible for enforcing requirements under the Labor-Management Reporting and Disclosure Act of 1959 for disclosing persuader activity when an employer hires someone to influence an employee regarding unionization. Timely, complete, and accurate receipt and subsequent disclosure of this information enables employees to protect their rights and interests to unionize. This transparency, in turn, helps union members to self-govern and workers to determine whether to exercise their rights to organize and bargain collectively.

In May 2024,[30] we reported OLMS did not effectively enforce persuader activity requirements to protect workers' rights to unionize. Specifically, OLMS did not effectively ensure required persuader

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28 The total value of TSP assets fluctuates over time and is affected by market volatility.

29 U.S. Department of Labor, Employee Benefits Security Administration, Compliance Assistance Release No. 2022-01: 401(k) Plan Investments in "Cryptocurrencies" (March 10, 2022), last accessed March 26, 2025, available at: https://www.dol.gov/agencies/ebsa/employers-and-advisers/plan-administration-and-compliance/compliance-assistance-releases/2022-01.

30 OLMS Can Do More to Protect Workers' Rights to Unionize Through Enforcing Persuader Activity Disclosure, Report No. 09-24-002-16-001 (May 3, 2024), available at: https://www.oig.dol.gov/public/reports/oa/2024/09-24-002-16-001.pdf

activity reports were filed and employers and consultants that filed did so timely and accurately. In addition, OLMS did not ensure it addressed tips provided by the public and did not effectively coordinate with the National Labor Relations Board (NLRB) to obtain information related to persuader activities. These issues occurred because OLMS: (1) had limited enforcement authority; (2) lacked sufficient policies, procedures, and systems for monitoring reports and tips; and (3) did not fully implement processes for sharing information and resources with the NLRB.

In response to our audit, OLMS took steps to implement quality control measures, policies and procedures, and collaborative processes for sharing persuader activity and other relevant information with the NLRB, among other improvements. However, OLMS's limited enforcement authority, which lacks the ability to levy fines and penalties, gives employers and consultants little incentive to comply.

Maintaining the Integrity of Foreign Labor Certification Programs

The DOL foreign labor certification (FLC) programs are intended to permit U.S. employers to hire foreign workers to meet their workforce needs while protecting U.S. workers' jobs, wages, and working conditions. DOL's administration of FLC programs under current laws has been a concern for the OIG for decades. Our work has shown these visa programs—particularly the H-1B program for workers in specialty occupations—to be susceptible to significant fraud and abuse from perpetrators, including immigration agents, attorneys, labor brokers, employers, and organized criminal enterprises.



DOL continues to have limited authority over the H-1B program and permanent employment certification program (PERM), which challenges the goal of protecting the welfare of the nation's workforce. The statute limits DOL's ability to deny H-1B applications and to investigate potential violations. Specifically, DOL may only deny incomplete and obviously inaccurate H-1B applications and has only limited authority to conduct H-1B investigations in the absence of a complaint. Without statutory authority, the Department generally cannot verify employers' attestations to the H-1B certifications unless a complaint is filed, or the Department utilizes a Secretary-certified investigation. As some foreign workers may be reluctant to file complaints for fear of retaliation and losing their jobs, the Department's process is unlikely to result in verification action being taken.

Significant Concerns

Some employers exploit FLC program vulnerabilities to facilitate labor trafficking—a type of human trafficking—sometimes committing FLC fraud to do so. Engaging in the FLC process allows prospective employers to recruit able, willing, skilled, motivated, and legally well-intentioned workers, and also entice them to the jobsite. This saves the employer from paying costly human smuggling expenses and limits liability associated with smuggling or the harboring of undocumented workforces.

Once the workers are onsite, the employer can control/compel labor and services by holding workers' travel documents; threatening to revoke their visas and "blacklisting" them in the future; controlling how much money they possess; and limiting their access to adequate food, housing, or outside contact. For example, in an ongoing OIG investigation,[31] 16 individuals have pled guilty and 15 individuals have been sentenced to date as part of a federal racketeering conspiracy, which victimized agricultural workers from Mexico and Guatemala admitted to the United States under the H-2A temporary visa program. The investigation revealed the conspirators were able to commit multiple offenses, including subjecting H-2A workers to forced labor, harboring and concealing workers, visa fraud, and fraud in foreign labor contracting. Because criminals can exploit FLC program weaknesses to expose people to forced labor and labor trafficking, it is vital that the Department take all action possible to ensure the integrity of these programs.

Managing Medical Benefits in the Office of Workers' Compensation Programs

The OIG has concerns about the Office of Workers' Compensation Programs' (OWCP) ability to effectively manage the use and cost of pharmaceuticals in the Federal Employees' Compensation Act (FECA) program and about rising home health care costs in the Energy Employees Occupational Illness Compensation Program Act (Energy) program. The Department needs to ensure the medical benefits it provides to FECA claimants and energy workers are safe, effective, medically necessary, and economical.

Our audit work in the FECA program has previously identified concerns with OWCP's management of pharmaceuticals. In our most recent report, issued March 2023,[32] we found OWCP did not effectively manage pharmaceutical spending in the FECA program from FY 2015 through FY 2020.

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31 DOJ, U.S. Attorney's Office, Southern District of Georgia, "Human Smuggling, Forced Labor Among Allegations in South Georgia Federal Indictment," press release (November 22, 2021), available at: https://www.justice.gov/usao-sdga/pr/human-smuggling-forced-labor-among-allegations-south-georgia-federal-indictment; and DOJ, U.S. Attorney's Office, Southern District of Georgia, "Three Men Sentenced to Federal Prison on Charges Related to Human Trafficking," press release (March 31, 2022), available at: https://www.justice.gov/usao-sdga/pr/three-men-sentenced-federal-prison-charges-related-human-trafficking

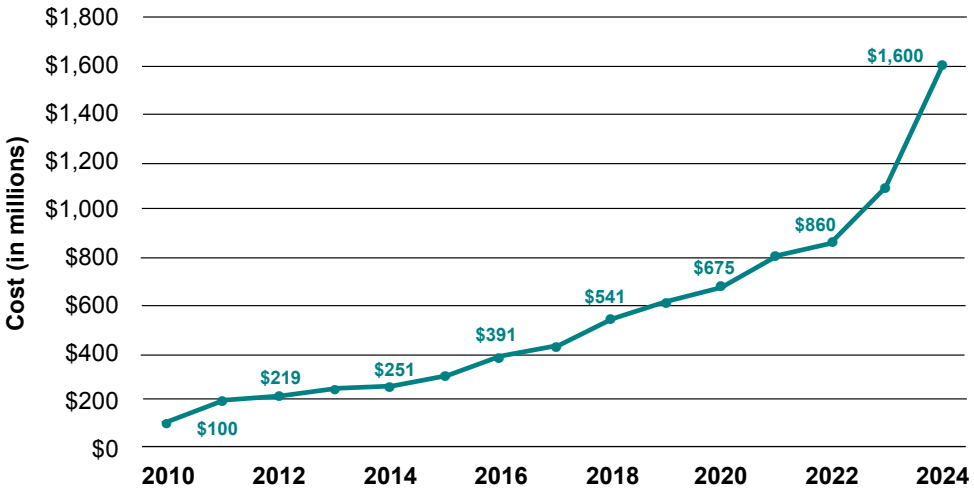
32 OWCP Did Not Ensure Best Prices and Allowed Inappropriate, Potentially Lethal Prescriptions in the FECA Program, Report No. 03-23-001-04-431 (March 31, 2023), available at: https://www.oig.dol.gov/public/reports/oa/2023/03-23-001-04-431.pdf

Specifically, OWCP did not pay the best available prices for prescription drugs resulting in up to $321 million in excess spending during the audit period. We also found OWCP failed to timely identify and address emerging issues and did not perform sufficient oversight of prescription drugs that are highly scrutinized and rarely covered in workers' compensation programs.

In March 2021, consistent with our prior audit recommendations, OWCP implemented a pharmacy benefit manager[33] responsible for FECA pharmaceutical transactions, including pricing for prescription drugs. In addition, OWCP expanded pharmacy benefit manager coverage to the Energy and Black Lung Benefits programs. While OWCP has addressed all of our pharmaceutical recommendations and significantly reduced pharmaceutical spending in the FECA program, OWCP needs to continue to ensure it provides adequate oversight over the pharmacy benefit manager to ensure the pharmaceutical benefits it provides are safe, effective, medically necessary, and economical.

In the Energy program, with an aging claimant population and an increased demand for home health care services, there is a risk of providers exploiting these benefits through unethical practices. Since 2010, home and residential health care costs paid by the Energy program have grown from almost $100 million to approximately $1.6 billion in FY 2024 (see Figure 2). OWCP needs to continue its efforts to analyze home health care billing for abusive practices and to identify and refer allegations involving potential fraud or abuse to the OIG for further investigation.

Figure 2: Home Health Care Costs in the Energy Program, Fiscal Year 2010–2024



Source: Home health care cost data provided by OWCP.

33 Pharmacy benefit managers are third-party administrators of prescription drug programs, primarily responsible for developing and maintaining formularies, which include an approved listing of prescriptions, negotiating discounts and rebates with drug manufacturers, and processing and paying prescription drug claims.

Significant Concerns

In May 2024,[34] we reported OWCP could improve its medical claims processing in the Energy program. For example, we found OWCP did not use complete information to measure and publicly report how long it took to make claims decisions, from start to finish. This distorted the perception of how long claimants waited for decisions needed to receive compensation and medical expense coverage. Our analyses showed wait times for final decisions increased from an average of 182 days in FY 2018 to 207 days in FY 2022, even though there were fewer final decisions to process.

Ensuring the Solvency of the Black Lung Disability Trust Fund

Miners and their dependent survivors receive lifetime benefits when awarded under the Black Lung Benefits Act. Mine operators pay these benefits when possible, and the Black Lung Disability Trust Fund (Trust Fund) pays the benefits when a miner's former employer does not or cannot assume liability. The OIG's primary concern is that the current annual income of the Trust Fund (primarily from an excise tax on domestic sales of coal) is not sufficient to cover annual benefit obligations to meet administrative costs and to service past debt.

The Trust Fund expenditures have consistently exceeded revenue, and the Trust Fund has essentially borrowed with interest from Treasury's general fund almost every year since 1979. According to DOL's FY 2024 Agency Financial Report, the Trust Fund had to borrow approximately $3.03 billion to cover its expenditures, which included debt and interest payments. As of September 30, 2024, the Trust Fund was carrying close to a $6.6 billion deficit balance, which is projected to grow to $14.4 billion (in constant dollars) by September 30, 2049.

The excise tax that funds the Trust Fund is levied on domestic sales of coal mined in the United States. On August 16, 2022, the Inflation Reduction Act of 2022 made permanent the temporary increased excise tax rates of $1.10 per ton of underground mined coal and $0.55 per ton of surface-mined coal, with a cap of 4.4 percent of the sales price. However, we remain concerned the permanent tax increases are still not sufficient to ensure solvency of the Trust Fund.

Improving the Performance Accountability of Workforce Development Programs

The OIG has concerns about the Department's ability to ensure its investments in workforce development programs are successful in enhancing participants' skills and placing them in meaningful and appropriate employment. Our work has identified weaknesses in four key areas: (1) awarding grants, (2) reviewing grant recipients' use of funds, (3) determining participant eligibility, and (4) measuring program performance. ETA must ensure it focuses on these areas to improve the accountability of the Department's workforce development programs.

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34 OWCP Could Improve Its Existing Guidelines for Processing DEEOIC Claims, Report No. 09-24-001-04-437 (May 2, 2024), available at: https://www.oig.dol.gov/public/reports/oa/2024/09-24-001-04-437.pdf

Significant Concerns

The OIG's September 2021 audit[35] of the American Apprenticeship Initiative grant program—which aimed in part to expand Registered Apprenticeships—identified systemic weaknesses in the execution of the grants, as well as in ETA's planning and awarding processes. DOL received $285 million in FY 2024 and requested $335 million for the Registered Apprenticeship Program in FY 2025. The Department must ensure its significant investments into Registered Apprenticeships are used efficiently and effectively to develop new pathways to good-quality jobs.

Strengthening oversight of how grant recipients and sub-recipients spend funds can improve performance accountability in DOL workforce development programs. In September 2023, we reported[36] ETA needs to improve its oversight of grant recipients and sub-recipients[37] in New Jersey to ensure grant funds serve their intended purposes. We found ETA did not ensure recipients effectively: (1) used over $100 million to serve the intended population; (2) enrolled eligible individuals in the grant programs, costing $96,580 in training services; and (3) complied with federal requirements when paying $168,460 in services. We also questioned $6.9 million in grant funding because the sub-recipients could not show how these funds were used.

In our work on ETA's administration of the Disaster National Dislocated Worker Grants (DWG) published in October 2024, we reported on the $50 million[38] DWG awarded under the Additional Supplemental Appropriations for Disaster Relief Act, 2019 for necessary expenses directly related to the consequences of multiple natural disasters. We found ETA did not establish written interagency agreements with the Federal Emergency Management Agency (FEMA) to formalize collaboration efforts in disaster recovery. ETA needs to strengthen its controls over how grant recipients and sub-recipients: (1) coordinate with FEMA, (2) document participant eligibility, (3) receive timely grant funds to prevent future work stoppages, and (4) use grant funds. In total, we identified questioned costs of $926,513 consisting of $909,240 for ineligible participants and $17,273 in costs not allocable to the grant.

ETA recently released Training and Employment Guidance Letter No. 09-24[39] to update the guidance for the DWG program. The update allows self-attestation in disaster situations without the need for

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35 ETA Did Not Sufficiently Plan and Execute the American Apprenticeship Initiative Grant Program, Report No. 05-21-004-03-375 (September 30, 2021), available at: https://www.oig.dol.gov/public/reports/oa/2021/05-21-004-03-375.pdf

36 COVID-19: The Employment and Training Administration Needs to Improve Oversight of Grants Awarded in New Jersey, Report No. 19-23-016-03-391 (September 28, 2023), available at: https://www.oig.dol.gov/public/reports/oa/2023/19-23-016-03-391.pdf

37 A sub-recipient is a non-federal entity that receives a sub-award from a pass-through entity to carry out part of a federal program. It does not include an individual who is a beneficiary of the program.

38 Of the $50 million, $500,000 was transferred to the OIG for oversight of activities responding to the covered disasters or emergencies.

39 TEGL No. 09-24, Updated National Dislocated Worker Grant Program Guidance and Application Information, issued December 17, 2024, last accessed on March 12, 2025, and available at: https://www.dol.gov/agencies/eta/advisories/tegl-09-24

additional documentation. Previously, ETA guidance[40] required states to collect all documentation necessary to demonstrate that each participant is eligible. With the update, the Department must also obtain appropriate, accurate, and reliable data to measure, assess, and make decisions regarding the performance of its workforce development programs. In 2020, an audit found that, although ETA had data to determine whether participants were employed after exiting grant-funded training programs, it lacked data to measure the impact credentials had on participants' outcomes and did not ensure participants' data was accurate, valid, and reliable. Similarly, in a 2018 audit, we found that Job Corps was unable to demonstrate the extent to which its training programs helped participants obtain meaningful jobs appropriate to their training within 5 years of completing the program. Without appropriate, accurate, and reliable data, the Department is challenged to effectively assess the performance of its workforce development programs.

Managing and Securing Data and Information Systems

We remain concerned with DOL's ability to manage and secure its data and information systems, more so with the rapidly expanding use of artificial intelligence (AI). The Department and its program agencies depend on reliable and secure IT systems to perform their mission critical functions. In carrying out their missions, the agencies obtain and create vast amounts of information and data. Included in these data are the personally identifiable information and personal health information of the public, including federal employees. While DOL has improved IT management, such as implementing a shared services model, we remain concerned with its governance structure. The OIG also continues to have concerns with the Department's information security program in the following areas: cybersecurity oversight; supply chain; cloud/third-party; end user/remote security; and emerging technology and security requirements, such as AI and zero trust architecture.

We continue to identify recurring deficiencies in DOL's efforts to manage and implement security controls throughout its information security program. The Department has not adequately implemented information security controls and technology tools required to manage and monitor IT security. Furthermore, we are still concerned the 30 percent of systems outside the Office of the Assistant Secretary for Administration and Management's (OASAM) IT shared services environment, including the Bureau of Labor Statistics, are not receiving the governance and oversight required to sufficiently secure all of DOL's data and information systems.

We continue to identify recurring deficiencies in DOL's efforts to manage and implement security controls throughout its information security program.

40 TEGL No. 12-19, National Dislocated Worker Grant Program Guidance, issued March 18, 2020, last accessed on March 12, 2025, and available at: https://www.dol.gov/agencies/eta/advisories/training-and-employment-guidance-letter-no-12-19

Significant Concerns

Additionally, we are concerned about DOL's oversight of the rapidly expanding use of AI across agencies. In developing its AI capabilities, DOL instituted an AI Governance Board, appointed specific agency AI Points of Contact, developed a process for evaluating new AI use cases, and created an inventory of DOL's current AI use cases. Our concerns involve the current vacancies in the AI Governance Board positions and the insufficient clarity in the roles and responsibilities regarding AI implementation and monitoring, leading to potential risks in data privacy, security, and ethical usage. Without developed and mature standardized guidelines and continuous oversight, AI systems may perpetuate bias or malfunction in critical operations. The Chief Information Officer must establish robust frameworks to ensure AI aligns with public trust and governance standards.

These areas represent ongoing risks to the confidentiality, integrity, and availability of DOL's information systems, which are necessary to support the Department's mission. DOL needs to implement the necessary strategies and tools to provide effective management and security for its data and information systems.

OFFICE OF INSPECTOR GENERAL
E PLURIBUS UNUM
UNITED STATES
DEPARTMENT OF LABOR

Worker and Retiree Benefit Programs

Unemployment Insurance Programs

Office of Workers' Compensation Programs

Employee Benefit Plans

Unemployment Insurance Programs

Enacted more than 80 years ago as a federal-state partnership, the unemployment insurance (UI) program is the Department's largest income-maintenance program. This multi-billion-dollar program provides unemployment benefits to eligible workers who become unemployed through no fault of their own. Within the UI program umbrella are other programs such as State UI, Unemployment Compensation for Federal Employees, and Unemployment Compensation for Ex-Servicemembers. The UI program is generally administered by states with oversight from DOL's Employment and Training Administration.

The UI program has experienced some of the highest improper payment rates across the federal government, generally exceeding 10 percent for the last two decades.

Joint Report to U.S. Department of Labor, Employment and Training Administration and the U.S. Small Business Administration, Office of Capital Access

COVID-19: DATA SHARING PROJECT FINDS BILLIONS PAID TO SAME LIKELY FRAUDSTERS UNDER BOTH THE UNEMPLOYMENT INSURANCE AND ECONOMIC INJURY DISASTER LOAN PROGRAMS

Why We Conducted the Joint Project

The UI and EIDL programs provide eligible people and businesses with needed relief in the face of crises. However, both programs are at risk of ineligible individuals attempting to obtain benefits. In 2020, soon after Congress expanded both programs in response to the adverse economic effects caused by the COVID-19 pandemic, both DOL-OIG and SBA-OIG respectively began reporting on heightened risks of fraud and found similar fraud indicators.



Given the similarities in potential fraud indicators in both programs, DOL and SBA OIGs conducted a joint project to answer the following question:

Could data sharing between the ETA and SBA mitigate the risk of fraudulent UI benefit payments and SBA disaster program disbursements?

To answer this question, the two OIGs entered into a data use agreement to share respective pandemic-related data to perform data matching analyses.

What We Found

We found data sharing and matching between ETA and SBA could mitigate the risk of fraudulent UI benefit payments and SBA disbursements. Both OIGs found data matching worked as a tool to identify potential fraud. DOL-OIG identified more than $1.3 billion in potentially fraudulent UI and EIDL payments made to the same likely fraudsters. Matching to a larger dataset, SBA-OIG identified over $2.25 billion in potentially fraudulent EIDLs disbursed, including nearly $1.4 billion in EIDL disbursements not previously identified by SBA-OIG or SBA.

People may be both employed and operating a small business, so they may be eligible to receive assistance from both programs. However, during the pandemic, no data sharing mechanism on potential fraud for UI and COVID EIDLs existed between ETA and SBA. If data sharing and matching had existed, the agencies could have conducted a higher level of review by matching applicants across both programs to mitigate fraudulent payments. The implications of fraud impacting more than one agency extends beyond significant monetary losses, potentially impacting expeditious, efficient deployment of assistance and decreasing public trust.

What We Recommended

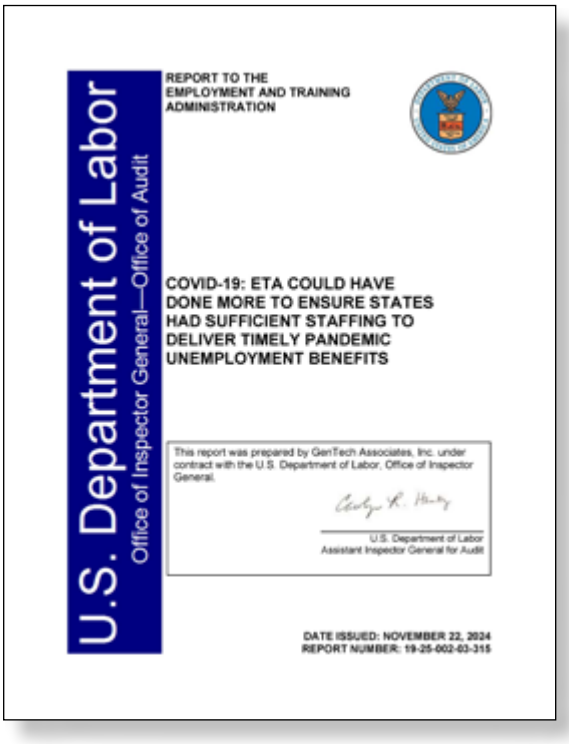
We made a total of five recommendations: four to facilitate improved fraud controls via collaboration and one (for SBA) to reevaluate eligibility. Specifically, we recommended DOL and SBA collaborate to evaluate their authorities on data sharing and to develop further fraud prevention resources. ETA stated agreement with one of its two recommendations. DOL-OIG will monitor ETA's corrective action plans to resolve the recommendations. SBA agreed with its three recommendations, and SBA-OIG assesses its planned actions will resolve those recommendations.

For more information, go to: https://www.oig.dol.gov/public/reports/oa/2025/19-25-001-03-315.pdf, Report No. 19-25-001-03-315 (December 5, 2024).

COVID-19: ETA COULD HAVE DONE MORE TO ENSURE STATES HAD SUFFICIENT STAFFING TO DELIVER TIMELY PANDEMIC UNEMPLOYMENT BENEFITS

Why OIG Conducted the Audit

On March 27, 2020, Congress passed the CARES Act, which provided expanded UI benefits to workers unable to work due to the COVID-19 pandemic. Section 2106 of the CARES Act provided emergency hiring flexibility and other temporary actions to process unemployment claims quickly.



Our prior audit work found states' staffing was a concern in implementing emergency UI programs. Based on these risks, we contracted with GenTech Associates, Inc. (GenTech) to answer the following question:

> **Did the ETA ensure states' staffing supported the implementation of UI programs under the CARES Act and its amendments?**

To answer this question, GenTech assessed ETA's oversight, performed in-depth testing of 6 OIG-selected states, and surveyed an additional 47 state workforce agencies.

What OIG Found

GenTech found ETA took several actions toward ensuring states' staffing supported the implementation of CARES Act UI programs. However, more actions were needed to ensure staffing levels were sufficient to afford timely benefits to eligible claimants. Specifically, ETA:

- provided states funding that could be used to improve staffing levels, but did not measure the impact of that funding nor determine the sufficiency of increased staffing levels in implementing the new UI programs;
- issued guidance for monitoring states' staffing support, but did not do so until October 2020, 6 months after Congress passed the CARES Act;

- monitored states' UI program performance, but did not recommend corrective actions to address states' staffing issues; and
- allowed states the flexibility to reassign Benefit Accuracy Measurement staff to claims processing, but did not evaluate the resulting impairments to measuring improper payments.

These deficiencies occurred because ETA did not prioritize the oversight of states' staffing during the COVID-19 emergency. Specifically, ETA: (1) did not establish a benefit payment timeliness standard for CARES Act UI programs; (2) did not recognize the need for urgency in issuing monitoring guidance for the temporary programs; (3) allowed monitoring personnel the discretion to classify staffing as an area of concern rather than a compliance issue requiring corrective action; and (4) prioritized processing the volume of UI claims over measuring the accuracy of UI payments, specifically improper payments when suspending the Benefit Accuracy Measurement program as a strategy to address states' staffing needs.

As a result, from April 2020 through September 2021, the 6 states were only able to pay 70 percent of initial claims (3.6 million of 5.2 million) within 21 days, compared to the 87 percent standard ETA applies to regular UI. The quarterly percentage of claims paid within 21 days ranged from 51 percent to 81 percent. Furthermore, ETA's suspension of the Benefit Accuracy Measurement program impaired ETA's ability to assess the integrity of the new UI programs with respect to improper payments, including fraud.

What OIG Recommended

GenTech made four recommendations to ETA to improve its oversight and support of states' staffing needs during an emergency event. ETA did not agree with the four recommendations; however, ETA's proposed corrective action met the intent of one recommendation.

For more information, go to https://www.oig.dol.gov/public/reports/oa/2025/19-25-002-03-315.pdf, Report No. 19-25-002-03-315 (November 22, 2024).

California Resident Pled Guilty to Fraudulently Obtaining $59 Million in Public Benefits and Laundering Proceeds to China

On January 29, 2025, Bruce Jin pled guilty to one count of conspiracy to commit wire fraud and one count of conspiracy to launder monetary instruments in the amount of approximately $59 million in a scheme to fraudulently obtain UI benefits in multiple states.

Jin and his co-conspirators entered into a series of agreements to make it appear as if they were operating legitimate businesses that sold masks and other COVID-19 pandemic personal protective equipment. In reality, the funds that he and others obtained and laundered through the companies

and banks were fraudulently obtained UI benefits from Pennsylvania and other states. Additionally, the conspirators also fraudulently obtained Economic Impact Payments issued by the Internal Revenue Service (IRS).

Jin and co-conspirators established various companies and subsequently opened bank accounts associated with the companies. Unnamed members of the conspiracy, including some believed to reside in China, utilized the stolen PII of thousands of identity theft victims to establish bank accounts across the United States. The co-conspirators, who were believed to be in China, filed false UI claims that were then paid into the fraudulently established bank accounts. Members of the conspiracy initially transferred millions in UI benefits from the accounts in the names of identity theft victims to companies that Jin and a co-conspirator controlled. They also transferred funds via ACH processing or international wire transfers to bank accounts associated with other co-conspirators. Some of the identified co-conspirators reside in China.

This is a joint investigation with the FBI. *United States* v. *Bruce Jin* (M.D. Pennsylvania)

Georgia Woman Sentenced to 144 Months in Prison for $30 Million Pandemic-Related Unemployment Insurance Fraud Scheme and Firearms Charge

On October 24, 2024, Tyshion Hicks was sentenced to 144 months in prison for her role in a scheme to defraud the Georgia Department of Labor (GA DOL) of tens of millions of dollars in pandemic-related UI benefits and for illegal possession of a machine gun.

From March 2020 through November 2022, Hicks and her co-conspirators caused more than 5,000 fraudulent UI claims to be filed with GA DOL, resulting in the disbursement of at least $30 million in stolen benefits. To execute the scheme, she and her co-conspirators created fictitious employers and lists of purported employees by using the PII of thousands of identity theft victims. They then used the stolen PII and fictitious companies to file fraudulent UI claims on the GA DOL website. The co-conspirators obtained the PII from a variety of sources, including by paying an employee of a Georgia-based health care and hospital network to steal patients' PII from hospital databases and by purchasing PII from online sources. In addition, Hicks paid a U.S. Postal Service (USPS) carrier to unlawfully divert mail containing debit cards loaded with more than $512,000 in UI fraud proceeds to her.

This is a joint investigation with the United States Secret Service, Homeland Security Investigations (HSI), the U.S. Department of Homeland Security (DHS)-OIG, the Internal Revenue Service-Criminal Investigation (IRS-CI), the United States Postal Inspection Service (USPIS), and the USPS-OIG. *United States* v. *Tyshion Hicks* (M.D. Georgia)

Detroit Man Sentenced to 94 Months in Prison for Role in Unemployment Insurance Fraud Scheme

On March 13, 2025, Kenny Howard was sentenced to 94 months in prison and ordered to pay more than $6.3 million in joint and several restitution after he pled guilty to one count of conspiracy to commit wire fraud and one count of aggravated identity theft for his role in a scheme to defraud SWAs during the COVID-19 pandemic.

Between approximately April 2020 and August 2021, Howard and his co-conspirators defrauded the federal government and multiple SWAs of funds that were earmarked for COVID-19 pandemic relief. The scheme involved the filing of more than 700 fraudulent UI claims with more than five states, primarily Michigan, California, and Arizona. Howard and his co-conspirators used the stolen PII of identity theft victims to file the UI claims. As a result, the co-conspirators fraudulently obtained UI benefits that were loaded onto pre-paid debit cards and mailed to addresses controlled by the defendants. To access the stolen funds, the co-conspirators made cash withdrawals at ATMs in Michigan and California.

Approximately sixty percent of the fraudulent claims related to the scheme were successful, resulting in a loss of more than $6.3 million to SWAs. If all the fraudulent claims had been approved, the resulting loss would have been more than $11 million.

This is a joint investigation with HSI. *United States* v. *Howard et al.* (E.D. Michigan)

Detroit Resident Sentenced in CARES Act Fraud Scheme

On March 13, 2025, Maurice Brown-Portwood was sentenced to 22 months in prison and ordered to pay more than $600,000 in restitution for his role in a multi-million dollar CARES Act fraud scheme.

On November 20, 2024, and November 25, 2024, Brown Portwood's co-defendants Christopher Lindsay, Deangelo Jackson Portwood, Anton Greenwood, Adartha Tillman, and Taurean Davis pled guilty to conspiracy to commit wire fraud for their respective roles in the fraud scheme. Jackson-Portwood also pled guilty to aggravated identity theft.

Between February 2020 and May 2021, Brown-Portwood and his co-conspirators obtained the PII of identity theft victims, without their knowledge or consent. They then used the PII to file fraudulent claims in various states for Pandemic Unemployment Assistance (PUA) benefits, PPP loans, and EIDL funds. In other instances, the co-conspirators used their own identities to submit fraudulent PPP and EIDL applications in the names of businesses that were fictitious or dormant. The PUA benefits were often deposited onto debit cards that were sent to addresses controlled by the defendants.

As a result of the schemes, they falsely obtained more than $6 million in PUA benefits, PPP loans, and EIDL funds.

This is a joint investigation with the FBI and the SBA-OIG. *United States* v. *Deangelo Jackson-Portwood et al.* (E.D. Michigan)

Michigan Fraudsters Sentenced for Conspiracy to Steal Pandemic Unemployment Insurance Benefits

On December 3, 2024, Daniel Holt was sentenced to 24 months in prison for his involvement in a pandemic-related UI fraud scheme. In October 2024, co-conspirators Jaylin Qualls, Daveontae White, and Cheikh Sene were sentenced to 12 months, 24 months, and 36 months in prison, respectively. All four defendants were ordered to pay restitution, jointly and severally, of more than $4.8 million.

Between approximately April 2020 and August 2021, Holt, Qualls, White, Sene, and their co-conspirators filed nearly 700 fraudulent UI claims in more than nine states—primarily Michigan, California, and Arizona. They used the stolen PII of identity theft victims to file the UI claims. As a result, the co-conspirators fraudulently obtained more than $4.8 million in UI benefits that were loaded onto pre-paid debit cards and mailed to addresses controlled by the defendants. To access the stolen funds, the co-conspirators made cash withdrawals at ATMs in Michigan and California.

This is a joint investigation with the FBI. *United States* v. *Marcellus Dunham et al.* (E.D. Michigan)

Two Miami Men Sentenced for Conspiracy to Fraudulently Obtain More Than $4.4 Million in Pandemic-Related Unemployment Insurance Benefits

On February 25, 2025, Kenneth Dikari Stevens Jr and Giovanni K. Matthews were sentenced to 36 and 32 months in prison, followed by 60 months of supervised release, respectively. Stevens was also ordered to pay a total of $3.8 million in restitution and Matthews was ordered to pay a total of $337,000 in restitution.

Stevens and Matthews were previously convicted of conspiracy to commit bank fraud, wire fraud, and mail fraud for their roles in a scheme to defraud the California Employment Development Department (California EDD) of COVID-19 pandemic-related UI benefits.

Between approximately August 2020 and January 2022, Stevens, Matthews, and their co-conspirators used the PII of identity theft victims to submit fraudulent UI applications to the California EDD. To successfully file a claim with California EDD, applicants had to pass an identity verification process, which required them to upload a driver's license, among other steps. The photo of Stevens' face was on 262 falsified driver's licenses used to obtain the stolen benefits.

Of the 262 claims, the California EDD approved 220 and disbursed more than $4.4 million in UI benefits.

This is a joint investigation with the DHS-OIG, the USPIS, and the FBI as part of the Southern District of Florida Miami COVID-19 Strike Force. *United States* v. *Kenneth Dikari Stevens, Jr., United States* v. *Giovanni Kymani Paul Matthews* (S.D. Florida)

Maryland Man Pled Guilty to Role in $3.5 Million Pandemic-Related Unemployment Insurance Fraud Conspiracy

On January 21, 2025, Ahmed Hussain pled guilty to conspiracy to commit wire fraud and aggravated identity theft, for his role in a $3.5 million pandemic-related UI fraud scheme. He also pled guilty to additional counts of felon in possession of a firearm and possession with intent to distribute a controlled substance.

Between approximately 2021 and 2022, Hussain conspired with other co-defendants, including former contractors who provided services directly to the Maryland Department of Labor (MD DOL) to defraud the UI program. The contractors were issued laptop computers that allowed remote access to MD DOL systems, such as the UI claims system. Hussain and his co-conspirators used the laptops to access non-public UI data and databases maintained by MD DOL to change information on existing UI claims, including contact email addresses, online account passwords, and payment methods. They also made numerous false statements and misrepresentations on UI applications, so the highest amount of available UI benefits would be paid. Hussain and his co-conspirators uploaded and approved documents required by MD DOL to support UI claims, removed fraud holds on UI claims, and certified weeks of unemployment for payment in the MD DOL system. They also engaged in other actions to facilitate the payment of the fraudulent benefits, such as using the PII of multiple identity theft victims to make changes in the MD DOL system.

Based on Ahmed Hussain's activities, the members of the conspiracy fraudulently obtained more than $3.5 million in pandemic-related UI benefits of which Hussain personally obtained more than $550,000.

On November 16, 2022, in an unrelated matter, a residential search warrant was executed at Hussain's shared Maryland residence. In his room, law enforcement discovered a stolen handgun, firearm ammunition, Glock magazines, 60 pounds of marijuana, more than $5,000 in cash, and drug paraphernalia. Hussain had been previously convicted of an offense punishable by more than one year in prison and was therefore prohibited from possessing a firearm or ammunition.

This is a joint investigation with the FBI as part of the Maryland COVID-19 Fraud Enforcement Strike Force. *United States* v. *Ahmed Hussain* (D. Maryland)

Miami Man Sentenced for Role in Conspiracy to Fraudulently Obtain More Than $3 Million in COVID-19 Unemployment Benefits

On January 16, 2025, Harold Eugene Eubanks was sentenced to 63 months in prison and ordered to pay more than $3.2 million in restitution after he previously pled guilty to conspiracy to commit bank fraud, wire fraud, and mail fraud.

Between approximately August 2020 and April 2022, Eubanks and his co-conspirators submitted more than 270 false UI applications to the California EDD. To successfully file a claim, applicants had to pass an identity verification process. To that end, Eubanks submitted photographs of his face to support each claim. California EDD approved at least 155 of the claims submitted containing photographs of his face, resulting in the disbursement of more than $3.2 million in UI benefits.

This is a joint investigation with the DHS-OIG, the USPIS, and the FBI as part of the Southern District of Florida Miami COVID-19 Strike Force. *United States* v. *Harold Eubanks et al.* (S.D. Florida)

Maryland Defendants Pled Guilty to Roles in $3.2 Million Pandemic-Related Unemployment Insurance Fraud Conspiracy

On November 13, 2024, and January 13, 2025, Tiia Woods and Devante Smith pled guilty, respectively, to conspiracy to commit wire fraud and aggravated identity theft for their roles in a scheme to defraud the MD DOL that resulted in more than $3.2 million in actual losses to the UI program.

From June 2020 through approximately May 2021, Woods, Smith and their co-conspirators submitted to MD DOL fraudulent UI applications that contained the addresses, employment status, work history, occupation, and benefit eligibility of unsuspecting identity theft victims. Using email and other electronic communications, Woods, Smith, and others fraudulently applied for UI benefits and checked the status of the fraudulent claims. Woods also modified UI claims within the MD DOL online system. Once MD DOL disbursed the UI benefits via pre-paid debit cards, Woods, Smith and others used various financial transactions, including cash withdrawals at ATMs and point-of-sale transactions, to obtain the ill-gotten funds.

In total, Woods, Smith and other co-conspirators submitted at least 150 fraudulent UI claim applications, which resulted in a loss of more than $3.2 million.

This is a joint investigation with the FBI. *United States* v. *Tiia Woods*; *United States* v. *Devante Smith* (D. Maryland)

State of Arizona Employees Convicted and Sentenced for Receiving Bribes to Approve Jobless Benefits

On February 4, 2025, Jacqueline Espino pled guilty to one count of bribery concerning a program that receives federal funds. On January 21, 2025, Brandilyn Lorenzen was sentenced to 30 months in prison and ordered to pay more than $2.9 million in restitution. Both Espino and Lorenzen were Arizona Department of Economic Security (AZ DES) employees involved in a scheme to accept bribes in exchange for improperly approving claims for COVID-19 pandemic-related benefits.

Both Espino and Lorenzen were employed by DES as adjudicators who evaluated claims for both the regular UI and PUA programs. Between 2020 and 2022, when AZ DES was facing a higher volume of UI and PUA claims due to the COVID-19 pandemic, Espino and Lorenzen accepted bribes to approve UI and PUA claims for individuals who were not entitled to receive such benefits. In addition, they both admitted that they embezzled large sums of money from AZ DES for their own benefit and for the benefit of others.

This is a joint investigation with the DHS-OIG and the AZ DES. *United States* v. *Jacqueline Espino*; *United States* v. *Brandilyn Lorenzen* (D. Arizona)

Maryland Defendant Sentenced to More Than 8 Years in Prison for Scheme to Fraudulently Obtain $1.9 Million in Unemployment Insurance Benefits

On October 1, 2024, Jonathan Henry was sentenced to 97 months in prison and ordered to pay restitution of almost $1.9 million for his role in a scheme to fraudulently obtain pandemic-related UI benefits.

From March 2020 through approximately June 2021, Henry and two other convicted co-conspirators were inmates at the Federal Correctional Institution in Fort Dix, New Jersey. Henry and his co-conspirators submitted fraudulent online applications for UI benefits to Maryland and other states. They used the PII of identity theft victims in many of the applications. Based on the information provided in the fraudulent applications, the MD DOL issued pre-paid debit cards in the names of the applicants and mailed them to addresses that the conspirators controlled. Henry's co-conspirators then used the pre-paid debit cards to make cash withdrawals at ATMs and retail purchases.

Henry used the PII of identity theft victims to submit approximately 191 fraudulent claims, primarily in Maryland, but also in Washington, D.C., Virginia, and North Carolina. Of the fraudulent claims submitted, 152 were paid, resulting in an actual loss of approximately $1.9 million to the UI program.

This is a joint investigation with the USPIS. *United States* v. *Jonathan Henry et al.* (D. Maryland)

Scranton Man Sentenced to 41 Months in Prison for Scheme to Fraudulently Obtain Pandemic Benefits

On February 28, 2025, James G. Miller Jr. was sentenced to 41 months in prison and ordered to pay restitution of more than $1.5 million after he pled guilty to one count of wire fraud.

Between February 2020 and January 2022, Miller assisted co-conspirators in transferring more than $1.5 million in fraudulently obtained PUA benefits, Lost Wage Assistance payments, and PPP loans through various bank accounts, cryptocurrency transactions, and mailings. He acted as a money mule, receiving small sums of money in exchange for using his mailing address and bank accounts to transfer the fraudulently obtained funds to overseas counterparts.

This is a joint investigation with HSI, the USPIS, the DHS-OIG, and the Social Security Administration-OIG. *United States* v. *James G. Miller Jr.* (M.D. Pennsylvania)

Nigerian Foreign National Sentenced to 4.5 Years in Prison for Defrauding Unemployment Program

On January 28, 2025, Fatiu Lawal, a Nigerian foreign national, was sentenced to 54 months in prison and ordered to pay more than $1.3 million in restitution.

Lawal and co-defendant Sakiru Ambali used the stolen identities of thousands of workers to submit more than 1,700 claims for pandemic-related UI benefits to more than 25 different states. In total, the claims sought approximately $25 million in benefits, but the defendants were only able to fraudulently obtain approximately $2.7 million, primarily from pandemic-related UI programs intended to assist struggling unemployed American workers. Lawal personally submitted more than $1.3 million in fraudulent claims.

Lawal and Ambali directed the fraud proceeds to cash cards and money mules who transferred the funds according to instructions from the co-conspirators. They also allegedly used stolen PII to open bank accounts to collect the fraudulently obtained funds for their personal use.

This is a joint investigation with the FBI, the USPIS, the Washington Employment Security Division, the IRS-CI, the SBA-OIG, and the U.S. Department of Justice-Office of International Affairs. *United States* v. *Fatiu Lawal et al.* (W.D. Washington)

Former State of Michigan Employee Pled Guilty for Role in Multiple Fraud Schemes

On February 4, 2025, Danielle Moore, a former Michigan Unemployment Insurance Agency (MUIA) employee, pled guilty to conspiracy to commit wire fraud for her involvement in a COVID-19 pandemic UI fraud scheme.

From 2020 through 2021, Moore was employed as a claims examiner with the MUIA. She abused her access to MUIA records to advance multiple fraud schemes. One scheme involved the filing of fraudulent UI claims in the names of more than 40 incarcerated individuals. At the direction of her co-conspirator, Moore took steps to process the fraudulent claims, resulting in the disbursement of approximately $282,000. She subsequently received a portion of the stolen proceeds from her co-conspirator.

A review of Moore's cell phone revealed that she possessed the PII and UI claims data for at least 188 individuals. It was later determined that she accessed more than 160 claims and altered more than 85 of them, resulting in a loss of approximately $1.2 million to the UI program.

In total, Michigan disbursed approximately $1.5 million in fraudulent UI benefits related to claims that were altered by Moore.

This is a joint investigation with the FBI and the MUIA. *United States* v. *Danielle Moore* (E.D. Michigan)

Detroit Man Sentenced to More Than 4 Years in Prison for Involvement in Multi-State Unemployment Insurance Fraud Scheme

On February 19, 2025, Tracey Dotson was sentenced to 51 months in prison and ordered to pay more than $930,000 in joint and several restitution for his role in an UI fraud scheme targeting multiple states.

Between April and December 2020, Dotson and his co-conspirators used stolen PII to file hundreds of fraudulent UI claims with SWAs in Michigan, Pennsylvania, and Maryland. The defendants subsequently received hundreds of pre-paid debit cards in the names of other individuals loaded with approximately $1 million in PUA funds. The debit cards were sent to addresses in Michigan and Pennsylvania. Dotson and his co-conspirators then withdrew more than $930,000 from the UI debit cards via cash withdrawals at ATMs and retail purchases.

This is a joint investigation with the FBI, the IRS, and the MUIA. *United States* v. *Dotson et al.* (E.D. Michigan)

Houston Woman Sentenced for $800,000 COVID-19 Fraud Scheme

On January 22, 2025, Prayshana Washington was sentenced to 37 months in prison and ordered to pay restitution of more than $835,000 for her role in a COVID-19 pandemic UI fraud scheme.

Between May 2020 and June 2021, Washington filed approximately 38 fraudulent claims for UI benefits using the stolen PII of individuals in Missouri and other states. These individuals were not eligible to receive enhanced unemployment benefits made available under the CARES Act. She

carried out the year-long scheme by making repeated false statements to the Missouri Department of Employment Services.

This was a joint investigation with the DHS-OIG. *United States* v. *Prayshana Washington* (W.D. Missouri)

Tuskegee Resident Pleads Guilty to Mail Fraud Conspiracy Related to Unemployment Fraud Scheme

On January 23, 2025, Brandon Carter pled guilty to one count of mail fraud conspiracy for his role in submitting fraudulent UI claims to the Alabama Department of Labor (ADOL) which resulted in a potential loss of more than $800,000.

Between approximately March 2020 and September 2020, Carter and his co-conspirators submitted fraudulent UI claims to ADOL by using fabricated PII, including dates of birth and Social Security numbers. As a result, ADOL disbursed UI benefits to him and his co-conspirators, including direct deposits of the funds into bank accounts they controlled. In addition, UI benefits were also mailed to addresses, including an abandoned apartment complex, where Carter and his co-conspirators had set up mailboxes to receive the funds. In total, the scheme caused a loss of more than $800,000 to the UI program.

This is a joint investigation with the USPIS, the Alabama DOT, and the Alabama State Bureau of Investigations. *United States* v. *Brandon Cody Carter* (M.D. Alabama)

Former California Employment Development Department Employee Pled Guilty in Unemployment Insurance Fraud Scheme

On November 5, 2024, Regina Brice, a former program representative for the California EDD, pled guilty to mail fraud charges for her role in an UI fraud scheme.

From July 2020 to May 2021, Brice used her insider access at the California EDD to manipulate and file fraudulent UI claims on behalf of her co-conspirators. As a result, she caused a financial institution to mail California EDD debit cards loaded with UI benefits to her co-conspirators, who then withdrew the stolen proceeds. In furtherance of the scheme, Brice instructed her co-conspirators as to how they could withdraw the proceeds slowly and in such a way that it would not trigger a flag in the UI system or otherwise lock the account associated with the fraudulent claim. Brice then charged her co-conspirators thousands of dollars for her help in filing the false UI applications.

Through their scheme, Brice and her co-conspirators caused a loss of more than $800,000.

This is a joint investigation with the California EDD, the DHS-OIG, the USPIS, and the California Department of Corrections and Rehabilitation. *United States* v. *Regina Brice* (S.D. California)

Former State of California Employee and Boyfriend Convicted of Stealing Unemployment Benefits

On January 8, 2025, Phyllis Stitt, a former California EDD employee, and her boyfriend, Kenneth Riley, each pled guilty to one count of conspiracy to commit mail fraud and bank fraud for their roles in an UI fraud scheme that caused a loss of more than $750,000.

From March 2020 through September 2021, while using her insider access and information available while working at California EDD, Stitt acquired the names, dates of birth, Social Security numbers, and other PII of victims. She then filed fraudulent applications for UI benefits using the stolen PII without the victims' knowledge or consent. In furtherance of the scheme, Stitt backdated the fraudulent claims to maximize the amount of UI benefits that would be paid out.

Stitt certified fraudulent applications that stated the victims submitted their employment history and driver's license information, and confirmed they were unemployed because of the pandemic and actively searching for work. Many of the victims were ineligible to receive these benefits, because they were actively employed or deceased.

As a result of the fraudulent applications, Stitt and Riley received debit cards that were loaded with UI benefits which were mailed to addresses they controlled. To access the stolen funds, Riley and others made cash withdrawals, bank transfers, and retail purchases.

Through the scheme, they fraudulently obtained more than $750,000 in UI benefits.

This is a joint investigation with the FBI and the California EDD. *United States* v. *Phyllis Stitt et al.* (C.D. California)

Arkansas Man Sentenced to More Than 4 Years in Prison for Operating an Illegal Money Transmitting Business Using Pandemic Funds

On February 20, 2025, Richard Stone was sentenced to 51 months in prison and ordered to pay more than $725,000 in restitution. On November 19, 2024, Stone pled guilty to a criminal information charging him with conducting an unlicensed money transmitting business in Arkansas.

Stone was the president or chief officer of numerous businesses registered with the Arkansas Secretary of State. The advertised purpose of these businesses was to develop technology and facilities to repurpose waste materials, such as tires, into useable fuel sources. However, none of these businesses were registered with Arkansas as a money transmitting business, as required by state law.

Between November 2020 and March 2021, Stone received more than $600,000 in deposits into various bank accounts associated with the businesses and other accounts under his control. The deposited funds were from applications made on behalf of unwitting victims for PUA benefits, PPP loans, and EIDL funds. After receiving the funds, he immediately transferred most of the money by wire transfer to parties in the United States, Switzerland, England, and India.

This is a joint investigation with the FBI and the IRS-CI. *United States* v. *Richard Stone* (W.D. Arkansas)

Two Orlando Men Sentenced for Fraudulently Obtaining More Than $650,000 in COVID-19 Unemployment Benefits

On January 3 and 6, 2025, respectively, Franklin Luma and Anderson Coulanges were sentenced after having pled guilty to one count of conspiracy to commit access device fraud and one count of aggravated identity theft. Coulanges also pled guilty to one count of access device fraud – specifically the unlawful possession of 15 or more access devices. Coulanges was sentenced to 48 months in prison, and Luma was sentenced to 36 months in prison. Both men were ordered to pay restitution of more than $650,000 to the California EDD.

Beginning in approximately August 2020, Coulanges and Luma submitted false UI benefit claims to the California EDD by using the PII of more than 30 identity theft victims. As a result of the false claims, the California EDD issued approximately $650,000 in UI benefits on pre-paid debit cards. Luma maintained images of these debit cards on his cell phone and made cash withdrawals at ATMs in multiple states.

This is a joint investigation with HSI. *United States* v. *Anderson Coulanges*; *United States* v. *Franklin Luma* (S.D. Florida)

Wisconsin Fraudster Sentenced in Unemployment Insurance Fraud Scheme

On November 12, 2024, Marcus Malbro was sentenced to 33 months in prison and ordered to pay more than $594,000 in restitution for his involvement in a conspiracy to defraud pandemic-related UI programs in multiple states.

Malbro was a member of the “Wild 100s,” a street gang based in Milwaukee, Wisconsin. The gang members regularly engaged in various criminal activities, including: violent crime; illegal firearms possession; drug distribution; conspiracy; and fraud.

Between approximately August 2020 and February 2022, Malbro and other co-conspirators paid a fee to use the PII of third parties, as well as the PII of identity theft victims, to file fraudulent UI claims in various states. As a result, several states provided debit cards loaded with fraudulently obtained

UI funds to the defendants. They then made cash withdrawals from ATMs to purchase, among other things, firearms, controlled substances, jewelry, clothing, vacations, and to solicit murder for hire.

This is a joint investigation with the FBI and the Bureau of Alcohol, Tobacco, Firearms, and Explosives. *United States* v. *Ronnell Bowman et al.* (E.D. Wisconsin)

New Jersey Man Sentenced to 40 Months in Prison for Stealing COVID-19 Unemployment Benefits

On March 4, 2025, Jose Tavares was sentenced to 40 months in prison and ordered to pay more than $570,000 in restitution for his role in a conspiracy to fraudulently obtain COVID-19 pandemic UI benefits. In October 2024, Tavares was convicted of one count of conspiracy to commit wire fraud after a five-day jury trial.

From July 2020 through February 2021, Tavares and his co-conspirators submitted fraudulent applications for UI benefits to the New York State Department of Labor (NYSDOL) by using fictitious online profiles that they created with stolen PII, including the names, dates of birth, and Social Security numbers of identity theft victims. Once the NYSDOL processed and approved the fraudulent applications, he and his co-conspirators obtained debit cards loaded with fraudulently obtained funds totaling more than $570,000. They then used the stolen funds for their personal financial gain, including vacations, luxury retail purchases, and cosmetic surgeries.

This is a joint investigation with HSI and the USPIS. *United States* v. *Jose Tavares* (D. New Jersey)

Office of Workers' Compensation Programs

The Office of Workers' Compensation Programs (OWCP) administers four major workers' compensation programs: Federal Employees' Compensation, Energy Employees Occupational Illness Compensation (Energy), Coal Mine Workers' Compensation (Black Lung Benefits), and Longshore and Harbor Workers' Compensation.

The Federal Employees' Compensation Act (FECA) program is the largest of the programs and provides workers' compensation coverage to millions of federal, postal, and other employees for work-related injuries and illnesses. Benefits include wage replacement, payment for medical care, vocational rehabilitation, and survivor benefits.

Special Report Relating to the Federal Employees' Compensation Act Special Benefit Fund

The OIG contracted with KPMG LLP (KPMG) to audit the FECA Special Benefit Fund's Schedule of Actuarial Liability, Net Intra-Governmental Accounts Receivable, and Benefit Expense Fund as of, and for the year ended, September 30, 2024. KPMG issued an unmodified opinion, meaning the schedule was presented fairly in all material respects and in conformity with U.S. generally accepted accounting principles. KPMG also performed certain tests of controls and compliance with laws and regulations related to the fund. Its testing of controls found no deficiencies in internal control over financial reporting that it considered to be significant deficiencies and/or material weaknesses. Its testing of compliance found no instances of noncompliance or reportable conditions. KPMG also performed agreed-upon procedures and identified certain differences as a result of performing the procedures over the actuarial liability and the benefit expense.

For more information, go to https://www.oig.dol.gov/public/reports/oa/2025/22-25-001-04-431.pdf, Report No. 22-25-001-04-431 (October 31, 2024).

Texas Pharmacist and Business Partner Both Sentenced to More Than 15 Years in Prison and Ordered to Forfeit More Than $400 Million in Assets for Defrauding the Department of Labor

On February 21, 2025, and March 19, 2025, respectively, Texas pharmacy owners Dehshid "David" Nourian and Christopher Rydberg, were sentenced for their roles in a $145 million scheme to defraud DOL's OWCP through the submission of fraudulent claims for prescription compound creams. Nourian was sentenced to 210 months in prison and Rydberg was sentenced to 180 months in prison. Both were ordered to pay restitution of more than $115 million jointly and severally. Additionally, the

court ordered Nourian and Rydberg to forfeit $405 million in assets tied to their fraud and money laundering schemes.

Nourian, Rydberg, and others conspired to pay doctors to prescribe medically unnecessary compound creams to injured federal workers. Nourian and others owned and operated three pharmacies located in Texas. During the scheme, they paid doctors millions of dollars in illegal bribes and kickbacks for expensive compound medications filled by those pharmacies. For instance, from May 2014 to March 2017, the pharmacies billed OWCP and a private health insurance company more than $145 million and were paid over $90 million for unnecessary prescriptions that were received in exchange for illegal bribes and kickbacks.

Trial evidence showed the compound creams were being mixed in the back rooms of the pharmacies by untrained teenagers at a cost to the defendants of around $15 per prescription and then billed to OWCP for as much as $16,000 per prescription. Patients who received the creams testified to the creams' ineffectiveness and that using the creams sometimes resulted in painful, irritating skin rashes.

This is a joint investigation with the USPS-OIG, the U.S. Department of Veterans Affairs (VA)-OIG, and the IRS-CI. *United States* v. *Dehshid Nourian* (N.D. Texas)

Knoxville Nurse Pled Guilty to Home Health Care Fraud Scheme

On November 8, 2024, Lois Hamby pled guilty to one count of health care fraud for her role in submitting false claims to the DOL-Division of Energy Employees Occupational Illness Compensation (DEEOIC), which resulted in a loss of more than $480,000 in DEEOIC benefits.

Hamby, who was a licensed practical nurse in Tennessee, had a DOL provider number that allowed her to submit payment claims directly to DOL. While caring for an approved DEEOIC beneficiary, Hamby prepared false nursing assessments documenting that she provided nursing services to the beneficiary in his home when in fact, she had not provided such care. She then used the false assessments to support fraudulent payment claims. Due to the claims, DOL paid Hamby more than $480,000.

Hamby also provided nursing care to DEEOIC beneficiaries while employed by Camm Care, LLC. She submitted false nursing assessments claiming she provided in-home nursing services while she was on vacation, traveling out of state, or otherwise not at the patient's home. Camm Care used these false assessments to request and receive payment from DOL.

This is a joint investigation with the FBI. *United States* v. *Lois Hamby* (E.D. Tennessee)

VA Firefighter Pled Guilty in Scheme to Commit Workers' Compensation Fraud

On March 5, 2025, Richard Hyland, a VA firefighter, pled guilty to one count of workers' compensation fraud.

In 2014, Hyland suffered a back injury and began receiving federal workers' compensation benefits through DOL's OWCP. To continue receiving benefits, Hyland certified annually to OWCP that he was not working or volunteering anywhere. However, these certifications were false. As early as March 2017, Hyland worked as a tow truck driver, a long-haul truck driver, and volunteered at his local fire department. From March 2017 through December 2024, Hyland fraudulently received more than $479,000 in OWCP benefits.

This is a joint investigation with the VA-OIG. *United States* v. *Richard Hyland* (D. New Jersey)

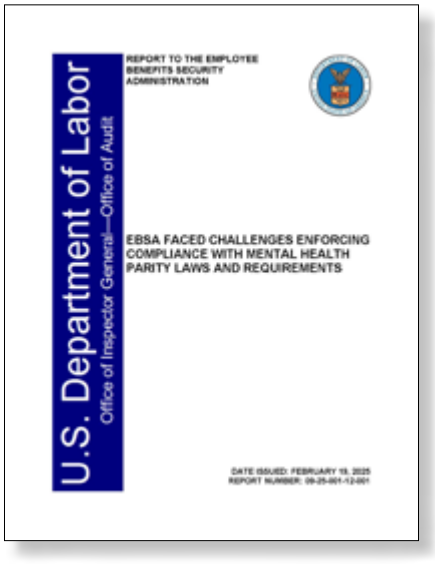
Employee Benefit Plans

The Department's Employee Benefits Security Administration (EBSA) is responsible for protecting the security of retirement, health, and other private-sector employer-sponsored benefit plans for America's workers and retirees, and their families. EBSA is charged with protecting about 156 million workers, retirees, and family members who are covered by nearly 801,000 private retirement plans, 2.6 million health plans, and 514,000 other welfare benefit plans that together hold estimated assets of $14 trillion.

EBSA FACED CHALLENGES ENFORCING COMPLIANCE WITH MENTAL HEALTH PARITY LAWS AND REQUIREMENTS

Why OIG Conducted the Audit

In accordance with Title I of ERISA, EBSA is responsible for protecting workers' access to mental health and substance use disorder (mental health) benefits. This includes ensuring there is parity between mental health benefits and medical/surgical benefits.



EBSA enforces compliance with non-quantitative treatment limitation (NQTL) laws and requirements. However, in 2022 and 2023, EBSA reported that health plans and health insurance issuers were unprepared or provided insufficient information when EBSA requested a comparative analysis for review. EBSA also raised concerns about the complexity and challenges involved in its NQTL enforcement work.

Given these concerns, we performed an audit to answer the following question:

To what extent did EBSA enforce compliance with mental health parity NQTL laws and requirements?

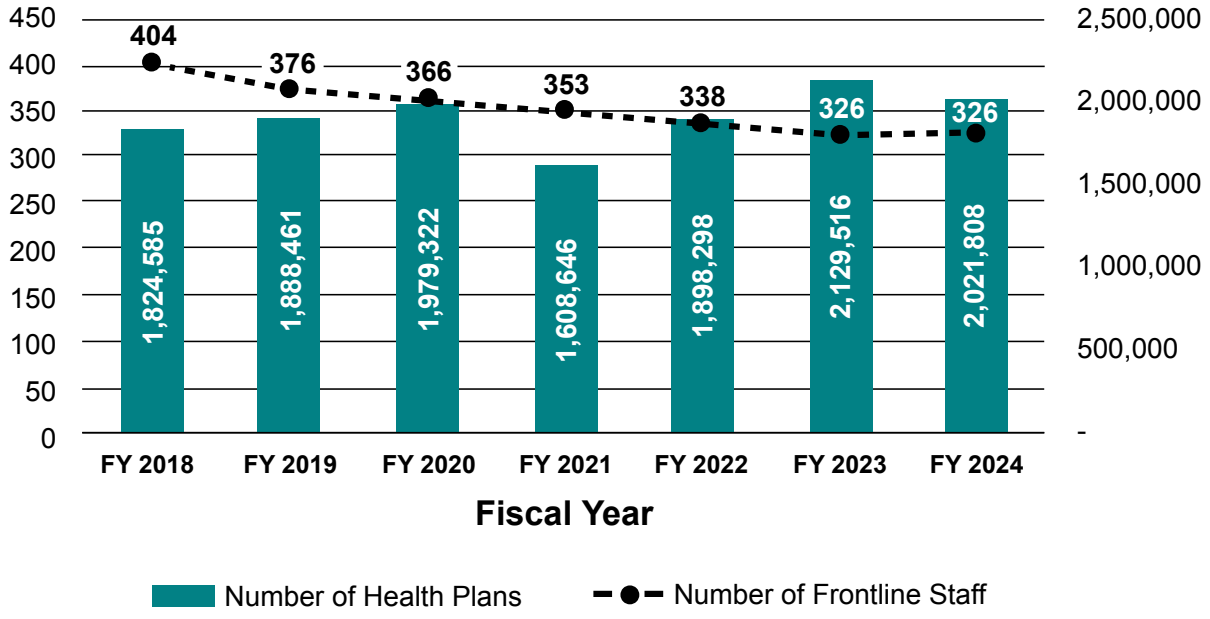
To answer our objective, we reviewed EBSA's NQTL comparative analysis review data. We also interviewed staff and surveyed stakeholders nationwide.

What OIG Found

Our audit identified challenges that limited EBSA's efforts to enforce compliance with mental health parity NQTL laws and requirements. Specifically, we found EBSA lacked critical tools to enforce compliance and deter parity violations, such as the ability to assess civil monetary penalties or bring actions against all responsible parties. EBSA did not use many of the enforcement tools within its authority to ensure health plans' compliance. It also took up to 3 years to complete NQTL comparative analysis reviews.

Many of these issues occurred because ERISA does not provide EBSA with the authority to assess and collect civil monetary penalties for parity violations or to bring enforcement actions against all responsible parties. EBSA also did not use many of its enforcement tools because it did not have a process to do so, or limitations deterred it from using them. The lack of statutory timeline requirements and diminishing resources, including staff, contributed to lengthy NQTL comparative analysis reviews (see Figure 3).

Figure 3: EBSA Frontline Staff Compared to Health Plans Subject to the Mental Health Parity and Addiction Equity Act



Source: OIG analysis of data provided by EBSA

EBSA's ability to enforce compliance with NQTL parity rules is diminished, which increases the risk of plan participants and beneficiaries paying expenses out-of-pocket for mental health treatments that should have been covered or not receiving these treatments altogether—treatments that are legally afforded to them.

What OIG Recommended

We made five recommendations for EBSA to pursue crucial legislative changes to increase authority, develop a referral process to help levy the excise tax, and provide NQTL guidance. EBSA largely agreed with and provided corrective actions in response to our five recommendations.

For more information, go to: https://www.oig.dol.gov/public/reports/oa/2025/09-25-001-12-001.pdf, Report No. 09-25-001-12-001 (February 19, 2025).

OFFICE OF INSPECTOR GENERAL
E PLURIBUS UNUM
UNITED STATES
DEPARTMENT OF LABOR

Worker Safety, Health, and Workplace Rights

Occupational Safety and Health Administration

Mine Safety and Health Administration

Occupational Safety and Health Administration

The Occupational Safety and Health Administration's (OSHA) mission is to assure America's workers have safe and healthful working conditions free from unlawful retaliation. OSHA carries out its mission by setting and enforcing standards; enforcing anti-retaliation provisions of the OSH Act and other federal whistleblower laws; providing and supporting training, outreach, education, and assistance; and ensuring state OSHA programs are at least as effective as federal OSHA, furthering a national system of worker safety and health protections.

Construction Company Owner Sentenced for Making False Statement in Death of Worker and Tax Crimes

On December 10, 2024, Mauricio Baiense, owner of Contract Framing Builders Inc., was sentenced to 18 months in prison. He previously pled guilty to making a false statement in a hearing before DOL's OSHA and to an employment tax scheme that caused a more than $2 million loss to the IRS. Baiense was also ordered to pay more than $2.8 million in restitution to the federal government.

OSHA investigated the workplace death of an employee of Contract Framing Builders, Inc. While under oath at a hearing, Baiense falsely claimed the deceased individual was not employed by the company at the time of the accident.

In addition, between approximately April 2013 and December 2017, Baiense operated an "off-the-books" cash payroll for the company. In order to generate cash for the payroll, Baiense wrote checks drawn on a company bank account to purported subcontractors, who were entities that he controlled. He then cashed or directed others to cash approximately $11 million in checks at a check cashing business. A portion of the proceeds of the scheme was used to pay Contract Framing Builders' employees. Baiense did not report the cash wages to the IRS and did not withhold or remit required employment taxes, causing a loss to the IRS of more than $2.8 million.

This is a joint investigation with DOL-OSHA, the IRS-CI, and HSI. *United States* v. *Mauricio Baiense* (D. Massachusetts)

Mine Safety and Health Administration

The federal Mine Safety and Health Act of 1977, as amended by the Mine Improvement and New Emergency Response Act of 2006, charges the Mine Safety and Health Administration (MSHA) with setting and enforcing standards to protect the health and safety of approximately 327,000 men and women working in our nation's mines.

ALERT MEMORANDUM: URGENT CONCERNS FOR MINER SAFETY AND HEALTH IN AT LEAST THREE U.S. TERRITORIES: MSHA HAS NEVER CONDUCTED MANDATORY INSPECTIONS AND CONDUCTED INAPPROPRIATE OVERSIGHT OF MINES IN THE PACIFIC TERRITORIES

Why OIG Conducted the Audit

The OIG's long-standing concern about the risks of the MSHA not completing all mandatory mine inspections was further heightened upon receipt of an April 2024 referral from the Office of Special Counsel. The referral alleged MSHA had failed to conduct required inspections of mines in the Pacific Territories and MSHA officials had falsely designated mines in these areas as "abandoned" despite evidence of ongoing and active operations. We undertook a brief analysis to determine if—and, if so, why—MSHA was not adequately protecting miners in the Pacific Territories and other locations listed in the Federal Mine Safety and Health Act of 1977 (Mine Act).

What OIG Found

As alleged, we found MSHA did not conduct mandatory inspections in at least the three Pacific Territories in which it knew miners were working: American Samoa, Guam, and the Northern Mariana Islands. For decades spanning numerous administrations, MSHA has failed to sufficiently identify its own jurisdiction related to mines outside the continental United States. According to MSHA, not knowing this jurisdiction contributed to its failure to perform any oversight of mines in the Pacific Territories until 2014. Even with this knowledge, 10 years later, MSHA still has neither sufficiently identified its jurisdiction nor completed sufficient oversight to protect miners.

In addition, we found MSHA took no action despite knowledge of hazards since at least 2016. Evidence of hazards at mines in the Pacific Territories had been available to MSHA, including through MSHA's public "Accident Injuries" dataset, compliance assistance visit notices, and MSHA escalation reports. During our interviews, a former MSHA supervisor told us the conditions these miners were

being subjected to were the worst they had seen in 19 years with MSHA. The former supervisor said the miners needed MSHA's help and had asked the MSHA inspectors for help to get a safer and healthier work environment, but, the former supervisor said, "we abandoned [th]em."

We also found MSHA personnel engaged in inappropriate and misleading actions, such as changing mine statuses rather than transparently reporting any issues that led to the lack of mandatory inspections performed. Importantly, MSHA using incorrect mine statuses for mines or changing them inappropriately is more than an administrative matter because such actions also enable MSHA to inaccurately report a 100 percent completion rate for its mandatory mine inspections as it did in FY 2023. Various stakeholders depend on MSHA reporting, including the U.S. Secretary of Labor, Congress, and the public. Also, since MSHA has linked mine statuses to the number of required inspections, it can authorize statuses or status changes that result in an operational mine receiving no mandatory inspections, thereby ignoring the miners' safety and health.

MSHA's actions, or lack thereof, put the safety and health of miners under MSHA jurisdiction at risk and are inconsistent with MSHA's mission to prevent death, illness, and injury from mining and promote safe and healthful workplaces for all miners. According to the Mine Act, Congress declared "the first priority and concern of all in the coal or other mining industry must be the health and safety of its most precious resource—the miner."

What OIG Recommended

We made 11 recommendations to MSHA for urgent oversight of mines in the U.S. territories and to otherwise enforce the Mine Act to protect miners. Specifically, those recommendations include identifying and publishing jurisdiction, revising and implementing Mine Act enforcement plans, verifying employment data, and updating mine statuses.

For more information, go to https://www.oig.dol.gov/public/reports/oa/2025/05-25-002-06-001.pdf, Report No. 05-25-002-06-001 (November 12, 2024).

Employment and Training Programs

Workforce Development Programs

Job Corps

Foreign Labor Certification Programs

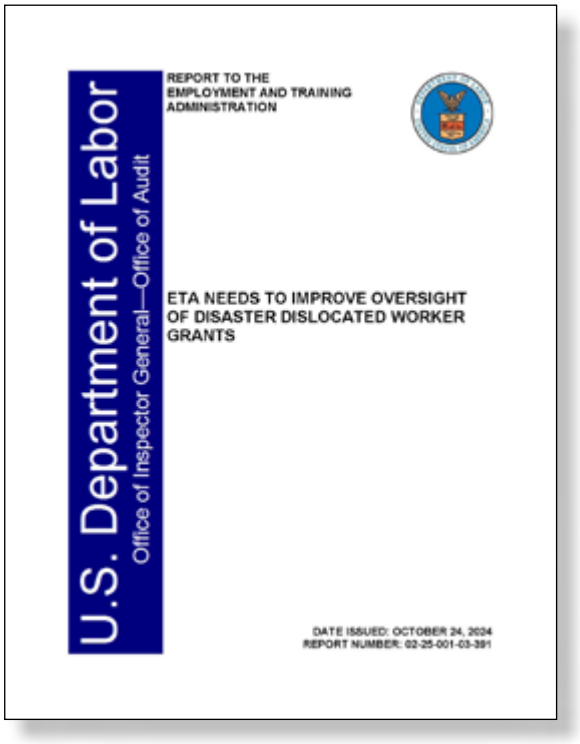
Workforce Development Programs

The Employment and Training Administration (ETA) administers federal workforce development programs. This includes programs authorized by the Workforce Innovation and Opportunity Act (WIOA) to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. The WIOA also helps employers hire and retain skilled workers.

ETA NEEDS TO IMPROVE OVERSIGHT OF DISASTER DISLOCATED WORKER GRANTS

Why OIG Conducted the Audit

Public Law 116-20, Additional Supplemental Appropriations for Disaster Relief Act, 2019 (Act), provided the ETA with $50 million for the dislocated workers assistance national reserve for necessary expenses directly related to the consequences of multiple natural disasters occurring in 2018 and 2019.



Of the $50 million, $500,000 was transferred to the OIG for oversight of activities responding to covered disasters or emergencies. ETA awarded the remaining $49.5 million in DWGs to 6 grant recipients.

Based on our concerns from prior DWG audits, and in accordance with the Act, we performed an audit to answer the following question:

> **To what extent did ETA properly administer Public Law 116-20, Additional Supplemental Appropriations for Disaster Relief Act, 2019, to provide dislocated worker assistance?**

We judgmentally selected a sample of three grant recipients—Florida, Ohio, and North Carolina—and two sub-recipients from each grant recipient for review.

What OIG Found

We found ETA needs to improve its oversight of the DWG program. First, DWG recipients generally did not coordinate with FEMA, and ETA's failure to facilitate such coordination may have decreased the effectiveness and timeliness of DWG disaster recovery assistance. Specifically, ETA did not establish written interagency agreements with FEMA that defined how ETA and grant recipients were to coordinate with FEMA for disaster recovery.

Second, after awarding the DWG in March 2020, ETA issued guidance to update the documents grant recipients need to collect and maintain to support eligibility for DWG participants. We found, despite ETA updating its guidance, Ohio, a grant recipient, still failed to collect the required documentation to demonstrate participant eligibility. This occurred because: (1) sub-recipients relied on participant self-certifications for determining eligibility and did not have a system in place to eventually collect additional documentation necessary to demonstrate each participant's eligibility, and (2) ETA performed limited monitoring of participant eligibility. As a result, a grant recipient and its sub-recipients did not demonstrate they served eligible participants. We questioned costs of $909,240 associated with 30 participants served in Ohio for whom the recipient lacked adequate documentation of eligibility.

Third, a two-week work stoppage at a Florida sub-recipient impacted disaster recovery efforts. The sub-recipient experienced funding delays due to a 41-day grant modification approval process, which was not in compliance with the OMB's 30-day requirement to approve or inform the recipient when they may expect the decision. Lastly, we questioned financial transactions of another Florida sub-recipient totaling $17,273 charged to the DWG that did not comply with federal requirements.

These issues occurred, in part, because of ETA's lack of written interagency agreements with FEMA and lengthy DWG administration processes. Further, ETA had weak controls over DWG recipients': (1) coordination with FEMA, (2) documentation of participant eligibility, and (3) use of grant funds. As a result, we questioned $926,513 in costs. Ensuring the effectiveness and efficiency of the DWG program is crucial to helping local areas recover from the aftermath of a disaster.

What OIG Recommended

We made eight recommendations to ETA to improve its DWG oversight. Specifically, we recommended ETA develop written interagency agreements with FEMA, enhance monitoring of and strengthen guidance for DWG recipients, recover $926,513 in questioned costs, and improve DWG administration processes to prevent funding delays. ETA agreed or partially agreed with three recommendations. ETA disagreed with five of the eight recommendations but will take alternative action to address them.

For more information, go to: https://www.oig.dol.gov/public/reports/oa/2025/02-25-001-03-391.pdf, Report No. 02-25-001-03-391 (October 24, 2024).

Job Corps

Administered by ETA, Job Corps is the largest nationwide residential career training program in the country and has been operating for more than 50 years. The $1.6 billion program helps eligible young people ages 16 through 24 complete their high school education, trains them for meaningful careers, and assists them with obtaining employment. Job Corps also provides transitional support services, such as help finding employment, housing, child care, and transportation.

JOB CORPS NEEDS TO REVISE HOW IT MEASURES AND REPORTS ON ITS ACTIVITIES SUPPORTING THE PRESIDENT'S NATIONAL DRUG CONTROL STRATEGY

Why OIG Conducted the Audit

To ensure the health and safety of Job Corps' student population and prevent overdose deaths, it is vital that Job Corps' drug control activities are effective in maintaining a drug-free environment. In Program Year 2022, six Job Corps students died of suspected unintentional drug overdoses, including three on center. In FY 2023, Job Corps requested $6 million for drug control activities, comprising $0.7 million for student drug testing and $5.3 million for the Trainee Employee Assistance Program (TEAP), its core drug control activity.[41]

Since 1999, drug overdoses have killed more than 1 million Americans. The President's Strategy, released by President Biden in 2022, is a plan to address addiction and the overdose epidemic. The Office of National Drug Control Policy (ONDCP) is responsible for implementation of the President's Strategy across the federal government, coordinating across 19 agencies—including DOL—and overseeing an approximately $44 billion budget as part of a whole-of-government approach to address addiction and the overdose epidemic. Each year, ONDCP is required to publish the National Drug Control Assessment, an update of the agencies' progress in achieving the President's Strategy's goals and objectives. After an ONDCP review of FY 2023 data identified three performance measures for which Job Corps reported inconclusive data, ONDCP requested the OIG conduct an audit. In response to the request, we initiated a performance audit to determine whether Job Corps was effectively measuring and reporting the performance of its drug control activities in support of the President's Strategy.

41 TEAP provides intervention services designed to help students address their substance use issues, if possible, before starting academic and career technical training coursework in Job Corps. TEAP's general focus is on prevention, education, identification of substance use problems, relapse prevention, and supportive services to enhance students' health, wellbeing, and access to quality employment.

Employment and Training Programs

What OIG Found

While we found Job Corps' drug control activities supported the President's Strategy, Job Corps was not effectively measuring and reporting the performance of those activities as required by ONDCP. First, Job Corps has not developed or identified performance measures that accurately reflect the performance of its activities supporting the President's Strategy with respect to TEAP. As such, Job Corps also did not comply with ONDCP's criteria for evaluating the performance of its drug control activities. This occurred because Job Corps relied on its mandated Workforce Innovation and Opportunity Act performance measures, which report overall program outcomes, rather than developing or identifying appropriate measures to evaluate the specific performance of TEAP.

Second, Job Corps reported untimely data to ONDCP. This occurred because Job Corps chose to report two performance measures for which data was unavailable in the reporting timeframe required by ONDCP. Third, Job Corps did not establish targets for three of its four current performance measures. As a result, Job Corps cannot demonstrate the effectiveness of its drug control activities nor the extent of its contributions to the President's Strategy and the overall goal of reducing and preventing drug use and overdose deaths. In addition to our findings, we also noticed the 2023 and 2024 National Drug Control Assessments contained inaccurate Job Corps information and data.

What OIG Recommended

We made three recommendations to ETA to examine existing Job Corps data regarding its drug control activities, coordinate with OASAM and ONDCP to establish reporting timelines for any performance measures that cannot be submitted before the reporting deadline, and establish targets for all performance measures reported by Job Corps in the National Drug Control Assessment.

For more information, go to https://www.oig.dol.gov/public/reports/oa/2025/03-25-001-03-370.pdf, Report No. 03-25-001-03-370 (November 22, 2024).

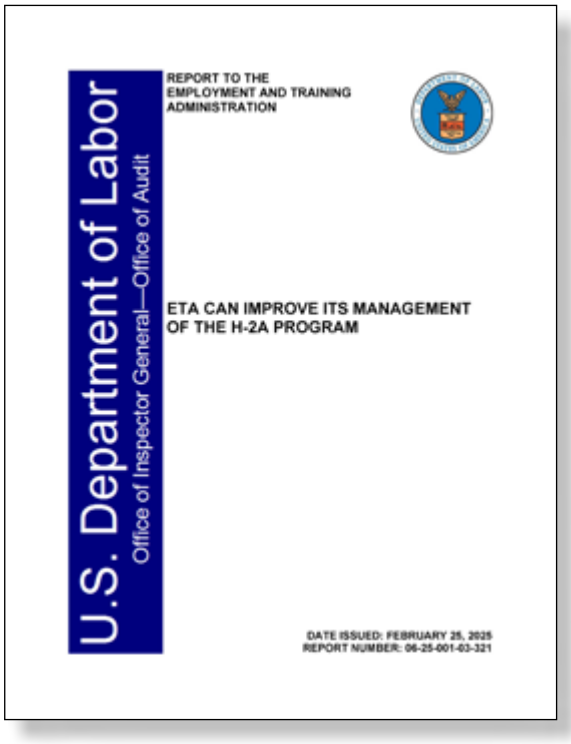
Foreign Labor Certification Programs

ETA administers a number of foreign labor certification (FLC) programs that allow U.S. employers to employ foreign workers to meet domestic worker shortages, including: PERM, CW-1, H-1B, H-2A, and H-2B. The PERM program allows an employer to hire foreign nationals to work in the United States on a permanent basis while the CW-1, H-1B, H-2A, and H-2B programs are for temporary employment in the United States. ETA ensures the admission of foreign workers into the United States on a PERM, CW-1, H-2A, or H-2B visa will not adversely affect job opportunities, wages, and working conditions of U.S. workers. The Department's Wage and Hour Division (WHD) has been delegated enforcement authority to ensure employers in H-1B, H-2A, and H-2B programs are in compliance with labor certification requirements. The OIG also investigates labor trafficking cases that involve fraud against FLC programs.

ETA CAN IMPROVE ITS MANAGEMENT OF THE H-2A PROGRAM

Why OIG Conducted the Audit

The ETA Office of Foreign Labor Certification is responsible for administering DOL's H-2A Temporary Agricultural Program, including reviewing applications and issuing temporary labor certifications. The program allows agricultural employers who anticipate a shortage of domestic workers to bring nonimmigrant foreign workers to the United States (U.S.) to perform agricultural labor or services of a temporary or seasonal nature.



Based on 20 C.F.R. Part 655 and Departmental regulations that provide worker protections and employer requirements concerning wages and working conditions, we performed an audit to answer the following question:

Did ETA's management of the H-2A program ensure employers properly recruited U.S. workers, paid the prevailing wage, and provided proper housing to foreign workers?

What OIG Found

We found, based on our review of sampled H-2A applications, that ETA's management of the H-2A program generally ensured applications were in compliance with 20 C.F.R. Part 655 for properly recruiting U.S. workers, paying the prevailing wages,[42] and providing proper housing to foreign workers. However, improvements can be made to ensure prevailing wages are correctly paid and sufficient post adjudication reviews are completed.

Our audit found 5 of the 45 (11 percent) certified H-2A applications reviewed were certified with the incorrect prevailing wage at the time of certification. ETA's decision to not require the employer to modify the application to the correct prevailing wage creates the risk that foreign workers may not be paid correctly and fails to capture the correct wage as part of the certified case file.

Furthermore, our audit concluded that the number of post adjudication audits performed represented a small portion of the universe of applications certified during the period of January 1, 2022, through March 31, 2023. While ETA conducts these audits to enhance the integrity of its program, the agency had not properly updated its formal methodology or process for establishing the number of post adjudication audits to perform based on a determination of risk.

For the post adjudication audits reviewed, we identified ETA did not obtain sufficient documentation from employers. In 5 of the 6 (83 percent) post adjudication audits we reviewed, employers did not provide sufficient documentation to determine whether employees were properly compensated for wages earned and other expenses.

Additionally, we found analysts did not provide a rationale or evidence to document how they determined employers' compliance with program requirements reviewed. ETA has no specific and standardized guidelines that an analyst must follow. As a result, ETA may face a higher likelihood of program non-compliance and may be unable to verify if employers properly recruited U.S. workers, paid the prevailing wage, and provided proper housing to foreign workers.

What OIG Recommended

We made four recommendations to ETA to improve program integrity by enhancing and implementing written procedures to ensure: (1) H-2A applications have the correct wage information when certified

42 For purposes of this report, the term "prevailing wage" is used to describe the offered wage rate, which is at or above the highest of these five rates: Adverse Effect Wage Rate (AEWR), a prevailing wage rate, the agreed-upon collective bargaining wage, the federal minimum wage, the state minimum wage, or any other wage rate the employer intends to pay.

by analysts, (2) post adjudication audits target a representative number of applications for the level of risk in its application process, (3) analysts obtain sufficient evidence of payment of wages and expenses, and (4) analysts provide a rationale and obtain evidence to document how they determine employers' compliance with the program requirements reviewed. ETA agreed with two recommendations and partially agreed with the other two recommendations. We will monitor ETA's corrective action plans to resolve the recommendations.

For more information, go to: https://www.oig.dol.gov/public/reports/oa/2025/06-25-001-03-321.pdf, Report No. 06-25-001-03-321 (February 25, 2025).

Mexican Nationals Admit Roles in Smuggling and Labor Trafficking Scheme

On October 4, October 24, and November 22, 2024, Porfiria Maribel Ramos Sanchez, Maria Del Carmen Sanchez Potrero, and Apolinar Francisco Paredes Espinoza pled guilty, respectively, to charges stemming from their involvement in a scheme to smuggle undocumented workers into the United States, harbor them at Connecticut residences, and threaten to harm them if they failed to pay exorbitant fees, interest, and living expenses. Ramos, Sanchez, and Paredes forced the undocumented individuals to work in circumvention of DOL's H-2B visa program. As part of their pleas, they agreed to pay restitution of more than $490,000. On March 7, 2025, Ramos was sentenced to 36 months in prison and ordered to pay more than $574,000 in restitution.

The defendants arranged to cross the border into the United States with various undocumented workers for fees of between $15,000 and $20,000 per migrant. In most cases, the undocumented workers were required to turn over a property deed as collateral before leaving Mexico. After the undocumented workers arrived in Connecticut, they were told they owed $30,000 plus interest. They were also forced to pay Ramos, Sanchez, and Paredes for their rent, food, gas, and utilities. The defendants created false identity documents for the undocumented workers and helped the workers find employment. In addition to their jobs, some undocumented workers were required to perform—without compensation or a debt reduction—housework and yardwork. To date, the investigation has identified 18 trafficked undocumented workers.

This is a joint investigation with the FBI, U.S. Customs and Border Protection, the U.S. Citizenship and Immigration Services, U.S. Immigration and Customs Enforcement, and the Hartford Police Department. *United States* v. *Maria Del Carmen Sanchez-Potrero; United States* v. *Apolinar Francisco Paredes-Espinoza; United States* v. *Porfiria Maribel Ramos Sanchez* (D. Connecticut)

Iowa Farmer Sentenced to More Than 15 Years in Cattle Theft, Bankruptcy Fraud, and Foreign Labor Scheme

On October 10, 2024, Michael Butikofer was sentenced to serve 188 months in prison, pay restitution of more than $5.7 million, forfeit approximately $500,000, and repay approximately $5,000 in attorney fees.

Between 2018 and 2023, Butikofer was involved in various schemes to defraud several government programs. The fraud schemes targeted DOL's H-2A visa program; the U.S. Department of Agriculture's (USDA) Packers and Stockyard Act of 1921 (P&S Act) as well as the Coronavirus Food Assistance Program; and the SBA's EIDL program.

Butikofer, who operated a large farm in northeast Iowa, employed and recruited H-2A agricultural workers from South Africa. The H-2A workers raised and cared for cattle owned by investors and other individuals at Butikofer's cattle-feeding business. The cattle would subsequently be sold to a Wisconsin slaughterhouse. At no time was Butikofer or his farm registered with the USDA as a dealer under the P&S Act.

In 2018, Butikofer used forced labor for his own financial gain. He assaulted workers, pushing one worker towards a corn auger and tying the hands of another worker with cable ties. In 2020, three H-2A workers obtained a civil judgment in federal court of approximately $247,000 against Butikofer for violations of the Fair Labor Standards Act and the Trafficking Victims Protective Reauthorization Act.

Between July 2020 and February 2022, Butikofer converted the proceeds of investor-owned cattle sales, totaling more than $2.5 million, for his own use. In July 2020 and August 2020, he defrauded the USDA of more than $1.2 million in emergency assistance funds intended to assist livestock producers during the COVID-19 pandemic. In February 2022, Butikofer also received more than $1.5 million from the SBA as part of an EIDL application in which he made false representations about his financial condition and intended use of the SBA loan funds.

As a part of his plea agreement, Butikofer agreed to voluntarily terminate and cease any current or future participation in DOL Foreign Labor Certification programs.

This is a joint investigation with HSI, the SBA-OIG, the USDA-OIG, and the Federal Deposit Insurance Corporation-OIG. *United States* v. *Michael Wayne Butikofer* (N.D. Iowa)

Owner of Boston Pizzeria Chain Sentenced to More Than 8 Years in Prison for Forced Labor and Pled Guilty to Pandemic Loan Fraud

On October 25, 2024, Stavros Papantoniadis was sentenced to 102 months in prison and ordered to pay a $35,000 fine after being convicted at trial of three counts of forced labor and three counts of

attempted forced labor. On February 25, 2025, Papantoniadis pled guilty to one count of making false statements in relation to a fraudulent $500,0000 EIDL he received for a business he no longer owned or operated.

Papantoniadis, the owner and operator of a pizza restaurant chain in Massachusetts, forced or attempted to force at least five men and one woman to work for him through violent physical abuse, threats of abuse, and repeated threats of deportation. He also understaffed his pizza shops and purposely employed workers who lacked legal immigration status, allowing him to require employees to work for 14 or more hours per day and up to seven days per week.

To maintain control of workers, Papantoniadis threatened to physically harm them or have them deported. For example, when he became aware that a worker planned to quit, he violently choked the worker. In another instance, Papantoniadis chased an employee out of the restaurant and made a false report to the police to pressure the victim to return to work. Papantoniadis also monitored workers with surveillance cameras, which he accessed from his cell phone, and constantly demeaned, insulted, and harassed the victims.

In November 2021, Papantoniadis submitted an EIDL application for a business he had previously sold. On the application, he requested a loan of more than $986,000. He stated that the business was a pizza company with 18 employees, which he falsely certified was correct. As such, he received loan proceeds of almost $500,000.

This is a joint investigation with HSI. *United States* v. *Stavros Papantoniadis* (D. Massachusetts)

Massachusetts Men Pled Guilty to Migrant Smuggling Conspiracy and Pandemic Unemployment Assistance Fraud

On November 14, 2024, Jesse James Moraes and Hugo Giovanni Moraes pled guilty to conspiracy to encourage and induce an undocumented worker to come to, enter, and reside in the United States for commercial advantage or private financial gain in circumvention of DOL's H-2B visa program. Jesse Moraes also pled guilty to conspiracy for his role in laundering the proceeds of the migrant smuggling conspiracy. Additionally, on February 13, 2025, Julio Roncaly Morais, a relative of the Moraeses, pled guilty to one count of making false statements in connection with a PUA claim.

The conspiracy involved the recruitment of undocumented migrants in Brazil to enter the United States through Mexico for fees of between $12,000 and $22,000 per person. The migrants were encouraged to make fraudulent claims of asylum as well as familial relationships in the United States. The migrants were also given fraudulent information about points of contact in the United States to provide to immigration authorities if they were caught.

Once migrants were in the United States, Jesse Moraes and Hugo Moraes helped them secure long-term housing, including apartments owned by Hugo Moraes' relatives. The defendants also arranged for some of the migrants to work at restaurants they owned. Jesse Moraes and Hugo Moraes paid the migrants either entirely or partly in cash until the migrants obtained identification documents, at which point they would be paid at least in part by check. The defendants encouraged the migrants working for them to obtain false identification documents and referred them to a co-defendant to obtain such false documents. The co-conspirators allowed some of the migrants to pay off part of their smuggling fee once they reached the United States. The smuggling fees were collected via direct payment, by withholding wages, or by collection by relatives and other associates within and outside the United States.

The money laundering conspiracy, to which Jesse Moraes pled guilty, involved transferring funds into and out of the United States with the intent to promote the migrant smuggling conspiracy and conduct financial transactions with the proceeds of the smuggling conspiracy designed to conceal the ownership and control of the proceeds.

In June 2020, Morais filed a PUA claim in Massachusetts for a co-conspirator who was living in Brazil. He certified under penalty of perjury that the co-conspirator was a resident of Massachusetts and was able and available to work. As a result of the claim, the Massachusetts Department of Unemployment Assistance paid out more than $5,000 in benefits before suspending payments.

This is a joint investigation with HSI, the IRS-CI, and the Woburn Police Department. *United States* v. *Jesse James Moraes et al.; United States* v. *Julio Roncaly Morais* (D. Massachusetts)

OFFICE OF INSPECTOR GENERAL
E PLURIBUS UNUM
UNITED STATES
DEPARTMENT OF LABOR

Labor Racketeering

Labor Racketeering

Under the Inspector General Act of 1978, as amended, the OIG is responsible for investigating labor racketeering and the influence of organized criminal enterprises involving unions, employee benefit plans, and labor-management relations.

Labor racketeering refers to the infiltration, exploitation, or control of a union, employee benefit plan, employer entity, or workforce, carried out through illegal, violent, or fraudulent means. OIG labor racketeering investigations focus largely on individuals and organized criminal enterprises engaged in embezzlement, extortion, violence against union members or employers, and other related criminal activities.

Our investigations continue to identify fraudulent payments from employers to union representatives in order to gain favorable labor agreements for the employer. Our investigations have also identified complex financial and investment schemes used to defraud union affiliated benefit plans, resulting in millions of dollars in losses to plan participants.

General President of International Union of Operating Engineers Pled Guilty and Agreed to Resign

On January 29, 2025, James T. Callahan, the former general president of the International Union of Operating Engineers (IUOE), pled guilty to knowingly filing false annual reports with the DOL. LM-30 annual reports are required by law and must be complete and truthful.

IUOE represents nearly 400,000 heavy machinery operators on construction and industrial sites throughout the United States and Canada. Starting in 2011, Callahan served as the IUOE General President at its headquarters in Washington, DC. Between 2015 and 2023, he requested and received free tickets and hospitality packages to nearly 100 events from an advertising firm retained by IUOE. The tickets and amenities were worth at least $315,000 and properly belonged to IUOE. Callahan did not reveal the existence of the tickets and did not obtain IUOE Executive Board authorization to use them. He personally used many of the tickets and provided other tickets to family members and other individuals who were not union members.

As part of his plea agreement, Callahan agreed to pay restitution of $315,000 to IUOE for the cost of the tickets. In addition, he resigned as IUOE General President.

This is a joint investigation with the DOL-OLMS. *United States* v. *James Callahan* (D. District of Columbia)

Departmental Management

Departmental Management

Single Audits

Departmental Management

The OIG performs oversight work involving the Department's operations, financial management, and IT services.

U.S. Department of Labor's Purchase and Travel Card Risks Assessed as Very Low and Low, Respectively

The Government Charge Card Abuse Prevention Act of 2012 (Charge Card Act) was designed to prevent recurring waste, fraud, and abuse of government-wide charge cards. We contracted with KPMG to assist with the risk assessment of DOL's purchase and travel card programs for the period October 1, 2023, through September 30, 2024, pursuant to the Charge Card Act. To perform the risk assessment, key program objectives were assessed for the purchase and travel card programs.

Various methods of review and analytical testing were used to assess the residual risks[43] as of September 30, 2024, assign a risk impact and risk likelihood level,[44] and then assign a risk level ranging from very low to very high (see Figure 4). For the purchase card program, one objective had a low risk level and the other five had a very low risk level. For the travel card program, three objectives had a low risk level and three had a very low risk level.

Figure 4: Definitions of Risk Impacts and Likelihoods

Risk Level	Risk Impact Definition	Risk Likelihood Definition
Very High	The degradation of an activity or role is **severe**, impacting the ability to meet one or more strategic goals or objectives, produce key deliverables, or reach required levels of performance to meet the mission.	Risk event is almost certain to occur. Likelihood of occurrence is 90-100 percent.
High	The degradation of an activity or role is **major**, requiring immediate escalation or management intervention to reach required levels of performance of key functions.	Risk event is highly likely to occur. Likelihood of occurrence is 50-90 percent.

43 Residual risk is the exposure remaining from an inherent risk after action has been taken to manage it, using the same assessment standards as the inherent assessment.

44 Risk impact is the likely magnitude that the risks would have on the key objective. Risk likelihood is the level of possibility that a risk will occur that affects the key objective.

Moderate	The degradation of an activity or role is **moderate** with material impact on performance of key functions.	Risk event is possible to occur. Likelihood of occurrence is 25-50 percent.
Low	The degradation of an activity or role is **minor**. It is noticeable and may affect performance of key functions.	Risk event is unlikely to occur. Likelihood of occurrence is 10-25 percent.
Very Low	The degradation in activity or role is **negligible** and is not expected to significantly affect performance of key functions.	Risk event occurrence is remote. Likelihood of occurrence is 0-10 percent.

Source: DOL OIG Framework for Enterprise Risk Management, Version 3.0, May 31, 2022

Based on the results of the assessment, the overall risk of illegal, improper, or erroneous use of DOL's purchase and travel cards was determined to be very low and low, respectively. The detailed assessments of DOL's purchase and travel card programs were provided to DOL officials.

For more information, go to https://www.oig.dol.gov/public/reports/oa/2025/22-25-004-50-598.pdf, Report No. 22-25-004-50-598 (March 25, 2025).

Management Alert Memorandum: The Majority of DOL Nondisclosure Agreements Do Not Include Required Anti-Gag Language

Upon receipt of a Congressional request, the OIG requested each DOL agency to provide copies of "all nondisclosure policies, forms, and other agreements" specific to DOL to determine if they include the anti-gag language required by law.[45] The required anti-gag language was codified in the Whistleblower Protection Enhancement Act of 2012. The OIG reviewed 28 responsive documents provided by 7 DOL agencies. Based on this review, we determined that the Department was not in compliance with the Whistleblower Protection Enhancement Act of 2012 because 71 percent of the responsive nondisclosure agreements the OIG reviewed did not include the required anti-gag provision.

In 2013, DOL agency heads and all DOL employees received direction from the Office of the Assistant Secretary for Administration and Management regarding the requirement to add the anti-gag language to nondisclosure agreements. However, when the OIG requested from 21 separate DOL agencies "copies of all non-disclosure policies, forms, or other agreements that contain confidentiality clauses executed since January 1, 2021…that have been signed by DOL employees,"

45 5 U.S.C. § 2302(b)(13)(A)

only 7 agencies produced responsive documents.[46] The OIG reviewed 28 documents,[47] and only 8 contained the required language.

The OIG made three recommendations to the Acting Secretary to ensure the required anti-gag provision is included in all nondisclosure policies, forms, and other agreements, and to rectify the fact that the anti-gag provision had not consistently been included in NDAs. The Department agreed with the recommendations.

For more information, go to https://www.oig.dol.gov/public/reports/oa/2025/09-25-0001-MA-01-001.pdf, Report No. 09-25-0001-MA-01-001 (January 14, 2025).

Management Advisory Comments Identified in an Audit of the Consolidated Financial Statements for the Year Ended September 30, 2024

In a separate Management Advisory Comments report, KPMG provided additional information to DOL management on issues identified during the OIG-contracted financial statement audit that did not rise to the level of significant deficiencies. The additional information represented opportunities for DOL to improve internal controls or achieve other operating efficiencies. KPMG identified six new comments and one prior year comment still present in FY 2024. KPMG also noted the closure of three prior year comments in FY 2024.

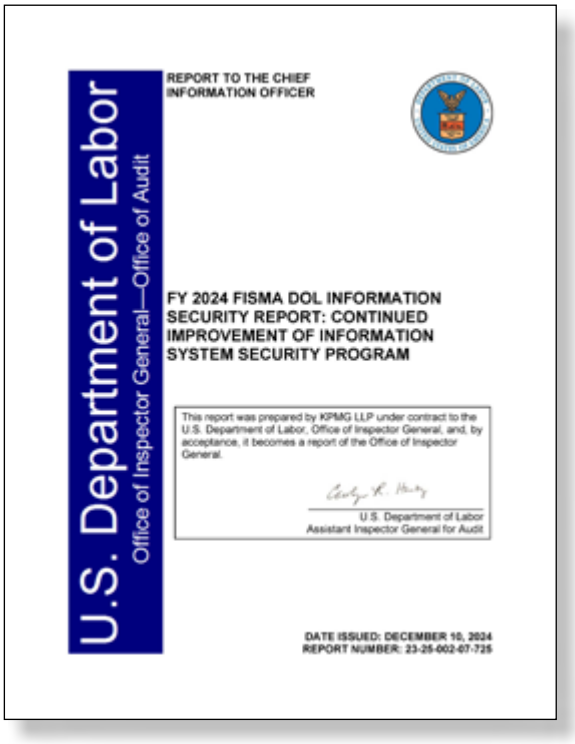
For more information, go to https://www.oig.dol.gov/public/reports/oa/2025/22-25-003-13-001.pdf, Report No. 22-25-003-13-001 (December 18, 2024).

46 The other agencies informed the OIG they had no documents responsive to the request.

47 The 7 agencies produced a total of 42 discrete documents for review. Of the 42 documents provided to the OIG, 14 were prepared by another federal agency or a private entity and deemed to be not included in the request.

FY 2024 FISMA DOL INFORMATION SECURITY REPORT: CONTINUED IMPROVEMENT OF INFORMATION SYSTEM SECURITY PROGRAM

Why OIG Conducted the Audit



Under the Federal Information Security Modernization Act of 2014 (FISMA), the DOL-OIG is required to perform annual independent evaluations of the Department's information security program and practices.

This effort assesses the effectiveness of information security controls over information resources that support federal operations and assets, and it also provides a mechanism for improved oversight of information security programs. This includes assessing the risk and magnitude of the harm that could result from unauthorized access, use, disclosure, disruption, modification, or destruction of such information or information systems.

We contracted with KPMG to conduct an independent performance audit on DOL's FY 2024 information security program for the period October 1, 2023, through June 30, 2024. To determine the effectiveness of the program, KPMG evaluated and tested security controls in accordance with applicable legislation, guidelines, directives, and other documentation.

What OIG Found

DOL's information security program continues to mature and improve; however, certain Cybersecurity Framework Functions are preventing DOL from maintaining an effective information security program. KPMG reported eight findings for DOL's information security program. The findings were identified in two of five FISMA Cybersecurity Framework Functions and in four of the nine FISMA Metric Domains. As a result, DOL's information security program was determined to be not effective, according to the Office of Management and Budget's guidance.

A security program is considered effective if the calculated score of the Cybersecurity Framework Functions is at least Managed and Measurable (Level 4). However, KPMG found weaknesses that demonstrated the information security program had not achieved a maturity rating of Managed and Measurable (Level 4) in three of the five FISMA Cybersecurity Framework Functions: Identify,

Protect, and Recover. Specifically, KPMG identified deficiencies in the monitoring of DOL cloud service providers, multi-factor authentication enforcement, security training compliance, and the implementation of privacy-focused role-based training.

In addition, DOL's information security program did not fully adhere to applicable FISMA requirements, Office of Management and Budget policy and guidance, and National Institute of Standards and Technology (NIST) standards and guidelines. For example, DOL's system-level security policies have not been updated to comply with NIST Special Publication 800-53, Revision 5.1, Release 5.1.1, Security and Privacy Controls for Information System and Organization. The OIG remains concerned that this prior year finding of compliance with the NIST publication remains outstanding. By not updating DOL's policies and procedures to be compliant, the Chief Information Officer is not taking necessary steps in mitigating IT risk for DOL.

What OIG Recommended

KPMG made seven new recommendations to strengthen DOL's information security program. KPMG also determined 10 prior year recommendations were closed, 2 remain open, and 7 were not submitted for closure. DOL management generally concurred with the findings and recommendations; however, management disagreed with KPMG's conclusion that DOL's information security program was ineffective.

For more information, go to: https://www.oig.dol.gov/public/reports/oa/2025/23-25-002-07-725.pdf, Report No. 23-25-002-07-725 (December 10, 2024).

FY 2024 Independent Auditor's Report on the DOL Financial Statements

The OIG contracted with the independent certified public accounting firm of KPMG to audit DOL's annual financial statements, which comprise the consolidated financial statements and sustainability financial statements, as of and for the fiscal year ended September 30, 2024. KPMG concluded that DOL complied, in all material respects, with the requirements of the Federal Financial Management Improvement Act of 1996 as of September 30, 2024. However, KPMG issued a qualified opinion on the consolidated financial statements and identified one material weakness on internal control over financial reporting.

Also, KPMG found the sustainability financial statements presented fairly, in all material respects, DOL's social insurance[48] information as of September 30, 2024, 2023, 2022, 2021, and 2020, and

48 Social insurance is defined as income transfer programs financed by compulsory earmarked taxes. DOL operates the Black Lung Benefits program, which is classified as a social insurance program and is reported in its sustainability financial statements.

its changes in social insurance amounts for the years ended September 30, 2024, and 2023, in accordance with U.S. generally accepted accounting principles.

KPMG issued a qualified opinion because it was unable to obtain sufficient appropriate audit evidence about the methodology and underlying assumptions used to estimate certain unemployment insurance balances in FY 2024 and 2023.

In addition, KPMG identified certain deficiencies in internal control that it considered to be a material weakness and determined improvements were needed in controls over financial reporting related to unemployment trust fund balances and activity. To address these deficiencies, KPMG provided three recommendations to the Deputy Chief Financial Officer and the Assistant Secretary for Employment and Training.

For more information, go to https://www.oig.dol.gov/public/reports/oa/2025/22-25-002-13-001.pdf, Report No. 22-25-002-13-001 (November 14, 2024).

DOL CONTINUES TO MAKE PROGRESS TOWARD COMPLIANCE WITH THE GEOSPATIAL DATA ACT OF 2018

Why OIG Conducted the Audit

The Geospatial Data Act of 2018 (GDA) was signed into law on October 5, 2018, to foster efficient management of geospatial data, technologies, and infrastructure through enhanced coordination among federal, state, local, and tribal governments, along with the private sector and academia. According to the GDA, the Inspectors General must complete an audit every 2 years regarding their agencies' progress toward implementing GDA requirements. To what extent did OWCP's DEEOIC ensure claims followed appropriate guidelines?



To address this mandatory audit requirement, we performed an audit to answer the following question:

To what extent has the DOL fulfilled the requirements of the GDA to date?

We assessed the status of DOL's implementation efforts by conducting interviews and analyzing evidence provided.

What OIG Found

DOL made progress in addressing the 13 specific GDA requirements; however, more remains to be done. Of the 13 requirements, we determined DOL initiated action and made progress on 6 of the requirements, completed or met 5, and made no progress to date on the remaining 2.

In the following table (see Table 2), the red hexagon means no progress or requirements not met, the yellow triangle means limited progress or requirements partially met, and the green star means requirements met.

Table 2: OIG Assessment of DOL's Implementation of GDA Requirements

Requirement	2020	2022	2024
1. Strategy	▲	⬢	▲
2. Support Data Sharing	⬢	⬢	▲
3. Promote Data Integration	⬢	⬢	★
4. Agency Record Schedules	⬢	⬢	⬢
5. Allocation of Resources	▲	⬢	⬢
6. Use Data Standards	⬢	⬢	▲
7. Coordination and Partnerships	★	★	★
8. Promote Application of Geospatial Data Assets	⬢	⬢	★
9. Protection of Privacy and Confidentiality	⬢	⬢	▲
10. Declassified Data	★	★	★
11. Non-Duplication of Data	▲	⬢	▲
12. Ensuring High-Quality Data	⬢	⬢	▲
13. Appointment of Contact	★	★	★

Source: OIG analysis from our Fiscal Year 2020, 2022, and 2024 geospatial audits

DOL's progress in addressing GDA requirements has been impaired by multiple factors. Although DOL has a geospatial data strategy, the policy was not adequately disseminated to agencies. Many agencies remained unaware there was a policy, and some did not understand their roles, responsibilities, and obligations. Furthermore, DOL had an incomplete and inaccurate geospatial data inventory. DOL also had no plans for long-term funding or allocations for geospatial projects or to purchase data quality standards. Finally, DOL continued to be hindered by lead agencies' delays in providing data standards and regulations needed by covered agencies.

What OIG Recommended

We made three recommendations to improve DOL's compliance with the GDA. We recommended the Chief Data Officer (CDO) create a documented process to improve data accuracy and quality, provide training to agencies, and create a plan to acquire sufficient funding for GDA work. The CDO agreed with our recommendations.

For more information, go to https://www.oig.dol.gov/public/reports/oa/2025/23-25-001-01-001.pdf, Report No. 23-25-001-01-001 (October 3, 2024).

Single Audits

A single audit provides an organization-wide examination of an entity expending federal assistance funds received for its operations. The audit is typically conducted annually by an independent certified public accountant, and its objective is to provide assurance to the U.S. government regarding the management and use of funds by recipients such as states, schools, universities, and nonprofits.

Quality Control Review of Single Audits

Under OMB Uniform Guidance,[49] cognizant federal agencies ensure the implementation of single audit requirements. A nonfederal entity expending more than $50 million a year in federal awards has a cognizant agency for audit.[50] DOL is currently cognizant for 12 entities.

The OIG periodically performs Quality Control Reviews (QCR) of single audits of entities over which DOL has cognizance. During this reporting period, we conducted the following QCR: Quality Control Review for the Single Audit of the Commonwealth of Puerto Rico Department of Labor and Human Resources for the Fiscal Year Ended June 30, 2022

Quality Control Review for the Single Audit of the Commonwealth of Puerto Rico Department of Labor and Human Resources for the Fiscal Year Ended June 30, 2022

We performed a QCR of the independent certified public accounting firm López-Vega, CPA, PSC's single audit of the Commonwealth of Puerto Rico Department of Labor and Human Resources for the fiscal year ended June 30, 2022. Our QCR covered the regular and COVID-19 unemployment insurance programs and the employment service program cluster, which totaled $1.16 billion of DOL funds. We determined the audit work of López-Vega, CPA, PSC on the single audit was acceptable and met the requirements of generally accepted government auditing standards, generally accepted auditing standards, and OMB Uniform Guidance. Our report did not contain any recommendations.

For more information, go to https://www.oig.dol.gov/public/reports/oa/2025/24-25-001-50-598.pdf, Report No. 24-25-001-50-598 (January 17, 2025).

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49 Uniform Guidance refers to 2 C.F.R. Part 200, OMB's "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."

50 According to Uniform Guidance, the designated cognizant agency for audit must be the federal awarding agency that provides the predominant amount of funding directly to a nonfederal entity unless OMB designates a specific cognizant agency for audit. Cognizant agencies for audit are the federal agencies designated to carry out the responsibilities described in Uniform Guidance § 200.513(a).

Employee Integrity Investigations

Employee Integrity Investigations

The OIG is responsible for investigating possible misconduct or criminal activities involving DOL employees or individuals providing services to the Department.

- The OIG conducted an internal investigation into allegations that a senior DOL management official had engaged in misconduct involving the use of their official position for personal gain. The investigation was referred for prosecution but was declined in lieu of administrative action within DOL. The senior management official received a counseling memorandum from DOL.

- The OIG conducted an internal investigation on an allegation referred by the Secretary of Labor and the Office of Special Counsel indicating that a senior DOL management official violated ethics by purchasing stock in a company that does business with DOL. The investigation confirmed that the senior management official did own the stock. The final investigative report was referred to the Secretary of Labor and the Office of Special Counsel.

- The OIG conducted an internal investigation into allegations that a senior DOL management official had changed information on official documents related to an ongoing OIG audit. The investigation determined that although the information was altered from the original document, the information was only condensed and the substance was not changed. No further action was warranted.

OIG Whistleblower Activities

OIG Whistleblower Activities

Whistleblower Protection Coordinator

DOL employees, contractors, subcontractors, and grantees perform an important service by reporting evidence of wrongdoing, including misconduct, fraud, waste, and abuse in DOL programs. Whistleblowers should never be subjected to, or threatened with, retaliation for having engaged in a protected communication or protected activity. The OIG plays a vital role in ensuring that DOL employees and employees of DOL grantees and contractors are informed of their rights and protections against retaliation for "blowing the whistle." This work is done by the OIG Whistleblower Protection Coordinator Program, housed in the OIG's Office of Legal Services.

Pursuant to Section 2 of the Whistleblower Protection Coordination Act of 2018 (S.1869, June 25, 2018), every Inspector General's office is required to designate a Whistleblower Protection Coordinator. According to Section 2, the Whistleblower Protection Coordinator:

1. educates agency employees about prohibitions against retaliation for protected disclosures;

2. educates agency employees who have made or are contemplating making a protected disclosure about their rights and the remedies against retaliation for protected disclosures, including the means by which employees may seek review of any allegation of reprisal, as well as about the roles of the OIG, the Office of Special Counsel, the Merit Systems Protection Board, and any other relevant entities; and

3. provides general information about the timeliness of such cases, the availability of any alternative dispute mechanisms, and avenues for potential relief. Within the OIG, a Supervisory Associate Counsel to the Inspector General has been designated to serve as the Whistleblower Protection Coordinator.

Pursuant to this designation, the Whistleblower Protection Coordinator has:

- provided input into training that is required to be completed by all DOL employees, entitled "Prohibited Personnel Practices, Whistleblower Protection";
- provided input into training that is required to be completed by all DOL supervisors and managers entitled "Responding to Whistleblower Retaliation Complaints/Overview of Prohibited Personnel Practices – Annual Training."

- developed training for new employees titled "Whistleblower Rights and Protections for DOL Employees" that is included in all DOL employees' New Employee Orientation and regularly provides this training live to Solicitor's Office's Honors Attorneys;
- updated the DOL-OIG public-facing website titled "Whistleblower Protection Coordinator," which is available to all DOL and OIG employees, to provide information on whistleblower protections and options for DOL employees and employees of DOL contractors and grantees;
- established a dedicated e-mail address—OIGWhistleblower@oig.dol.gov—to receive and respond to whistleblower-related inquiries from DOL employees and employees of DOL contractors and grantees;
- monitored whistleblower retaliation complaints received by the OIG, as well as whistleblower retaliation investigations conducted by the OIG; and
- conducted training for various agencies within DOL upon request.

Whistleblower Retaliation Investigations

The OIG can initiate its own investigations into allegations of improper or illegal retaliation brought by DOL employees or, on a discretionary basis, refer such allegations to the Office of Special Counsel for review and investigation.

Further, pursuant to 41 U.S.C. § 4712, the OIG is required, with some exceptions, to investigate whistleblower retaliation allegations made by employees of DOL contractors or grantees.

Table 3: Whistleblower Investigations, October 1, 2024 – March 31, 2025

Investigation Type	Number
Pending DOL employee complaint investigations	2
Reports related to DOL employee whistleblower retaliation complaints sent to the appropriate agencies within the Department	0
Grantee/contractor employee complaints closed after preliminary inquiry	1
Pending grantee/contractor employee complaint investigations	2
Reports pending with DOL	2
Decision issued by the DOL Assistant Secretary for Administration and Management in grantee/contractor employee complaints	1

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Legislative Recommendations

Legislative Recommendations

The Inspector General Act of 1978, as amended, requires the Office of Inspector General (OIG) to review existing or proposed legislation and regulations and to make recommendations in the Semiannual Report to Congress concerning their impact both on the economy and efficiency of the U.S. Department of Labor's (DOL or Department) programs and on the prevention of fraud, waste, and abuse. The OIG continues to propose the following legislative actions to increase efficiency and protect the Department's programs.

The Office of Inspector General, in congressional testimonies and through other means, has highlighted four high-priority recommendations for congressional consideration:

1. Immediately extend the statute of limitations for fraud involving pandemic-related unemployment insurance (UI) programs;

2. Ensure DOL and the OIG have ongoing, timely, and complete access to UI claimant data and wage records;

3. Grant the OIG statutory authority to participate in asset forfeiture funds to combat UI fraud and other crime; and

4. Ensure effective payment integrity controls to reduce improper payments in all UI programs, including temporary ones, such as through broader requirements for mandatory cross-matching.

Details on these and other legislative recommendations follow.

Immediately Extend the Statute of Limitations Associated with Pandemic-Related UI Fraud

The statute of limitations for many of the OIG's pandemic-related UI fraud investigations is now starting to expire. Unless Congress acts urgently, the opportunity to extend the statute of limitations associated with pandemic-related UI fraud will soon be lost entirely. This is our first Semiannual Report to Congress after the statute has begun to expire, restricting our ability to pursue justice in these cases. Given that the statutes often used to prosecute UI fraud have a 5-year limitation, many groups and individuals that have defrauded the UI program may escape justice.

Even with the OIG's tireless efforts, a failure to extend the current statute of limitations associated with UI fraud means federal law enforcement will have to stop short of fully investigating and prosecuting some of the most egregious cases of pandemic UI fraud. This is particularly the case

given the volume and complexity of UI fraud matters we investigate. This issue is further complicated by our limited resources resulting from the expenditure of all supplemental funding provided to conduct oversight of pandemic-related programs. The U.S. Small Business Administration faced a similar issue regarding the statute of limitations for pandemic-related fraud in the Paycheck Protection and Economic Injury Disaster Loan programs. To address those concerns, Congress passed legislation to extend associated statutes of limitations.

Congress could likewise extend the statute of limitations for fraud associated with pandemic-related UI programs. This would help ensure both investigators and prosecutors have time to effectively pursue and hold accountable those who defrauded UI programs during the pandemic. With an extension of the statute of limitations, and appropriate resources, the OIG could continue to vigorously pursue those who defrauded pandemic UI programs, particularly by means of large-scale identity theft schemes.

Ensure DOL and OIG Access to UI Claimant Data and Wage Records

In addition to the authority provided by the Inspector General Act of 1978, as amended, Congress should consider legislative action specifically authorizing DOL and the OIG to have ongoing, timely, and complete access to UI claimant data and wage records of state workforce agencies (SWA) and unemployment insurance-administering agencies in U.S. Territories[51] for our respective oversight responsibilities. The Department has stated that—until it revises its existing regulations through notice and comment rulemaking—it lacks the authority to require SWAs to provide the OIG with access to UI claimant data and wage records except when the OIG is investigating a particular instance of suspected UI fraud.

DOL is in the process of amending the regulations to facilitate the OIG's ongoing access to UI data. However, detriments to this approach include potential gaps in data availability given how long the rulemaking process can take. Furthermore, the OIG is already authorized under the Inspector General Act of 1978, as amended, to have timely access without constraints to this data and needs access to all UI program data. Ongoing, timely, and complete access to SWA UI claimant data and wage records would assist in enabling the OIG to quickly identify large-scale fraud and expand its current efforts to share emerging fraud trends with the Employment and Training Administration (ETA) and states to strengthen the UI program and deter fraud. This access would also further assist the Department in its programmatic oversight responsibilities to identify weak controls and improper payments in the UI program.

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51 Fifty states, as well as the U.S. Virgin Islands, the Commonwealth of Puerto Rico, and the District of Columbia, administer UI through a SWA. In addition, U.S. Territories that administer UI include American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, Guam, the Marshall Islands, and the Republic of Palau.

To underscore this point, based on the data obtained by the OIG, our auditors, investigators, and data scientists collaboratively identified $46.9 billion dollars in potential fraud paid in six specific high-risk areas, such as multistate claimants and deceased persons.[52] The OIG has shared its methodology and underlying data for these six high-risk areas with DOL for further dissemination to SWAs. This information allows the Department and SWAs to analyze concerning claims and to strengthen controls to detect and deter future fraud. The OIG was further able to recommend the Department make programmatic changes and put billions in federal funds to better use. If Congress provides the OIG with the requested access, the OIG can conduct data analytics, identify program weaknesses, and recommend corrective actions through its independent oversight activities that would help to improve the timeliness of UI benefit payments and the integrity of the UI program. Furthermore, ensuring DOL has access to all UI program claimant and wage records would enable the Department to provide sufficient oversight of the program, establish a data analytics capability at the federal level, and proactively monitor and analyze UI claims data across states to detect high-risk areas and emerging fraud trends before they escalate.

In March 2025, the White House released Executive Order 14243, Stopping Waste, Fraud, and Abuse by Eliminating Information Silos,[53] which underscores the current Administration's commitment to eliminating barriers that hinder federal oversight efforts. The order emphasizes that removing unnecessary restrictions on data access and enhancing interagency data sharing are critical to reducing bureaucratic inefficiencies and strengthening the government's ability to detect overpayments and fraud. To support these efforts, the order directs agency heads to take all necessary steps, to the maximum extent consistent with law, to ensure the federal government has unfettered access to comprehensive data from all state programs receiving federal funding, including data maintained in third-party databases where applicable. Ensuring the OIG and DOL have statutory access to UI claimant data and wage records aligns with this directive and is essential to preventing fraud, safeguarding program integrity, and strengthening oversight of UI program funds.

Authorize OIG Participation in Asset Forfeiture Funds

Legislative authority in the area of asset forfeiture would increase the OIG's ability to effectively and efficiently investigate UI fraud and other crimes. Allowing the OIG to recover fraudulently obtained

52 Alert Memorandum: ETA Needs to Incorporate Data Analytics Capability to Improve Oversight of the Unemployment Insurance Program, Report No. 19-23-012-03-315 (September 25, 2023), available at: https://www.oig.dol.gov/public/reports/oa/2023/19-23-012-03-315.pdf

53 Executive Order 14243, Stopping Waste, Fraud, and Abuse by Eliminating Information Silos, issued March 20, 2025, available at: https://www.whitehouse.gov/presidential-actions/2025/03/stopping-waste-fraud-and-abuse-by-eliminating-information-silos/

funds would deprive criminals of their ill-gotten proceeds.[54] Asset forfeiture is a critical legal tool that serves a number of compelling law enforcement purposes. It is designed to deprive criminals of the proceeds of their crimes, to break the financial backbone of organized criminal syndicates, and to recover property that may be used to compensate victims and deter criminal activity.

While the OIG could make significant use of asset forfeiture in our UI fraud investigations, we could also use that authority in other areas of our investigative jurisdiction, including labor trafficking involving the Department's foreign labor certification programs; the Office of Workers' Compensation Programs' (OWCP) provider fraud matters; and labor racketeering matters involving labor unions and their affiliated employee benefit plans. Currently, the OIG is not a participant in the U.S. Department of the Treasury (Treasury) Forfeiture Fund or the U.S. Department of Justice (DOJ) Assets Forfeiture Fund. This lack of authority to participate limits the OIG's ability to effectively recover proceeds of UI fraud and other crimes under the OIG's jurisdiction. Allowing the OIG to participate in the Treasury Forfeiture Fund or the DOJ Assets Forfeiture Fund would allow the OIG to better combat UI fraud and other crimes in the future.

Enact the UI Integrity Legislative Proposals

The OIG encourages Congress to consider and adopt key DOL proposals to aid the Department's efforts to combat improper payments in the UI program. In its Fiscal Year (FY) 2025 Congressional Budget Justification,[55] the Department proposed provisions designed to provide new and expanded tools and controls for states to help ensure workers are properly paid and to prevent improper payments, including fraud, in the UI system.

The Department stated the proposals collectively would result in savings of more than $3 billion over the 10-year budget window. These are similar to DOL proposals included in prior DOL budget requests that would help address UI program integrity and the high improper payment rates in the UI program. These proposals include the following:

- require SWAs to cross-match UI claims against the National Directory of New Hires;
- require SWAs to cross-match UI claims with a system(s)…that contains information on individuals who are incarcerated;
- require states to disclose information to the OIG;

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54 According to the Federal Bureau of Investigation, "Asset forfeiture entails a legal process whereby the ownership of an asset is removed from individuals because they used it illegally, received or derived it from illicit activity, or employed it to facilitate a crime. The vesting of title with the government follows a civil, criminal, or administrative proceeding." FBI, "Asset Seizure and Forfeiture: A Basic Guide," law enforcement bulletin (August 10, 2016), available at: https://leb.fbi.gov/articles/featured-articles/asset-seizure-and-forfeiture-a-basic-guide

55 DOL FY 2025 Congressional Budget Justification, ETA, State Unemployment Insurance and Employment Service Operations, available at: https://www.dol.gov/sites/dolgov/files/general/budget/2025/CBJ-2025-V1-07.pdf

- allow SWAs to retain up to 5 percent of recovered fraudulent UI overpayments for program integrity use;
- require SWAs to use [UI] penalty and interest collections solely for UI administration; and
- permit the Department to collect and store states' UI claimant data.

These legislative proposals are consistent with previous OIG reporting to improve the UI program. To maintain UI program integrity, the OIG has recommended establishing legislation that requires SWAs to cross-match high-risk areas, such as UI benefits paid to individuals with Social Security numbers filed in multiple states and belonging to deceased persons.

Lack of Fiscal Year Limitations Hinders DOL's Ability to Properly Manage Temporary Emergency Program Funds

The OIG encourages Congress to implement a time limit for states' administration of UI emergency program benefit claims after the expiration of programs' eligibility periods for current and future temporary emergency benefit programs.

During our audit of the Mixed Earners Unemployment Compensation (MEUC) program, we found that, under the enacting law and agreements between the Department and SWAs, SWAs are entitled to reimbursement of 100 percent of the cost of eligible benefits paid under the MEUC program no matter when the claim is processed. Funds for this program, like most pandemic-related UI programs, were appropriated by Congress without fiscal year limitation. Because of this, ETA continues to set aside pandemic funds to reimburse SWAs for eligible MEUC claims. ETA must reimburse states until all eligible claims from the program period have been administered—even if this requires the agency to do so years after the conclusion of the program period in September 2021.

If the enacting law and subsequent agreements between DOL and the SWAs contained a termination date by which all claims must be administered or returned to Treasury, remaining pandemic funds could be returned to Treasury sooner and reprogrammed for more urgent needs of the American taxpayer. The pandemic assistance funds, such as MEUC, were authorized to quickly meet the urgent financial needs of American taxpayers during the pandemic. However, paying pandemic-related claims long after the pandemic has ended and the U.S. economy has recovered is counterproductive to the original intent of the funds—even if claimants are eligible under the program period.

Provide Authority to Ensure the Integrity of the H-1B Program

If DOL is to have a meaningful role in the foreign labor certification process for H-1B specialty occupation visas, it must have the statutory authority to ensure the integrity of that process. This authority should include the ability to verify the accuracy of information provided on labor condition applications and to initiate its own H-1B investigations more broadly.

Currently, unlike H-2A and H-2B investigations, DOL's authority to investigate H-1B employers is limited and typically requires a complaint by an aggrieved party. In the absence of such a complaint, with limited exceptions, DOL may only initiate its own H-1B investigations if the Secretary personally certifies there is reasonable cause to believe the employer is not in compliance. Even assuming such personal certification is obtained, the scope of Secretary-certified investigations is limited. These investigations are restricted to willful, pattern-or-practice, or substantial violations of the Labor Condition Application requirements regarding prevailing wage and benefits, working conditions, labor disputes, recruitment of U.S. workers, and notification of applications.

Additionally, such an investigation must be conducted under specific procedures and may only be initiated for reasons other than completeness and obvious inaccuracies by the employer in complying with H-1B requirements. In most circumstances, a notice also must be provided to the employer to allow a rebuttal of the allegations before the investigation begins.

Our concern with the Department's limited ability to ensure the integrity of the certification process is heightened by the results of OIG audits and investigations showing the program is susceptible to significant fraud and abuse, including by certain employers and attorneys. For example, some staffing companies utilize the H-1B program without having scheduled jobs already lined up. Some employers and attorneys misrepresent their need for workers to DOL, then reassign the extra workers to other companies or require foreign workers to find their own work. There have also been instances when companies illegally generated profits by requiring foreign workers to pay fees and recurring payments to secure H-1B visas.

Without statutory authority, the Department generally cannot verify employers' attestations to H-1B certifications except in limited circumstances, including when an aggrieved person or organization files a complaint. As some foreign workers may be reluctant to file complaints for fear of retaliation and losing their jobs, the Department's process is unlikely to result in verification action being taken.

Amend Pension Protection Laws

Legislative changes to the Employee Retirement Income Security Act of 1974 (ERISA) and criminal penalties for ERISA violations would enhance the protection of assets in pension plans. To this end, the OIG continues to recommend the following legislative actions:

- **Repeal ERISA's limited-scope audit exemption.** This exemption excludes pension plan assets invested in financial institutions, such as banks and savings and loan firms, from audits of employee benefit plans. Notwithstanding recent changes to auditing standards that strengthen limited-scope audits, these audits prevent independent public accountants who are auditing pension plans from rendering an opinion on the plans' financial statements in accordance with professional auditing standards. These "no opinion" audits offer weak assurance of asset integrity either to plan participants or to the Department.

Legislative Recommendations

- **Expand the authority of the Employee Benefits Security Administration to correct substandard benefit plan audits and ensure that auditors with poor records do not perform additional audits.** Changes should include providing the Employee Benefits Security Administration with greater enforcement authority over registration, suspension, and debarment as well as the ability to levy civil penalties against employee benefit plan auditors. The ability to correct substandard audits and take action against auditors is essential because benefit plan audits help protect participants and beneficiaries by ensuring the proper valuation of plan assets and computation of benefits.

- **Require direct reporting of ERISA violations to DOL.** Under current law, a pension plan auditor who finds a potential ERISA violation is responsible for reporting it to the plan administrator but not directly to DOL. To ensure improprieties are addressed, we recommend plan administrators or auditors be required to report potential ERISA violations directly to DOL. This change would ensure the timely reporting of violations and would more actively involve auditors in safeguarding pension assets as a first line of defense against the abuse of workers' pension plans.

- **Strengthen criminal penalties in U.S.C. Title 18.** Three sections of U.S.C. Title 18 serve as the primary criminal enforcement tools for protecting pension plans covered by ERISA. Section 664 sets penalties for embezzlement or theft from employee pension and welfare plans; Section 1027 sets penalties for making false statements in documents required by ERISA; and Section 1954 sets penalties for giving or accepting bribes related to the operation of ERISA-covered plans. Sections 664 and 1027 subject violators to up to 5 years' imprisonment while Section 1954 calls for up to 3 years' imprisonment for violators. The OIG recommends raising the maximum penalty up to 10 years for all three violations to correspond with the 10-year penalty imposed by Section 669 (for theft from health care benefit programs). An increased penalty would serve as a greater deterrent and, consequently, further protect employee pension plans.

Improve the Integrity of the FECA Program

Legislative reforms should be considered in the following areas to improve the effectiveness and integrity of the Federal Employees' Compensation Act (FECA) program:

- **Provide statutory access to the National Directory of New Hires and Social Security wage records.** Currently, the Department has no direct access to the National Directory of New Hires data and can access Social Security wage information only if the claimant gives it permission. Granting the Department routine access to these databases would aid in detecting fraud committed by individuals receiving FECA wage loss compensation but failing to report the income they have earned.

- **Establish a 3-day waiting period at the beginning of the claims process.** FECA legislation provides for a 3-day waiting period, which is intended to discourage the filing of frivolous claims. As currently written, however, the legislation places the waiting period at the end of the 45-day continuation-of-pay period, thereby negating its purpose. Legislation that passed in 2006 placed the waiting period for postal employees immediately after an employment-related injury. If the intent of the law is to ensure a true waiting period before an employee applies for benefits, then that period should likewise come immediately after an employment-related injury—for all federal workers, not exclusively postal employees. This proposal was included in the President's FY 2021 budget as part of the OWCP's FECA reform.

- **Allow the temporary suspension of medical providers pending the outcome of criminal investigations.** While FECA regulations allow OWCP to automatically exclude a provider who has been convicted of fraud from participating in the FECA program, it cannot automatically suspend payments to a provider who has been criminally indicted for alleged fraudulent billing practices. OWCP can pursue a government-wide non-procurement suspension, but this process and the various procedures involved can be lengthy and relies on the Department's Suspension and Debarment Official, delaying OWCP's ability to protect the FECA program from medical providers alleged to have engaged in fraudulent billing practices. Legislative changes are necessary to enable DOL to automatically suspend all medical providers who have been indicted for alleged fraudulent billing practices from providing further medical services and receiving payments from the program until the indictment is resolved.

Authorize and Increase Authority to Enforce Disclosure Requirements

The Office of Labor-Management Standards (OLMS) is responsible for enforcing requirements under the Labor-Management Reporting and Disclosure Act of 1959 for disclosing persuader activity when an employer hires someone to influence an employee regarding unionization. OLMS promotes labor-management transparency by making available reports showing employers' expenditures for their activities in persuading workers during union organizing campaigns. OLMS obtains and publicly releases persuader activity reports. In May 2024, we reported that OLMS' limited enforcement authority, which lacks the ability to levy fines and penalties, gives employers and consultants little incentive to comply with the requirements. The OIG recommends Congress work with OLMS to take legislative action to increase OLMS' enforcement authority.

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Appendices

Reporting Requirements Under the Following Acts

The Inspector General Act of 1978, as Amended

REPORTING	REQUIREMENT	PAGE
Section 4(a)(2)	Recommendations on existing and proposed legislation and regulations relating to the programs and operations of DOL	91
Section 5(a)(1)	Description of significant problems, abuses, and deficiencies relating to the administration of programs and operations of the establishment and associated reports and recommendations for corrective action made by the Office	All
Section 5(a)(2)	Identification of each recommendation made before the reporting period, for which corrective action has not been completed, including the potential costs savings associated with the recommendation	All
Section 5(a)(3)	Summary of significant investigations closed during the reporting period	37-74
Section 5(a)(4)	Identification of the total number of convictions during the reporting period resulting from investigations	129
Section 5(a)(5)	Information regarding each audit, inspection, or evaluation report issued during the reporting period, including— (A) a listing of each audit, inspection, or evaluation; (B) if applicable, the total dollar value of questioned costs (including a separate category for the dollar value of unsupported costs) and the dollar value of recommendations that funds be put to better use, including whether a management decision had been made by the end of the reporting period	106
Section 5(a)(6)	Information regarding any management decision made during the reporting period with respect to any audit, inspection, or evaluation issued during a previous reporting period	111
Section 5(a) (7)	Information from the Federal Financial Management Improvement Act Section 804(b) — instances in which an agency has not met intermediate target dates in a remediation plan, and the reasons	None to report
Section 5(a)(8)	Peer review reporting: (A) results of any peer review conducted by another OIG, or (B) a statement identifying the date of the last peer review conducted	131

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Section 5(a)(9)	Outstanding peer review recommendations	None to report
Section 5(a) (10)	Peer reviews conducted by the OIG and recommendations outstanding or not fully implemented	None to report
Section 5(a) (11)	Statistical tables on investigative findings showing total number of: (A) reports issued; (B) persons referred to the U.S. Department of Justice for prosecution; (C) persons referred to state and local prosecuting authorities; and (D) indictments and criminal informations that resulted from any prior referral to prosecuting authorities	129
Section 5(a) (12)	Metrics used for developing the data for the statistical tables	129
Section 5(a) (13)	Summary of investigations of senior government employees where allegations of misconduct were substantiated, including the facts, circumstances, status, and disposition of the matter	85
Section 5(a) (14)	Description of whistleblower retaliation cases including information about the official found to have engaged in retaliation and what, if any, consequences that establishment imposed to hold that official accountable	87
Section 5(a) (15) and Section 6(c)(2)	Information related to interference by the establishment, including— (A) a detailed description of any attempt by the establishment to interfere with the independence of the Office, including— (i) with budget constraints designed to limit the capabilities of the Office; and (ii) incidents where the establishment has resisted or objected to oversight activities of the Office or restricted or significantly delayed access to information, including the justification of the establishment for such action; and (B) a summary of each report made to the head of the establishment under section 6(c)(2) during the reporting period	None to report
Section 5(a) (16)	(A) Descriptions of inspections, evaluations, audits, and investigations that are closed and were not disclosed to the public; and (B) Descriptions of investigations conducted by the office involving a senior government employee that are closed and were not disclosed to the public	None to report

Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010

REPORTING	REQUIREMENT	PAGE
Section 989(C)	Peer review reporting	131

Funds Recommended for Better Use

Funds Put to a Better Use Agreed to by DOL[56]	Number of Reports	Dollar Value ($ millions)
For which no management decision had been made as of the commencement of the reporting period	3	$30,970
Issued during the reporting period		$0
Subtotal	**3**	**$30,970**
For which a management decision was made during the reporting period:		
• Dollar value of recommendations that were agreed to by management	1	$29,580
• Dollar value of recommendations that were not agreed to by management	0	$0
For which no management decision had been made as of the end of the reporting period	**2**	**$1,390**

Funds Put to a Better Use Implemented by DOL	Number of Reports	Dollar Value ($ millions)
For which final action had not been taken as of the commencement of the reporting period	3	$44,104
For which management or appeal decisions were made during the reporting period	1	$29,581
Subtotal	**4**	**$73,685**
For which management decision was made during the reporting period:		
• Dollar value of recommendations that were actually completed		
• Dollar value of recommendations that management has subsequently concluded should not or could not be implemented or completed	0	$0
For which no final action had been taken by the end of the reporting period	**4**	**$73,685**

56 The term “recommendation that funds be put to better use” means a recommendation by the OIG that funds could be used more efficiently or achieve greater program effectiveness if management took actions to implement and complete the recommendation. This term is defined by the Inspector General Act of 1978, as amended, and includes, among other things, reductions in future outlays; deobligation of funds from programs or operations; costs not incurred in the future by implementing recommended improvements related to the operations of the establishment, a contractor, or a grantee; and any other savings specifically identified, including reverting funds to Treasury to be used for other purposes.

Questioned Costs

Resolution Activity: Questioned Costs[57]	Number of Reports	Questioned Costs ($ millions)
For which no management decision had been made as of the commencement of the reporting period (as adjusted)	3	$556
Issued during the reporting period	1	$0.9
Subtotal	**4**	**$557**
For which a management decision was made during the reporting period:		
• Dollar value of disallowed costs		
• Dollar value of costs not disallowed	3	$452
For which no management decision had been made as of the end of the reporting period	1	$105
For which no management decision had been made within six months of issuance	1	$105

Closure Activity: Disallowed Costs[58]	Number of Reports	Disallowed Costs ($ millions)
For which final action had not been taken as of the commencement of the reporting period (as adjusted)	3	$173
For which management or appeal decisions were made during the reporting period	3	$451
Subtotal	**6**	**$624**
For which final action was taken during the reporting period:		
• Dollar value of disallowed costs that were recovered	0	$0
• Dollar value of disallowed costs that were written off	1	$321
• Dollar value of disallowed costs that entered appeal status	0	$0
For which no final action had been taken by the end of the reporting period	**5**	**$303**

57 As defined by the Inspector General Act of 1978, as amended, questioned costs include alleged violations of law, regulations, contracts, grants, or agreements; costs not supported by adequate documentation; or the expenditure of funds for an intended purpose that was unnecessary or unreasonable.

58 Disallowed costs are costs that the OIG questioned during an audit as unsupported or unallowable and that the grant/contracting officer has determined the auditee should repay. The Department is responsible for collecting the debts established. The amount collected may be less than the amount disallowed, and monies recovered usually cannot be used to fund other program operations and are returned to Treasury.

Final Audit Reports Issued

Report Title; Report Number; Date Issued	Number of Recommendations	Questioned Costs ($)	Funds Put To Better Use ($)	Management Decision Made by End of Reporting Period
Employment and Training Administration				
ETA Needs to Improve Oversight of Disaster Dislocated Worker Grants; Report No. 02-25-001-03-391; 10/24/24	8	$926,513	$0	Yes
COVID-19: ETA Could Have Done More to Ensure States Had Sufficient Staffing to Deliver Timely Pandemic Unemployment Benefits; Report No. 19-25-002-03-315; 11/22/24	4	$0	$0	No
Job Corps Needs to Revise How It Measures and Reports on Its Activities Supporting the President's National Drug Control Strategy; Report No. 03-25-001-03-370; 11/22/24	3	$0	$0	No
COVID-19: Data Sharing Project Finds Billions Paid to Same Likely Fraudsters Under Both the Unemployment Insurance and Economic Injury Disaster Loan Programs; Report No. 19-25-001-03-315; 12/05/24	2	$0	$0	No
ETA Can Improve Its Management of the H-2A Program; Report No. 06-25-001-03-321; 02/25/25	4	$0	$0	No
Total (5 Reports)				
Employee Benefits Security Administration				
EBSA Faced Challenges Enforcing Compliance with Mental Health Parity Laws and Requirements; Report No. 09-25-001-12-001; 02/19/25	5	$0	$0	No
Total (1 Report)				

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Mine Safety and Health Administration				
Alert Memorandum: Urgent Concerns for Miner Safety and Health in At Least Three U.S. Territories: MSHA Has Never Conducted Mandatory Inspections and Conducted Inappropriate Oversight of Mine in the Pacific Territories; Report No. 05-25-002-06-001; 11/12/24	11	$0	$0	No
Total (1 Report)				
Office of the Assistant Secretary for Administration and Management				
FY 2024 FISMA DOL Information Security Report: Continued Improvement of Information System Security Program; Report No. 23-25-002-07-725; 12/10/24	7	$0	$0	Yes
U.S. Department of Labor's Purchase and Travel Card Risk Assessed as Very Low and Low, Respectively; Report No. 22-25-004-50-598; 03/25/25	0	$0	$0	No Response Required
Total (2 Reports)				
Office of the Assistant Secretary for Policy				
DOL Continues to Make Progress Toward Compliance with the Geospatial Data Act of 2018; Report No. 23-25-001-01-001; 10/03/24	3	$0	$0	Yes
Total (1 Report)				
Office of the Chief Financial Officer				
FY 2024 Independent Auditors' Report on DOL's Consolidated Financial Statements; Report No. 22-25-002-13-001; 11/14/24	3	$0	$0	Yes
Management Advisory Comments Identified in an Audit of the Consolidated Financial Statements for the Year Ended September 30, 2024; Report No. 22-25-003-13-001; 12/18/24	12	$0	$0	Yes
Total (2 Reports)				
Office of the Secretary				
Management Alert Memorandum: The Majority of DOL Nondisclosure Agreements Do Not Include Required Anti-Gag Language; Report No. 09-25-0001-MA-01-001; 01/14/25	3	$0	$0	No
Total (1 Report)				

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Office of Workers' Compensation Programs				
Special Report Relating to the Federal Employees' Compensation Act Special Benefit Fund September 30, 2024; Report No. 22-25-001-04-431; 10/31/24	0	$0	$0	No Response Required
Total (1 Report)				
Final Audit Total (14 Reports)	**65**	**$926,513**	**$0**	

Other Reports

Report Title; Report Number; Date Issued	Number of Recommendations	Management Decision Made by End of Reporting Period
Employment and Training Programs		
Workforce Innovation and Opportunity Act		
Quality Control Review of the Single Audit of the Commonwealth of Puerto Rico Department of Labor and Human Resources for the Fiscal Year Ended June 30, 2022; Report No. 24-25-001-50-598; 01/17/25	0	No Response Required
Total (1 Report)		
Other Reports Total (1 Report)	**0**	

Unresolved Audit Reports Over 6 Months Old

Agency	Report Title; Report Number; Date Issued	Number of Unresolved Recommendations	Questioned Costs ($)
Agency Management Decision or Grant/Contracting Officer's Final Determination Did Not Resolve; OIG Negotiating with Agency			
ETA	Unemployment Insurance Overpayments Related to Work Search Underscore the Need for More Consistent State Requirements; Report No. 04-21-001-03-315; 09/29/21	1	$0
ETA	Alert Memorandum: ETA Needs to Incorporate Data Analytics Capability to Improve Oversight of the Unemployment Insurance Program; Report No. 19-23-012-03-315; 09/25/23	2	$0
ETA	COVID-19: ETA Needs a Plan to Reconcile and Return to the U.S. Treasury Nearly $5 Billion Unused by States for a Temporary Unemployment Insurance Program; Report No. 19-23-015-03-315; 09/28/23	1	$105,100,000
ETA	ETA Did Not Ensure States Sufficiently Implemented the Mixed Earners Unemployment Compensation Program; Report No. 19-24-005-03-315; 09/11/24	1	$0
MSHA	MSHA Needs to Provide Better Oversight of Emergency Response Plans; Report No. 05-7-002-06-001; 03/31/17	2	$0
MSHA	COVID-19: MSHA Did Not Complete or Accurately Report Mandatory Inspections; Report No. 19-24-001-06-001; 10/17/23	7	$0
OASAM	[59]DOL Implemented Its Wireless Network Securely, Through Security Gaps Exist in Testing, Updating, Patching, and Continuous Review; Report No. 23-24-003-07-720; 09/11/24	2	$0
OSEC	DOL's IT Governance Lacked the Framework Necessary to Support the Overall Mission; Report No. 23-21-002-01-001; 09/30/21	1	$0
OSHA	COVID-19: OSHA Needs to Do More to Address High Injury Rates of Warehouse Workers; Report No. 19-23-013-10-105; 09/27/23	3	$0
Agency Management Decision or Grant/Contracting Officer's Final Determination Not Issued By Close of Period			
Total Nonmonetary Recommendations and Questioned Costs		**20**	**$105,100,000**

59 This report contains sensitive information, and content was not posted for public viewing.

Appendices

Agency	Report Title; Report Number; Date Issued	Number of Recommendations	Funds Recommended for Better Use ($)
Agency Management Decision or Grant/Contracting Officer's Final Determination Did Not Resolve; OIG Negotiating with Agency			
ETA	Alert Memorandum: ETA Needs to Incorporate Data Analytics Capability to Improve Oversight of the Unemployment Insurance Program; Report No. 19-23-012-03-315; 09/25/23	1	$1,292,205,723
ETA	COVID-19: The Employment and Training Administration Needs to Improve Oversight of Grants Awarded in New Jersey; Report No. 19-23-016-03-391; 09/28/23	1	$100,098,923
Total Funds Recommended for Better Use		**2**	**$1,392,304,646**

Total Audit Exceptions and Questioned Costs	20	$105,100,000
Total Funds Recommended for Better Use	2	$1,392,304,646
Total Audit Exceptions, Questioned Costs, and Funds Recommended for Better Use	22	$1,497,404,646

Management Decision Made During this Reporting Period on Audits, Inspections, or Evaluations Issued during a Previous Reporting Period: Final Audit Reports Issued

Report Title; Report Number; Date Issued	Number of Recommendations	Questioned Costs ($)	Funds Put to Better Use ($)	Management Decision Made on Previously Issued Audits
Employment and Training Administration				
COVID-19: ETA's Oversight of Short-Time Compensation Did Not Detect $129.6 Million in Questioned Costs; Report No. 19-24-003-03-315; 06/26/24	3	$129,565,581	$0	Yes
ETA Did Not Ensure States Sufficiently Implemented the Mixed Earners Unemployment Compensation Program; Report No. 19-24-005-03-315; 09/11/24	4	$0	$0	Yes
Total (2 Reports)				
Mine Safety and Health Administration				
MSHA Generally Provided Adequate Oversight of Miner Training, Though Opportunities to Strengthen Controls Exist; Report No. 19-24-004-06-001; 09/12/24	0	$0	$0	No Response Required
Total (1 Report)				

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Appendices

Office of Labor Management Standards				
OLMS Can Do More to Protect Workers' Rights to Unionize Through Enforcing Persuader Activity Disclosure; Report No. 09-24-002-16-001; 05/03/24	6	$0	$0	Yes
Total (1 Report)				
Office of the Assistant Secretary for Administration and Management				
U.S. Department of Labor's Purchase and Travel Card Risks Assessed as Low; Report No. 22-24-006-50-598; 04/18/24	0	$0	$0	No Response Required
[60]DOL Implemented Its Wireless Network Securely, Through Security Gaps Exist in Testing, Updating, Patching, and Continuous Review; Report No. 23-24-003-07-720; 09/11/24	4	$0	$0	Yes
Total (2 Reports)				
Office of the Chief Financial Officer				
The U.S. Department of Labor Did Not Meet the Requirements for Compliance with the Payment Integrity Information Act for Fiscal Year 2023; Report No. 22-24-007-13-001; 05/29/24	3	$0	$0	Yes
Total (1 Report)				
Office of Workers' Compensation Programs				
Longshore and Harbor Workers' Compensation Act Special Fund Financial Statements and Independent Auditors' Report September 30, 2023 and 2022; Report No. 22-24-008-04-432; 07/17/24	1	$0	$0	Yes
District of Columbia Workmen's Compensation Act Special Fund Financial Statements and Independent Auditors' Report September 30, 2023 and 2022; Report No. 22-24-009-04-432; 07/17/24	1	$0	$0	Yes

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60 This report contains sensitive information, and content was not posted for public viewing.

OWCP Could Improve Its Existing Guidelines for Processing DEEOIC Claims; Report No. 09-24-001-04-437; 05/02/24	5	$0	$0	Yes
[61]Service Auditors' Report on the Integrated Federal Employees' Compensation System and Service Auditors' Report on the Optum Workers' Compensation and Auto No-Fault's Retail Pharmacy Network Services System; and Service Auditors' Report on the U.S. Department of Labor Workers' Compensation Medical Billing Program System; Report No. 22-24-010-04-431; 09/17/24	0	$0	$0	No Response Required
Total (4 Reports)				
Final Audit Total (11 Reports)	**27**	**$129,565,581**	**$0**	

61 This report contains sensitive information, and content was not posted for public viewing.

Management Decision Made During this Reporting Period on Audits, Inspections, or Evaluations Issued during a Previous Reporting Period: Other Reports

Report Title; Report Number; Date Issued	Number of Recommendations	Management Decision Made by End of Reporting Period
Employment and Training Programs		
Workforce Innovation and Opportunity Act		
Quality Control Review of the Single Audit of the Chicago Cook Workforce Partnership for the Year Ended June 30, 2022; Report No. 24-24-003-50-598; 05/16/24	0	No Response Required
Quality Control Review of the Single Audit of Job Service North Dakota for the Year Ended June 30, 2023; Report No. 24-24-004-50-598; 06/26/24	0	No Response Required
Quality Control Review for the Single Audit of the County of Greenville, South Carolina for the Fiscal Year Ended June 30, 2023; Report No. 24-24-005-50-598; 09/04/24	0	No Response Required
Total (3 Reports)		
Other Reports Total (3 Reports)	**0**	

Corrective Actions Taken by the Department

During this reporting period, we took final action to close recommendations within reports based on corrective action taken by the Department. The following is a summary of the most significant actions.

MSHA Can Improve Its Pre-Assessment Conferencing Program; Report No. 05-19-001-06-001; 09/23/19

During an inspection, MSHA can issue violations to mine operators that can be challenged in court. To help avoid the court system, MSHA created a pre-assessment conferencing program allowing operators an opportunity to present evidence to MSHA challenging a violation in an informal setting to reach a conference decision that modifies or vacates the violation. The OIG had received several hotline complaints alleging that the conferencing program was not working as intended. Our audit found MSHA did not consistently document specific reasons for conference decisions in which it modified or vacated a violation, and it did not consistently provide feedback to its inspectors regarding conference decisions.

In response to our audit, MSHA transitioned the conferencing program to a system documentation process that requires personnel to document the reason for a modified, vacated, or upheld decision. In addition, MSHA updated its guidance instructing personnel to provide feedback in a non-judgmental or accusatory manner when discussing modified or vacated violations with inspectors. Finally, the Office of the Solicitor provided training to MSHA personnel on how to improve communications with inspectors when providing feedback on conference decisions.

MSHA Can Improve How Violations Are Issued, Terminated, Modified, and Vacated; Report No. 05-21-002-06-001; 03/31/21

MSHA inspects mines to ensure they are safe for miners. The Federal Mine Safety and Health Act (Mine Act) gives MSHA the authority to issue notices, safeguards, citations, and orders ("violations" is the blanket term used by MSHA) to mine operators who do not comply with the health and safety standards or the Mine Act. Our audit found thousands of violations written by MSHA inspectors did not comply with the Mine Act and MSHA Handbook requirements. Errors make violations subject to court challenges and inaccurate penalty assessments and can jeopardize miner safety.

In response to our audit, MSHA provided refresher training to inspectors addressing issues identified during the audit. In addition, MSHA provided a handout to the inspectors to aid in their comprehension.

OWCP Did Not Ensure Best Prices and Allowed Inappropriate, Potentially Lethal Prescriptions in the FECA Program; Report No. 03-23-001-04-431; 03/31/23

OWCP provides workers' compensation coverage to approximately 2.6 million federal and postal workers through the FECA program. Our audit found OWCP did not effectively manage pharmaceutical spending in the FECA program from FY 2015 through FY 2020. OWCP paid significantly higher prices for certain prescription drugs because it did not have a process to ensure its pricing was competitive with other comparable payers in the industry. In addition, OWCP did not take advantage of manufacturer rebates even though this could have resulted in substantial savings. By failing to ensure competitive pricing in the FECA pharmaceutical program, we found OWCP did not realize up to $321.26 million in savings of taxpayer dollars during the audit period. We also found OWCP did not ensure policy changes were implemented as intended, failed to timely identify and address emerging issues, and lacked sufficient clinical expertise and guidelines to ensure appropriate pharmaceutical decisions.

In response to our audit, OWCP performed an analysis of pricing methodologies used by other government entities that pay pharmacy benefits. The resulting "Medication Pricing Strategy Analysis" report outlined OWCP's findings and included recommendations for the pricing policy to be used for the next pharmacy benefit manager contract (scheduled for award in FY 2025). The recommendations included discounting its pricing benchmark by a certain percentage necessary to approximate National Average Drug Acquisition Cost pricing; using a pass-through pricing structure where the government pays the pharmacy benefit manager the direct drug cost paid to the pharmacy plus a service fee; collecting rebates as "locked dollar" amounts per transaction at the point of sale; and including contract incentives such as a premium on generic drug prices in return for improvements in clinical outcomes and program administration.

OWCP established procedures to perform a pricing strategy review at least 12 months before the start of the procurement process for a new pharmacy benefit manager contract, or every 4 years, whichever is less. As part of this review, OWCP will evaluate pricing benchmarks to assess their suitability for subsequent pharmacy benefit manager contracts. It will also examine how rebates are being incorporated into pricing strategies by industry and other government entities.

Additionally, OWCP is performing post-implementation reviews to ensure policy changes are working as intended and reviewing pharmaceutical data to identify issues with drug utilization, drug trends and outliers, and pricing. OWCP has also replaced its treatment suites with a formulary based on nationally recognized guidelines; expanded the number of clinical staff in OWCP; and established a team of physicians, pharmacists, and data scientists responsible for developing policy and providing oversight of the FECA pharmaceutical program.

Unimplemented Recommendations

During this reporting period, there were 5 instances of audits or evaluations provided to the Department for comments that were not responded to within 60 days. We are still yet to receive management decisions in response to these audits and evaluations at the commencement of this reporting period.

From October 1, 2014, through September 30, 2024, the OIG made 1,143 audit recommendations, of which 128 have not been fully implemented. These 128 recommendations include 106 recommendations resulting from audits issued since the end of FY 2021, and, in many cases, the corrective action plans are in place.

RECOMMENDATIONS MADE PRIOR TO OCTOBER 1, 2024, NOT YET IMPLEMENTED

Fiscal Year	Total Number of Recommendations Made	Unimplemented Recommendations	
		Total Number	Monetary Impact ($)
2014	128	1	$0
2015	163	0	$0
2016	100	0	$0
2017	112	7	$0
2018	98	1	$0
2019	84	6	$0
2020	105	7	$0
2021	133	26	$39,155,643,774
2022	67	10	$29,581,490,253
2023	93	38	$6,618,808,321
2024	60	32	$129,565,581
Total	**1,143**	**128**	**$75,485,507,929**

High-Priority Unimplemented Recommendations

The following table summarizes the unimplemented recommendations the OIG considers to be the highest priorities for the Department.

Report Title; Report Number; Date Issued	Unimplemented Recommendation(s)
Unemployment Insurance Benefits	
COVID-19: More Can Be Done to Mitigate Risk to Unemployment Compensation Under the CARES Act; Report No. 19-20-008-03-315; 08/07/20	Issue guidance directing states to provide access to state UI claimant data to prevent and detect fraud.
Alert Memorandum: The Employment and Training Administration (ETA) Needs to Ensure State Workforce Agencies (SWA) Implement Effective Unemployment Insurance Program Fraud Controls for High Risk Areas; Report No. 19-21-002-03-315; 02/22/21	Establish effective controls, in collaboration with SWAs, to mitigate fraud and other improper payments to ineligible claimants, including the areas identified in the memorandum: UI benefits paid to multistate claimants, claimants who used the Social Security numbers of deceased individuals, potentially ineligible federal inmates, and claimants with suspicious email accounts. Effective controls will help prevent similar or greater amounts of fraud and allow those funds to be put to better use; Work with Congress to establish legislation requiring SWAs to cross-match high-risk areas, including the four areas identified in the memorandum.
COVID-19: States Struggled to Implement CARES Act Unemployment Insurance Programs; Report No. 19-21-004-03-315; 05/28/21	Continue to work with states to develop, operate, and maintain a modular set of technological capabilities to modernize the delivery of UI benefits that is sufficient to manage and process sudden spikes in claims volume during emergencies or high unemployment.
Alert Memorandum: The Employment and Training Administration Needs to Issue Guidance to Ensure State Workforce Agencies Provide Requested Unemployment Insurance Data to the Office of Inspector General; Report No. 19-21-005-03-315; 06/16/21	Amend 20 C.F.R. 603.5 and 603.6(a) through the rulemaking process to reinforce that UI information must be provided to DOL-OIG for all IG engagements authorized under the IG Act, including audits, evaluations, and investigations.
Alert Memorandum: Potentially Fraudulent Unemployment Insurance Payments in High-Risk Areas Increased to $45.6 Billion; Report No. 19-22-005-03-315; 9/21/22	Implement immediate measures to ensure SWAs are required to provide ongoing access to the OIG by amending its current guidance to require disclosures to the OIG for audits and investigations as necessary, mandatory, and without time limitation for the proper oversight of the UI program; Expedite OIG-related amendments to 20 C.F.R. § 603.6(a) to make ongoing disclosures of UI information to DOL-OIG mandatory by expressly adding the U.S. Department of Labor, Office of Inspector General (including its agents and contractors) to the list of required disclosures that are necessary for the proper oversight of the UI program without distinction as to purpose (e.g., audits versus investigations); Expedite OIG-related amendments to 20 C.F.R. § 603.5(i) to expressly make disclosures of UI information to federal officials for oversight, audits, and investigations of federal programs mandatory.

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COVID-19: ETA and States Did Not Protect Pandemic-Related UI Funds from Improper Payments Including Fraud or from Payment Delays; Report No. 19-22-006-03-315; 09/30/22	Use data collected from monitoring and BAM reports to identify the areas of highest improper payments including fraud and create a plan to prevent similar issues in future temporary UI benefit programs; Work with NASWA to update the IDH Participant Agreement to require state to submit the results of their UI fraud investigations; Work with NASWA to ensure the IDH cross matches are effective at preventing the types of fraud that were detected during the pandemic and regularly update using the results of state fraud investigations.
ETA Did Not Provide Adequate Oversight of Emergency Administrative Grants; Report No. 19-23-006-03-315; 07/27/23	Specify within its policy the information states must include in their documentation to support compliance with the requirements to receive grant funds prior to disbursement of the funds; Remedy the $136,353,568 in questioned costs.
COVID-19: Unemployment Relief for Governmental Entities and Nonprofit Organizations Should Have Been Better Managed; Report No. 19-23-010-03-315; 09/21/23	Obtain evidence from the states that ensures all EURGENO refunds and credits to which reimbursing employers are entitled have been provided; Work with states to reconcile remaining balances; Determine the proper disposition of excess funds and take necessary actions, including the recovery of questioned costs.
Alert Memorandum: ETA Needs to Incorporate Data Analytics Capability to Improve Oversight of the Unemployment Insurance Program; Report No. 19-23-012-03-315; 09/25/23	Obtain direct access to unemployment insurance claims data from all state workforce agencies; Create an integrity program that incorporates a data analytics capability and regularly monitors state unemployment insurance claims data to detect and prevent improper payments, including fraudulent payments, and to identify trends and emerging issues that could negatively impact the unemployment insurance program.
COVID-19: ETA Needs a Plan to Reconcile and Return to the U.S. Treasury Nearly $5 Billion Unused by States for a Temporary Unemployment Insurance Program; Report No. 19-23-015-03-315; 09/28/23	Work with Oregon, Louisiana, Delaware, and Mississippi to ensure the appropriate return of approximately $105.1 million in TFFF reimbursements for first-week regular UI compensation paid that were associated with ineligible weeks; Establish a deadline by which states are required to perform a timely review of past drawdowns and provide evidence that drawdowns were for reimbursement of eligible first-week regular UI compensation paid by the state for claim weeks that fell within the TFFF program period; Ensure that any state drawdowns of the remaining almost $5 billion in TFFF funds are only for the reimbursement of first-week regular UI compensation paid by the state that fall within the TFFF program period (March 27, 2020, through September 6, 2021); Establish written procedures and deadlines for the timely return of funding for TFFF and future similar programs and consult with OMB and Treasury officials to execute the proper return of unused funds that remain within states' accounts.
COVID-19: ETA's Oversight of Short-Time Compensation Did Not Detect $129.6 Million in Questioned Costs; Report No. 19-24-003-03-315; 06/26/24	Establish policies and procedures for monitoring, using lessons learned from the Short-Time Compensation (STC) program during the pandemic, that ensure states meet requirements for similar future temporary unemployment insurance programs that provide federal reimbursements to states; Review states' compliance with STC eligibility requirements and require all states with STC agreements to return federal funds used for reimbursements of STC benefit payments for weeks of unemployment beginning before March 27, 2020, and ending after September 6, 2021, as well as for reimbursements that exceeded benefits paid; Monitor states administering unemployment insurance programs subsidized with federal funds, including temporary programs such as STC, to ensure compliance with the 3-year records retention requirements established in the Code of Federal Regulations (2 C.F.R. § 200.334).

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ETA Did Not Ensure States Sufficiently Implemented The Mixed Earners Unemployment Compensation Program; Report No. 19-24-005-03-315; 09/11/24	Perform an assessment of previous emergency UI programs and the pandemic-related UI programs to determine an appropriate historically-based time limit for states' acceptance of emergency program benefit claims after the expiration of the UI programs' eligibility periods and consider making a legislative proposal to Congress to use the determined time limit on future emergency programs.
ETA Needs to Improve Oversight of Disaster Dislocated Worker Grants; Report No. 02-25-001-03-391; 10/24/24	Recover costs of $909,240 for participants served that lacked adequate documentation to support eligibility.
COVID-19: ETA Could Have Done More to Ensure States Had Sufficient Staffing to Deliver Timely Pandemic Unemployment Benefits; Report No. 19-25-002-03-315; 11/22/24	Develop performance standards for prompt payment of UI benefits under temporary UI programs using lessons learned from the pandemic; Establish policy that requires officials to issue guidance timely for ETA regional offices to monitor and measure the effectiveness of states' use of staffing to support the implementation of temporary UI programs; Establish policy that requires states to develop corrective action plans to address staffing insufficiencies that negatively impact permanent and temporary UI programs, as identified by regional offices during monitoring reviews; Establish policy that requires ETA officials to develop a business case analysis and supporting justification when considering suspension of any UI program integrity functions.
Worker Safety	
MSHA Needs to Provide Better Oversight of Emergency Response Plans; Report No. 05-17-002-06-001; 03/31/17	Clarify mine operators' responsibilities for local coordination under the Mine Improvement and New Emergency Response (MINER) Act, including coordination and communication between the operator, mine rescue teams, and local emergency response personnel, and familiarizing local rescue personnel with surface functions that may be required in the course of mine rescue work.
MSHA Needs to Improve Efforts to Protect Coal Miners from Respirable Crystalline Silica; Report No. 05-21-001-06-001; 11/12/20	Enhance its sampling program to increase the frequency of inspector samples where needed (e.g., by implementing a risk-based approach).
Alert Memorandum: Urgent Concerns for Miner Safety and Health in At Least Three U.S. Territories: MSHA Has Never Conducted Mandatory Inspections and Conducted Inappropriate Oversight of Mines in the Pacific Territories; Report Number: 05-25-002-06-001; 11/12/24	Clearly identify and publicly publish MSHA's jurisdiction, including obtaining any needed legal opinion from the U.S. Department of Labor Office of the Solicitor on the U.S. territories and the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau, requesting any needed legislative changes; Revise MSHA's implementation plan for when it will begin inspecting mines within American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands and begin implementing the plan. The revised plan should address: (1) when enforcement of the Mine Act and MSHA regulations will begin; (2) how inspections will occur in future years (e.g., travel from a specific MSHA district or setting up a field office nearby); (3) whether additional training will occur and how (e.g., in-person, virtual, hybrid, via grants, et cetera); and (4) how funding will be obtained to conduct required MSHA activities in FY 2025; Develop and implement a plan to enforce the Mine Act in the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau, having first obtained legal authority verifying they are still under MSHA's jurisdiction. If the legal authority opines MSHA has jurisdiction over them, MSHA's plan should address: (1) whether future legislative changes to the Mine Act are needed and requests to Congress; (2) when enforcement of the Mine Act and MSHA regulations will begin; (3) how inspections will occur in future years (e.g., travel from a specific MSHA district or setting up a field office nearby); (4) whether additional training will occur and how (e.g., in-person, virtual, hybrid, via grants, et cetera); and (5) how funding will be obtained to conduct MSHA activities in FY 2025 and beyond.

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COVID-19: To Protect Mission Critical Workers, OSHA Could Leverage Inspection Collaboration Opportunities with External Federal Agencies; Report No. 19-22-003-10-105; 03/31/22	Develop an OSHA outreach plan to be activated during a large-scale safety and health crises such as the COVID-19 pandemic that (a) identifies external federal agencies with enforcement or oversight personnel who are active on worksites and (b) defines how OSHA will collaborate with those agencies. OSHA should consider incorporating into the plan: a process to identify and document highly visible safety and health hazards for large-scale safety and health crises; a plan for how OSHA will conduct related outreach and training on those hazards and how to refer them to OSHA; and a tracking system for agency referrals and outcomes of those referrals, using that information to periodically inform the outreach plan on areas and types of guidance and training the agencies' oversight and enforcement personnel need; Explore mechanisms to enhance collaboration, such as memoranda of understanding or other written agreements using GAO's seven key features for collaboration and incorporate a process to utilize those mechanisms into the outreach plan.
COVID-19: OSHA'S Enforcement Activities Did Not Sufficiently Protect Workers from Pandemic Health Hazards; Report No. 19-23-001-10-105; 10/31/22	As part of OSHA's rulemaking on infectious diseases, require employers to notify all employees of all known positive cases of infectious diseases at the worksite; Develop and implement a tracking tool to ensure OSHA receives and reviews all items Compliance Safety and Health Officers (CSHO) request during inspections to ensure alleged hazards have been mitigated.
OSHA Needs to Better Address Complaints and Referrals for Increased Worker Safety; Report No. 02-23-001-10-105; 03/06/23	Modify the Field Operations Manual to include a policy for mandatory interviews of complainants and witnesses or document the rationale for lack thereof and provide training to CSHOs on the updated requirements.
COVID-19: OSHA Needs to do More to Address High Injury Rates of Warehouse Workers; Report No. 19-23-013-10-105; 09/27/23	Develop specific, measurable inspection goals for the Site-Specific Targeting program, including a baseline for the number of inspections in each Site-Specific Targeting category, and periodically monitor progress toward those goals; Develop a more effective enforcement strategy to improve employer Form 300A compliance; Assess Form 300A data categories and gather more specific supporting information about injuries to better identify the count and type of injuries reported, such as musculoskeletal disorders; Develop specific measurable inspection goals for the warehousing National Emphasis Program, including a baseline for the number of inspections to complete and periodically monitor progress toward those goals. Ensure the goals contain metrics that demonstrate the outcomes of the program.
Employee Benefits	
EBSA Did Not Have the Ability to Protect the Estimated 79 Million Plan Participants in Self Insured Health Plans from Improper Denials of Health Claims; Report No. 05-17-001-12-121; 11/18/16	Reduce or eliminate exemption thresholds for small plans.
OLMS Can Do More to Protect Workers' Rights to Unionize Through Enforcing Persuader Activity Disclosure; Report No. 09-24-002-16-001; 05/03/24	Outline requirements needed to strengthen enforcement authority to align with the Labor-Management Reporting and Disclosure Act of 1959's intentions to protect workers' rights and interests to unionize by recommending rule changes or legislative changes to increase employer and consultant compliance.

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Appendices

Departmental Management	
FY 2019 FISMA DOL Information Security Report: Implementation of Security Tools Hindered by Insufficient Planning; Report No. 23-20-002-07-725; 12/23/19	Implement improvements in DOL's information security program for the following areas: configuration management and access control technologies.
DOL Needs to Do More to Secure Employees' Personally Identifiable Information in the Travel Management System; Report No. 23-20-003-13-001; 09/10/20	Establish and implement procedures to ensure E2 Solutions (E2) account management practices enforce DOL's security policies; Establish and implement procedures to ensure E2 is managed in compliance with contractual security requirements and DOL computer security policies for contracted information systems.
FY 2020 FISMA DOL Information Security Report: Progress Needed to Improve Risk Management and Continuous Monitoring Information Security Controls; Report No. 23-21-001-07-725; 12/22/20	Implement a process for approving deviations from established configuration settings.
DOL's IT Governance Lacked the Framework Necessary to Support the Overall Mission; Report No. 23-21-002-01-001; 09/30/21	Ensure the Chief Information Officer is a lead member with voting rights of DOL's executive strategy and management boards and committees, including but not limited to the Management Review Board, Enterprise Shared Services Governance Board, COVID-19 Coordination team, and Enterprise Risk Management Council.
FY 2022 FISMA DOL Information Security Report: DOL's Information Security Program Not Remaining Current with Security Requirements; Report No. 23-23-001-07-725; 02/10/23	Update DOL entity-wide and system-level security policies, procedures, and plans to comply with National Institute of Standards and Technology Special Publication 800-53, Revision 5; Implement data loss prevention tools and alerts based on the results of agencies' data exfiltration tests.
Management Alert Memorandum: The Majority of DOL Nondisclosure Agreements Do Not Include Required Anti-Gag Language; Report No. 09-25-0001-MA-01; 01/14/25	Send an updated memorandum to all DOL agency heads reminding them of the requirement to include the anti-gag provision in all nondisclosure forms, agreements, and related documents; Send an email to all DOL employees providing the required anti-gag language and informing all DOL employees that such language should be read as incorporated into any nondisclosure agreement (an agreement requiring an employee not to disclose certain governmental information) they may have signed since November 27, 2012, that did not include the required language; Revise all existing nondisclosure agreement forms or templates to include the required anti-gag language.

Summary of Reports with Unimplemented Recommendations with Cost Savings / Funds Put to Better Use

Report Title; Report Number; Date Issued	Number of Unimplemented Recommendations	Funds Put to Better Use ($)
Employment and Training Administration		
Alert Memorandum: The Employment and Training Administration (ETA) Needs to Ensure State Workforce Agencies (SWA) Implement Effective Unemployment Insurance Program Fraud Controls for High-Risk Areas; Report No. 19-21-002-03-315; 02/22/21 Establish effective controls, in collaboration with SWAs, to mitigate fraud and other improper payments to ineligible claimants, including the areas identified in the memorandum: UI benefits paid to multistate claimants, claimants who used the Social Security numbers of deceased individuals, potentially ineligible federal inmates, and claimants with suspicious email accounts. Effective controls will help prevent similar or greater amounts of fraud and allow those funds to be put to better use.	1	$5,409,966,198
COVID-19: States Struggled to Implement CARES Act Unemployment Insurance Programs; Report No. 19-21-004-03-315; 05/28/21 Continue to work with states to develop, operate, and maintain a modular set of technological capabilities to modernize the delivery of UI benefits that is sufficient to manage and process sudden spikes in claims volume during emergencies or high unemployment.	1	$33,745,677,576
Alert Memorandum: Potentially Fraudulent Unemployment Insurance Payments in High-Risk Areas Increased to $45.6 Billion; Report No. 19-22-005-03-315; 09/21/22 Expedite OIG-related amendments to 20 C.F.R. § 603.6(a) to make ongoing disclosures of UI information to DOL OIG mandatory by expressly adding the U.S. Department of Labor, Office of Inspector General (including its agents and contractors) to the list of required disclosures that are necessary for the proper oversight of the UI program without distinction as to purpose (e.g., audits versus investigations).	1	$29,581,490,253
Alert Memorandum: ETA Needs to Incorporate Data Analytics Capability to Improve Oversight of the Unemployment Insurance Program; Report No. 19-23-012-03-315; 09/25/23 Establish effective controls, in collaboration with State Workforce Agencies, to mitigate fraud and other improper payments to ineligible claimants in high-risk age categories.	1	$1,292,205,723

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COVID-19: ETA Needs a Plan to Reconcile and Return to the U.S. Treasury Nearly $5 Billion Unused by States for a Temporary Unemployment Insurance Program; Report No. 19-23-015-03-315; 09/28/23 Establish written procedures and deadlines for the timely return of funding for TFFF and future similar programs and consult with OMB and Treasury officials to execute the proper return of unused funds that remain within states' accounts.[62]	1	$4,948,811,006
COVID-19: The Employment and Training Administration Needs to Improve Oversight of Grants Awarded in New Jersey; Report No. 19-23-016-03-391; 09/28/23 Develop and implement risk tolerance for the amount of participants being served under the WIOA Adult, Youth, and Dislocated Workers program.	1	$100,098,923
Total	**6**	**$75,078,249,679**

62 To date, ETA has completed the reconciliation process in accordance with Unemployment Insurance Program Letter No. 20-20, Change 1, for 16 states and facilitated the return of $1,412,852,802.35. This recommendation will be closed once reconciliation is completed for the remaining 37 states, and the funds returned.

Reports with Unimplemented Recommendations for Management Improvement or Disallowed Costs Owed

The following table lists all OIG reports issued prior to this semiannual reporting period with recommendations that have not yet been fully implemented (as of March 31, 2025). For identification of each recommendation made before March 31, 2025, visit our online Recommendation Dashboard.

Report Title; Report Number; Date Issued	Number of Unimplemented Recommendations	Unimplemented or Disallowed Costs Owed
Bureau of Labor Statistics		
BLS Could Do More to Identify Data Limitations and Increase Transparency; Report No. 17-24-001-11-001;10/26/23	2	$0
Employee Benefits Security Administration		
Limited-Scope Audits Provide Inadequate Protections to Retirement Plan Participants; Report No. 05-14-005-12-121; 09/30/14	1	$0
EBSA Did Not Have the Ability to Protect the Estimated 79 Million Plan Participants in Self-Insured Health Plans from Improper Denials of Health Claims; Report No. 05-17-001-12-121; 11/18/16	1	$0
Employment and Training Administration		
COVID-19: More Can Be Done to Mitigate Risk to Unemployment Compensation Under the CARES Act; Report No. 19-20-008-03-315; 08/07/20	1	$0
Alert Memorandum: The Employment and Training Administration (ETA) Needs to Ensure State Workforce Agencies (SWA) Implement Effective Unemployment Insurance Program Fraud Controls for High-Risk Areas; Report No. 19-21-002-03-315; 02/22/21	1	$0
COVID-19: States Struggled to Implement CARES Act Unemployment Insurance Programs; Report No. 19-21-004-03-315; 05/28/21	1	$0
Alert Memorandum: The Employment and Training Administration Needs to Issue Guidance to Ensure State Workforce Agencies Provide Requested Unemployment Insurance Data to the Office of Inspector General; Report No. 19-21-005-03-315; 06/16/21	3	$0

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Unemployment Insurance Overpayments Related to Work Search Underscore the Need for More Consistent State Requirements; Report No. 04-21-001-03-315; 09/29/21	3	$0
ETA Did Not Sufficiently Plan and Execute the American Apprenticeship Initiative Grant Program; Report No. 05-21-004-03-375; 09/30/21	2	$0
Alert Memorandum: Potentially Fraudulent Unemployment Insurance Payments in High-Risk Areas Increased to $45.6 Billion; Report No. 19-22-005-03-315; 09/21/22	2	$0
COVID-19: ETA and States Did Not Protect PandemicRelated UI Funds from Improper Payments, Including Fraud or from Payment Delays; Report No. 19-22-006-03-315; 09/30/22	3	$0
ETA Did Not Provide Adequate Oversight of Emergency Administrative Grants; Report No. 19-23-006-03-315; 07/27/23	2	$136,353,568
COVID-19: Unemployment Relief for Governmental Entities and Nonprofit Organizations Should Have Been Better Managed; Report No. 19-23-010-03-315; 09/21/23	3	$29,074,061
COVID-19: ETA Can Improve Its Oversight to Ensure Integrity over CARES Act UI Programs; Report No. 19-23-011-03-315; 09/22/23	1	$0
Alert Memorandum: ETA Needs to Incorporate Data Analytics Capability to Improve Oversight of the Unemployment Insurance Program; Report No. 19-23-012-03-315; 09/25/23	2	$0
COVID-19: Pandemic Unemployment Assistance for Non-Traditional Claimants Weakened by Billions in Overpayments, Including Fraud; Report No. 19-23-014-03-315; 09/27/23	1	$0
COVID-19: ETA Needs a Plan to Reconcile and Return to the U.S. Treasury Nearly $5 Billion Unused by States for a Temporary Unemployment Insurance Program; Report No. 19-23-015-03-315; 09/28/23	6	$105,100,000
COVID-19: The Employment and Training Administration Needs to Improve Oversight of Grants Awarded in New Jersey; Report No. 19-23-016-03-391; 09/28/23	4	$7,165,040
COVID-19: ETA's Oversight of Short-Time Compensation Did Not Detect $129.6 Million in Questioned Costs; Report No. 19-24-003-03-315; 06/26/24	3	$129,565,581
ETA Did Not Ensure States Sufficiently Implemented the Mixed Earners Unemployment Compensation Program; Report No. 19-24-005-03-315; 09/11/24	4	$0
Mine Safety and Health Administration		
MSHA Needs to Provide Better Oversight of Emergency Response Plans; Report No. 05-17-002-06-001; 03/31/17	6	$0

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MSHA Can Improve Its Pre-Assessment Conferencing Program; Report No. 05-19-001-06-001; 09/23/19	6	$0
MSHA Needs to Improve Efforts to Protect Coal Miners from Respirable Crystalline Silica; Report No. 05-21-001-06-001; 11/12/20	1	$0
MSHA Can Improve How Violations Are Issued, Terminated, Modified, and Vacated; Report No. 05-21-002-06-001; 03/31/21	7	$0
COVID-19: MSHA Did Not Complete or Accurately Report Mandatory Inspections; Report No. 19-24-001-06-001; 10/17/23	9	$0
Office of the Assistant Secretary for Administration and Management		
FY 2019 FISMA DOL Information Security Report: Implementation of Security Tools Hindered by Insufficient Planning; Report No. 23-20-002-07-725; 12/23/19	3	$0
FY 2020 FISMA DOL Information Security Report: Progress Needed to Improve Risk Management and Continuous Monitoring Information Security Controls; Report No. 23-21-001-07-725; 12/22/20	1	$0
FY 2021 FISMA DOL Information Security Report: Information Security Continuous Monitoring Controls Remain Deficient; Report No. 23-22-001-07-725; 01/28/22	2	$0
FY 2022 FISMA DOL Information Security Report: DOL's Information Security Program Not Remaining Current with Security Requirements; Report No. 23-23-001-07-725; 02/10/23	2	$0
Without an IT Modernization Framework, DOL Is Vulnerable to Inadequate Resource Prioritization for Ensuring Security and Availability of DOL Systems; Report No. 23-24-002-07-725; 11/17/23	2	$0
DOL Implemented Its Wireless Network Securely, Though Security Gaps Exist in Testing, Updating, Patching, and Continuous Review; Report No. 23-24-003-07-720; 09/11/24	4	$0
Office of the Chief Financial Officer		
DOL Needs to Do More to Secure Employees' Personally Identifiable Information in the Travel Management System; Report No. 23-20-003-13-001; 09/10/20	2	$0
The U.S. Department of Labor Did Not Meet the Requirements for Compliance with the Payment Integrity Information Act for FY 2023; Report No. 22-24-007-13-001; 05/29/24	3	$0
Longshore and Harbor Workers' Compensation Act Special Fund Financial Statements and Independent Auditors' Report September 30, 2023 and 2022; Report No. 22-24-008-04-432; 07/17/24	1	$0
District of Columbia Workmen's Compensation Act Special Fund Financial Statements and Independent Auditors' Report September 30, 2023 and 2022; Report No. 22-24-009-04-432; 07/17/24	1	$0

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Appendices

Office of Labor-Management Standards		
OLMS Can Do More to Protect Workers' Rights to Unionize Through Enforcing Persuader Activity Disclosure; Report No. 09-24-002-16-001; 05/03/24	3	$0
Office of the Secretary		
DOL's IT Governance Lacked the Framework Necessary to Support the Overall Mission; Report No. 23-21-002-01-001; 09/30/21	1	$0
Occupational Safety and Health Administration		
OSHA Needs to Improve the Guidance for Its Fatality and Severe Injury Reporting Program to Better Protect Workers; Report No. 02-18-203-10-105; 09/13/18	1	$0
Review of the Occupational Safety and Health Administration's Referral to and Reclamation of Debt from the U.S. Department of the Treasury; Report No. 22-20-006-10-001; 03/16/20	1	$0
COVID-19: Increased Worksite Complaints and Reduced OSHA Inspections Leave U.S. Workers' Safety at Increased Risk; Report No. 19-21-003-10-105; 02/25/21	1	$0
OSHA's Diminished Enforcement Left More Workers at Risk for Exposure to Silica; Report No. 02-21-003-10-105; 09/29/21	2	$0
COVID-19: To Protect Mission Critical Workers, OSHA Could Leverage Inspection Collaboration Opportunities with External Federal Agencies; Report No. 19-22-003-10-105; 03/31/22	2	$0
COVID-19: OSHA's Enforcement Activities Did Not Sufficiently Protect Workers from Pandemic Health Hazards; Report No. 19-23-001-10-105; 10/31/22	4	$0
OSHA Needs to Better Address Complaints and Referrals for Increased Worker Safety; Report No. 02-23-001-10-105; 03/06/23	3	$0
OSHA Needs to Strengthen Its Process for Awarding Future Emergency Supplemental Funds to State Plans; Report No. 19-23-009-10-105; 08/30/23	1	$0
COVID-19: OSHA Needs to Do More to Address High Injury Rates of Warehouse Workers; Report No. 19-23-013-10-105; 09/27/23	6	$0
Wage and Hour Division		
COVID-19: The Pandemic Highlighted the Need to Strengthen Wage and Hour Division's Enforcement Controls; Report No. 19-21-008-15-001; 09/30/21	1	$0
Totals	**122**	**$407,258,250**

Investigative Statistics

	Division Totals	Total
Investigative Reports Issued / Cases Closed (includes investigative reports issued, case closing reports, and matters referred for possible civil and/or administrative action):		131
Program Fraud Labor Racketeering	121 10	
Cases Opened:		102
Program Fraud Labor Racketeering	99 3	
Cases Referred for Prosecution (each case is measured as a singular statistic and may include more than one person or business entity):		64
Program Fraud Labor Racketeering	62 2	
Cases Referred for Administrative/Civil Action (each case is measured as a singular statistic and may include more than one person or business entity):		59
Program Fraud Labor Racketeering	57 2	
Persons Referred to the Department of Justice for Criminal Prosecution (includes the number of individuals and business entities referred for prosecution):		94
Program Fraud Labor Racketeering	93 1	
Persons Referred to State and Local Prosecuting Authorities for Criminal Prosecution (includes the number of individuals and business entities referred for prosecution):		6
Program Fraud Labor Racketeering	5 1	
Indictments and Criminal Informations That Resulted from Any Prior Referral to Prosecuting Authorities (includes sealed and unsealed indictments):		202
Program Fraud Labor Racketeering	190 12	
Indictments (includes sealed and unsealed indictments):		202
Program Fraud Labor Racketeering	190 12	
Convictions:		287
Program Fraud Labor Racketeering	272 15	
Statutory Debarments:		2
Program Fraud Labor Racketeering	2 0	

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Recoveries, Cost-Efficiencies, Restitutions, Fines/Penalties, Forfeitures, and Civil Monetary Actions:		$185,948,517.50
Program Fraud Labor Racketeering	$184,748,446.13 $1,200,071.37	

Recoveries (the dollar amount/value of an agency's action to recover or to reprogram funds or to make other adjustments in response to OIG investigations):	$12,712,971.48
Cost-Efficiencies (the one-time or per annum dollar amount/value of management's commitment, in response to OIG investigations, to utilize the government's resources more efficiently):	$1,965,727.84
Restitutions/Forfeitures (the dollar amount/value of restitutions and forfeitures resulting from OIG criminal investigations):	$167,771,720.59
Fines/Penalties (the dollar amount/value of fines, assessments, seizures, investigative/court costs, and other penalties resulting from OIG criminal investigations):	$0.00
Civil Monetary Actions (the dollar amount/value of forfeitures, settlements, damages, judgments, court costs, and other penalties resulting from OIG criminal investigations):	$3,498,097.59
Total	**$185,948,517.50**

Peer Review Reporting

The following meets the requirement of the Inspector General Act of 1978, as amended that the Inspectors General include their peer review results as an appendix to each semiannual report.

Peer Review of the Office of Personnel Management Office Inspector General Audit Organization

DOL-OIG conducted a peer review of the Office of Personnel Management-OIG audit organization's system of quality control for the period ending March 31, 2024. The peer review report issued on September 4, 2024, resulted in an opinion that the system of quality control was suitably designed and complied with to provide the DOL-OIG with reasonable assurance of performing and reporting conformity with applicable professional standards and applicable legal and regulatory requirements in all material respects.

Peer Review of DOL-OIG Inspection and Evaluation Function

The Federal Housing Finance Agency-OIG conducted an external peer review to assess the extent to which the DOL-OIG met seven standards in the Council of the Inspectors General on Integrity and Efficiency's Quality Standards for Inspection and Evaluation (Blue Book), issued January 2012. The peer review report, issued on April 25, 2023, concluded that the DOL-OIG's policies and procedures and the three reviewed reports were consistent with and complied with the covered Blue Book standards for the period ended September 30, 2022. The report contained no recommendations.

Peer Review of DOL-OIG Audit Function

The U.S. Department of Health and Human Services-OIG conducted a peer review of the system of quality control for DOL-OIG's audit function for the period ending September 2021. The peer review report, which was issued on September 15, 2022, resulted in an opinion that the system of quality control was suitably designed and provided reasonable assurance of DOL-OIG's conforming to professional standards in the conduct of audits. The peer review covered audit work performed during the unprecedented COVID-19 pandemic, and DOL-OIG received a clean report with a rating of pass with no recommendations.

Appendices

Peer Review of DOL-OIG Investigative Function

The United States Postal Service-OIG conducted a peer review of the system of quality control for DOL-OIG's investigative function for the period ending November 1, 2019. The peer review report, which was issued on December 2, 2019, resulted in an opinion that the system of quality control was suitably designed and provided reasonable assurance of DOL-OIG's conforming to professional standards in conduct of investigations. The peer review did not find any reportable findings.

OIG Hotline

The OIG Hotline provides a communication link between the OIG and persons who want to report alleged violations of laws, rules, and regulations; mismanagement; waste of funds; abuse of authority; or danger to public health and safety. During the reporting period October 1, 2024, through March 31, 2025, a total of 1,556 complaints were opened in the OIG Hotline's complaint management system.

Complaints Received (complaints opened by method reported):	Totals
Telephone	0
E-mail/Internet	1,506
Mail	50
Fax	0
Walk-In	0
Total	**1,556**

Contacts Received (complaints opened by source):	Totals
Complaints from Individuals or Non-Governmental Organizations	909
Complaints/Inquiries from Congress	3
Referrals from GAO	0
Complaints from Other DOL Agencies	13
Complaints from Other (non-DOL) Government Agencies	631
Total	**1,556**

Disposition of Complaints Reviewed and Processed:	Totals
Referred to OIG Components for Further Review and/or Action	142
Referred to DOL Program Management for Further Review and/or Action	141
Referred to Non-DOL Agencies/Organizations	82
No Referral Required/Informational Contact	1,074
Total	**1,439**

Acronyms and Abbreviations

AI	Artificial Intelligence
CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CIO	Chief Information Officer
DEEOIC	Division of Energy Employees Occupational Illness Compensation
Department or DOL	U.S. Department of Labor
DHS	U.S. Department of Homeland Security
DOJ	U.S. Department of Justice
DWG	Dislocated Worker Grants
EBSA	Employee Benefits Security Administration
EDD	Employment Development Department
EIDL	Economic Injury Disaster Loan
Energy	Energy Employees Occupational Illness Compensation Program
ERISA	Employment Retirement Income Security Act of 1974
ETA	Employment and Training Administration
EURGENO	Emergency Unemployment Relief for Governmental Entities and Nonprofit Organizations
FBI	Federal Bureau of Investigation
FECA	Federal Employees' Compensation Act
FEMA	Federal Emergency Management Agency
FISMA	Federal Information Security Management
FLC	Foreign Labor Certification
FY	Fiscal Year/fiscal year
GDA	Geospatial Data Act of 2018
GenTech	GenTech Associates, Inc.
H-1B	visa program for workers in specialty occupations
H-2A	visa program for agricultural workers
H-2B	visa program for non-agricultural workers
HHS	U.S. Department of Health and Human Services
HSI	Homeland Security Investigations
IRS	Internal Revenue Service
IT	information technology
KPMG	KPMG LLP
MSHA	Mine Safety and Health Administration
NLRB	National Labor Relations Board
NQTL	non-quantitative treatment limitation
OASAM	Office of the Assistant Secretary for Administration and Management
OIG	Office of Inspector General
OLMS	Office of Labor-Management Standards
ONDCP	Office of National Drug Control Policy
OSHA	Occupational Safety and Health Administration
OWCP	Office of Workers' Compensation Programs
PERM	permanent employment certification program
PEUC	Pandemic Emergency Unemployment Compensation
PII	personally identifiable information
PUA	Pandemic Unemployment Assistance
PPP	Paycheck Protection Program
SBA	Small Business Administration
SWA	State Workforce Agency
TEAP	Trainee Employee Assistance Program
TFFF	Temporary Full Federal Funding of the First Week of Compensable Regular Unemployment for States with No Waiting Week
Treasury	U.S. Department of the Treasury
TSP	Thrift Savings Plan
UI	unemployment insurance
USDA	U.S. Department of Agriculture
USPIS	United States Postal Inspection Service
USPS	United States Postal Service
VA	U.S. Department of Veterans Affairs
WHD	Wage and Hour Division
WIOA	Workforce Innovation and Opportunity Act
WHD	Wage and Hour Division
WIOA	Workforce Innovation and Opportunity Act

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