



Ohio Unemployment Program Policy Overpayments

Effective Date: 10/23/2026

Purpose

This policy explains what an unemployment overpayment is, the types of overpayments, the circumstances that can cause an individual to receive benefits they weren't entitled to, and what individuals can expect if they are determined to have been overpaid.

Reference

[Section 4141.35 - Ohio Revised Code | Ohio Laws](#)

Legal Requirements

Ohio law requires repayment of all unemployment overpayments, whether caused by fraud or not. The law also establishes time limits for issuing overpayments, repayment requirements, and penalties for overpayments caused by fraud.

Definitions

Overpayment: Any unemployment benefit payment issued to someone who was not entitled to it.

Fraud Overpayment: An overpayment that occurs because a person knowingly provided false information or withheld information to receive benefits.

Non-Fraud Overpayment: An overpayment caused by a mistake, misunderstanding, incorrect information, or administrative error.

Policy Statement

An overpayment happens when someone receives unemployment benefits they are not entitled to. Overpayments can occur for many reasons, including incorrect wage information, earnings that were not reported, benefits paid before new information became available, or clerical errors.

Types of Overpayments

Overpayments fall into two categories: fraud and non-fraud.

Fraud Overpayments

Fraud overpayments occur when a person intentionally provides false information or hides important details to receive unemployment benefits.

Under Ohio law:

- Fraud determinations can be issued within **four years** after the benefit year in which the fraud occurred.
- The benefits received due to fraud must be repaid **in full** before the person becomes eligible

for future benefits.

- If repayment is not made within **30 days** after the final order, **interest** is added.
- A **mandatory penalty of 25%** of the fraud overpayment amount is also added.
- Fraud may result in loss of future benefit rights for specific weeks.
- The state may take legal action to recover unpaid balances.

Fraud overpayments have serious consequences because they involve intentional deception.

Non-Fraud Overpayments

Non-fraud overpayments occur when benefits are issued by mistake or due to misunderstandings.

Under Ohio law:

- Non-fraud overpayment notices must be issued within **six months** after the original decision becomes final, or within **three years** after the benefit year involved—whichever is later.
- If certain types of retroactive pay (such as back pay from an employer) are involved, the agency must be notified within **six months** of the payment.
- Non-fraud overpayments **do not result in penalties or interest** because they are unintentional.
- Repayment waivers may be available in some situations, depending on the reason for the overpayment and applicable state and federal rules.

Repayment

Most overpayments must be repaid. The following are common options:

- Direct repayment
- Withholding the overpaid amount from future unemployment benefits
- Collection by the Ohio Attorney General's Office if a balance remains unpaid after an extended period of time

Individuals will receive written notice explaining the overpayment amount and available repayment options.

Appeals

Anyone who receives an overpayment notice has the right to appeal. All notices explain appeal rights and include instructions on how to appeal.

Review and Updates

This policy will be subject to periodic review to ensure alignment with state and federal updates and organizational requirements. Any necessary amendments will be communicated accordingly.

Questions?

Contact the Ohio Department of Job and Family Services at **1-877-644-6562** or submit an inquiry form on the [Contact Us](#) page at unemployment.ohio.gov.