

SECRETARY OF LABOR
WASHINGTON, D.C. 20210

June 17, 2026

The Honorable [Full Name]
Governor of [State]
[Street Address]
[Street Address]
[City, State ZIP]

Dear Governor [NAME],

I am proud to serve on President Trump's Task Force to Eliminate Fraud, led by Vice President Vance. Under their leadership, this Administration is taking historic and decisive action to root out fraud, waste, abuse, and corruption to protect taxpayer dollars.

As you know, the Department of Labor's unemployment insurance program only exists to serve as a temporary bridge to reemployment—not a permanent alternative. Unfortunately, the Biden Administration allowed widespread fraud in the unemployment insurance program. Criminals exploited this program on a historic scale, and the consequences are still playing out in states across the country.

In California, Illinois, Massachusetts, New Jersey, New York, and Pennsylvania, unemployment insurance programs have egregious systemic issues. In fiscal year 2025, these six states made more than **\$2.4 billion in improper payments**. New York alone improperly paid about **\$751 million**, which is more than **\$2 million every day**, and had an improper payment rate of nearly **23 percent**. California improperly paid more than **\$576 million** and still owes the federal government more than **\$20 billion** for its unemployment insurance trust fund debt. Among these states, New York, California, and Massachusetts also had the highest reported fraud rates. All of this money belongs to American taxpayers. American taxpayers deserve to know that their money is not going to fraud. Any state who fails to do this only hurts hardworking Americans and the future of the unemployment insurance system.

That ends now. The Department of Labor is partnering with its Inspector General to use every available tool, including unprecedented enforcement actions, to protect the integrity of the system and safeguard taxpayer funds. This includes, *for the first time in modern history*, withholding administrative funding to force compliance.

In the coming days, the Department will provide more guidance and specific directives that your state must undertake. You have my commitment that this Administration will use every resource necessary to fight fraud, close loopholes, enforce all eligibility rules, and ultimately bring justice to those who violate this program.

Sincerely,



Keith Sonderling
Acting Secretary
U.S. Department of Labor