

September 17, 2021

The Honorable Gavin Newsom
Governor, State of California
State Capitol
Sacramento, CA 95814

**RE: AB 110 (Petrie-Norris) Fraudulent claims for unemployment compensation benefits:
inmates – REQUEST FOR SIGNATURE**

Orange County Business Council (OCBC), the leading voice of business in Orange County, **is pleased to support AB 110 (Petrie-Norris)**, which requires the Employment Development Department (EDD) to cross-check incarceration records in order to prevent paying fraudulent benefits and requires EDD to complete system programming or automation upgrades to allow for electronic monitoring by September 2023.

In Orange County, 10 individuals, including inmates, are [charged](#) with collectively defrauding California taxpayers of hundreds of thousands of dollars. Among them, two convicted murderers allegedly claimed the COVID-19 pandemic impacted their ability to work and received unemployment benefits. This theft of taxpayer dollars deprives other residents of Orange County and California of much-needed aid.

District attorneys across California have uncovered multiple fraud rings involving state prisoners who coordinated with non-incarcerated accomplices to file unemployment benefits under the federally funded Pandemic Unemployment Assistance program. The California State Auditor estimated that unemployment insurance (UI) fraud associated with incarcerated individuals reached about \$810 million because EDD lacked a system to regularly cross-match UI claims with information from state correctional facilities.

Cross-checking lists of unemployment benefit claimants against incarceration data is a common fraud prevention practiced in other states. However, California law restricts the inmate information that can be shared with other state agencies. AB 110 is needed to enable EDD to easily cross-check claimants' information against the relevant information in the database of inmate information maintained by the California Department of Corrections and Rehabilitation and by the counties.

AB 110 ensures that the crucial step of cross-checking is implemented properly and swiftly in order to prevent more organized fraud schemes. **For these reasons, OCBC asks you to SIGN AB 110 into law.**

Sincerely,



Jennifer Ward
Senior Vice President of Advocacy and Government Affairs