

FOR IMMEDIATE RELEASE

June 11, 2021

Contact: Matt Garcia-Sierra, m.garciasierra@nmlegis.gov, 505-205-5486

House GOP Leader Townsend addresses Workforce Solutions dept. fraud crisis

Santa Fe- On June 7, 2021 House Republican Leader Jim Townsend sent a letter to the NM Department of Workforce Solutions (NMDWS), the NM Attorney General and Governor's office regarding concerning fraud claims and questions arising from constituents across the state. GOP Leader Townsend asked for an immediate investigation into fraud within NMDWS.

"The Department of Workforce Solutions has been riddled with problems throughout 2020, and COVID notwithstanding, it is very troublesome that halfway through 2021 Lujan Grisham has barely begun to even acknowledge how big the problem is. I am thankful that the serious claims of fraud within Workforce Solutions are being addressed however, the Governor and her administration have a lot of work ahead in restoring trust and ensuring that New Mexicans tax dollars are being properly used," said House Republican Leader Jim Townsend. "I don't think there is a day that goes by that myself or other lawmakers do not hear from a community member that has received prepaid debit cards from Workforce Solutions when they never applied for unemployment. This is a worrisome issue and could affect people for years to come if they are not careful in catching the fraud soon enough. I certainly hope that a full and transparent accounting of the missteps and a plan of action to remedy the problems occurs immediately."

###



State of New Mexico
House of Representatives
Santa Fé

JAMES G. TOWNSEND
REPUBLICAN FLOOR LEADER

R - Chaves, Eddy & Otero
District 54

69 W. Compress Road
Artesia, NM 88210
Home Phone: (575) 748-3827
Cell Phone: (575) 703-0153
E-mail: james.townsend@nmlegis.gov

June 7, 2021

COMMITTEES:
Energy, Environment & Natural Resources
Judiciary
Printing & Supplies
Rules & Order of Business

The Honorable Ricky Serna
Acting Cabinet Secretary
New Mexico Department of Workforce Solutions
401 Broadway, NE
Albuquerque, New Mexico 87102

Dear Acting Secretary Serna:

Over the past several months, my House colleagues and I have received countless calls and inquiries from our constituents about pre-paid credit cards they have received in the mail from the Department of Workforce Solutions. These pre-paid credit cards are supposedly related to unemployment benefits, but the persons receiving these cards have never filed for unemployment or the people listed on the cards are not living at that address. I had hoped these examples of receiving unsolicited pre-paid credit cards were just a minor "hiccup" in your payment system, but the number of calls that my colleagues and I are receiving from concerned citizens is multiplying greatly and there appears to be no end in sight.

Therefore, I request that your department undertake an immediate investigation to determine how these unsolicited pre-paid credit cards are being sent by your benefit payment system. I also strongly encourage you to work with the New Mexico Attorney General's office to explore whether the delivery of the cards is related to some type of massive fraudulent scheme. At a time when the Department of Workforce Solutions is already facing criticism across our state because of poor customer service, improper demands for return of overpayments of unemployment benefits, and incorrect statements to employers requiring higher payroll tax payments, this on-going pre-paid credit card delivery debacle could be the final straw in destroying any remaining confidence in our state's unemployment benefit system.

Maintaining a competent unemployment benefits system is a fundamental component of our state's safety net to assist those who lose their jobs through no fault of their own. But, the ongoing problems facing your department is cause for considerable worry as to whether these problems are fixable and/or whether the current Administration is committed to solving them. This pre-paid credit card fiasco has gone on long enough and it's time that the people of New Mexico are reassured that this matter will be addressed once and for all.

Page 2

Thank you for your efforts in restoring the people's faith in the Department of Workforce Solutions.

Sincerely,

A handwritten signature in blue ink, appearing to read "James G. Townsend". The signature is fluid and cursive, with the first name being the most prominent.

James G. Townsend
Republican Leader

cc: Michelle Lujan Grisham, Governor
Hector Balderas, NM Attorney General