

RISK ADVISORY

Office of the State Auditor | Brian S. Colón, Esq., CFE, State Auditor



COVID-19 Related Fraud Alert: Unemployment Benefits



The Office of the State Auditor (OSA) together with the New Mexico Department of Workforce Solutions (DWS) issue this joint risk advisory alerting New Mexicans of COVID-19 related unemployment insurance (UI) scams. Both agencies are calling for increased awareness for New Mexicans seeking UI benefits. In light of the continuing COVID-19 public health emergency, State Auditor Colón and Secretary McCamley are reminding New Mexicans to be aware as fraudsters continue to perpetuate numerous schemes related to the pandemic.

Identity Theft

Scammers are taking advantage of pandemic unemployment programs through identity theft. Fraudsters are submitting applications for Pandemic Unemployment Assistance (PUA) using stolen personal identification to enable an account takeover.¹ Gig workers, contractors, and self-employed individuals are most at risk, but all New Mexicans should take steps to ensure their identities have not been compromised and used by fraudsters to received unemployment benefits in their names.

DWS is actively working on methods to prevent this level of fraud, however, scammers are utilizing more sophisticated approaches. If you believe your identity may have been stolen and used to collect unemployment benefits immediately report your concerns to DWS.

Unemployment Overpayment Notices

New Mexicans who have received PUA overpayment notices will receive an initial notice and determination, along with information on appeal rights. If you believe the unemployment overpayment notification is inaccurate or improper, contact the DWS Appeals Tribunal to exercise your right to appeal.

PUA participants have 15 days to appeal and receive information about why an overpayment was determined. Recovery of any overpayment of PUA shall not be enforced by the State agency until the determination establishing the overpayment has become final, or if appeal is taken from the determination, until the decision after opportunity for a fair hearing has become final, per 20 C.F.R. § 625.14(f).

Social Media Scams

Individuals should also protect their Personal Identifiable Information when using social media. There have been fraudulent social media accounts and websites impersonating DWS. These accounts and websites are not managed by DWS. Do not click on any links or provide any personal information to these accounts. DWS will ALWAYS have the blue check mark on Facebook and Instagram. Make sure that you are only using <https://www.jobs.state.nm.us> when accessing the New Mexico Unemployment Insurance Tax & Claims System.

How to check if the social media account is not a scam:

- Check the name of the account for any spelling errors or letters replaced by numbers (0 instead of O)
- Check that the handle is correct (@NMDWS for Instagram and @NewMexicoDWS for Facebook)
- Check that the Instagram and/or Facebook account has a verified blue checkmark
- Check how old the page is, scam pages are usually created within a few days or less

It is a federal crime to impersonate a government agency and is subject to a fine and/or up to three years of imprisonment.

1: [FinCEN Advisory, FIN-2020-A005, July 30, 2020](#)

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Red Flags and How to Protect Yourself from Unemployment Related Fraud

The OSA and DWS strongly advise its stakeholders to be aware of the potential risks associated with unemployment benefit related scams and provides the following as guidance on what to do if you believe you are a victim of unemployment related benefit scam.

Report Fraud to DWS

New Mexicans who believe they may be a victim of unemployment related benefits are urged to contact the DWS UI Fraud Complaints Unit. **Contact email or by phone:**

Email: id.verify@state.nm.us

Phone: 505-243-7283

Report Fraud to Federal Trade Commission (FTC)

Additional steps should be taken to file a complaint with the FTC. The FTC can assist New Mexicans who believe they may be a victim of unemployment related benefits fraud by placing a fraud alert on their credit and closing fraudulent accounts that may have been opened in their name.

Contact online or by phone:

Online: IdentityTheft.gov

Toll Free: 1-877-ID-THEFT

Contact the Credit Bureaus

If you believe you may be a victim of unemployment related benefits fraud it is possible that your social security number may have also been compromised or stolen. To mitigate risks the OSA urges New Mexicans to contact the credit bureaus to freeze credit reports. Credit reporting bureaus are legally required to freeze and unfreeze credit reports at zero cost.² **Contact each of the nationwide credit bureaus:**

Equifax: Equifax.com/personal/credit-report-services

1-800-685-1111

Experian: Experian.com/help

1-888-397-3742

TransUnion: TransUnion.com/credit-help

1-888-909-8872

2: [Credit Freeze FAQs | FTC Consumer Information](#)

Report Unemployment Related Waste, Fraud, or Abuse to DWS

The OSA recommends New Mexicans who may believe they are a victim of identity theft and/or unemployment benefit fraud to report their concerns to DWS at: id.verify@state.nm.us or by calling: 1-877-664-6984 or 505-243-7283.

DWS Appeals Process Tribunal

If you would like to appeal an overpayment, follow the instructions provided in the Overpayment Notice sent from DWS. Additional information on filing an appeal can be found at <https://www.dws.state.nm.us/COVID-19-Info> or you may call the Unemployment Insurance Operation Center at 1-877-664-6984, Monday-Friday, 7:00am-5:00pm.

**To report waste, fraud, or abuse in any public entity in New Mexico:
Report online: www.saonm.org | Hotline: 1-866-OSA-Fraud**



GAO

Government Accountability Office
New Mexico Office of the State Auditor

For further information or questions, on this or any Risk Alert issued by the GAO, please contact GAO Director, Stephanie W. Telles, at Stephanie.Telles@osa.state.nm.us or 505-476-3800