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BAUCUS EXAMINES OPTIONS FOR INCREASING QUALITY IN THE UNEMPLOYMENT INSURANCE PROGRAM

Finance Chairman Discusses Proposals for Reducing Fraud, Abuse that Wastes Valuable U.I. Dollars

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) convened a hearing today to consider proposals for improving quality and reducing waste in the unemployment insurance program so valuable funds are available for unemployed workers who need them.

“The number one thing we can do to improve the viability of the unemployment insurance program is to create jobs, and that must be our focus,” Baucus said. **“As we work to create jobs and get our economy moving again, we must also look for ways to increase efficiency in the unemployment insurance program so those critical funds are available for the families and communities who depend on them. Reducing waste and cracking down on fraud will free up more unemployment resources for Americans who need them and reduce the federal deficit without raising taxes a single cent. This is a critical issue and I intend to continue looking for ways to improve the unemployment insurance program for American workers.”**

The Department of Labor estimates that overpayments in the unemployment insurance program, including dollars lost to fraud and waste, totaled approximately \$11 billion last year. Today’s hearing examined why these dollars, which are needed to secure the viability of the program for the families and communities who depend on it, are lost and what can be done to reduce such losses.

At the hearing, Baucus asked witnesses about a proposal by President Obama, known as the Unemployment Compensation Program Integrity Act, to reduce fraud and other waste in the unemployment insurance program. The committee examined that proposal as well as proposals put forth by state experts to increase the program’s effectiveness. Baucus heard from expert witnesses on tools such as improved data collection and web-based information sharing that would increase efficiency and improve service delivery in the program. The Finance Chairman also pressed witnesses to estimate how much money these tools could save throughout the unemployment insurance system.

Today’s hearing was part of the Finance Committee’s ongoing work to improve the unemployment insurance program for the American workers who depend on it. On April 14, Baucus held a hearing to examine options for using the unemployment insurance program to save and create jobs, including giving employers new resources to create jobs, work-share programs that help employers save jobs and self-employment programs that provide assistance to entrepreneurs who create their own jobs.

Watch Finance Committee hearings and view witness testimony at:
<http://finance.senate.gov/hearings/>.

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