What is Unemployment Insurance Fraud?

Did you know?

If you knowingly collect benefits based on false or inaccurate information that you provided when you filed your claim, you are committing fraud. Unemployment Insurance (UI) fraud is punishable by law and violators could face a number of serious penalties and consequences.

Examples of UI fraud could include:

- An individual returns to work but continues to collect UI benefits without reporting the work and wages.
- An individual works a part-time job but does not report his or her earnings to the state, thereby collecting more benefits than he or she is allowed.
- An individual performs temporary work while collecting UI benefits, but does not report the earnings when certifying for benefits bi-weekly.
- An individual holds back information or gives false information to the California Employment Development Department (EDD).

If you commit UI fraud, then you could face a variety of serious penalties. These include:

- Losing the eligibility to collect UI benefits in the future.
- Repaying the UI benefits collected, plus penalties and fines.
- Forfeiting future income tax refunds.
- Prosecution by government authorities.
- Possible jail or prison sentences.

Anyone who collects Unemployment Insurance benefits is legally responsible for making sure he or she follows the requirements set by state law.

Failure to follow the rules can result in serious consequences.

The EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities.