

PRESS RELEASE

Castro Valley Resident Sentenced To 2½ Years In Prison In Connection With Prolific Pandemic Relief Fraud Scheme

Friday, August 18, 2023

For Immediate Release

U.S. Attorney's Office, Northern District of California

Defendant admitted to fraudulently obtaining more than \$1.6 million in unemployment benefits from various state agencies

SAN FRANCISCO— Idowu Hashim Shittu was sentenced to 30 months in prison for fraudulently obtaining pandemic-related unemployment benefits from numerous state agencies, announced United States Attorney Ismail Ramsey; United States Department of Labor, Office of Inspector General (“DOL-OIG”) Special Agent in Charge Quentin Heiden; and Federal Bureau of Investigation Special Agent in Charge Robert K. Tripp. The sentence was handed down by the Hon. Haywood S. Gilliam, Jr., United States District Judge.

Shittu, 48, of Castro Valley, pleaded guilty to the charges on March 1, 2023. According to his plea agreement, from at least April through July of 2020, Shittu engaged in a scheme to obtain reloadable debit cards issued in the names of other people and to use the cards to make expenditures for his personal use. The cards, referred to in the plea agreement as “Green Dot Cards,” contained unemployment benefits distributed by various state agencies. Shittu did not know the persons to whom the unemployment insurance benefits were issued, nor did Shittu obtain the consent of the persons before he used the cards issued in their names.

“In the wake of a global pandemic, our federal government passed laws to ease the suffering of those who were in financial distress. Shittu sought to take advantage of the situation by stealing unemployment benefits made available to those in need. We are

proud to be working with our partners at the FBI and the Department of Labor to bring such bad actors to justice.”

“Idowu Hashim Shittu engaged in a scheme to fraudulently obtain over \$1,600,000 in unemployment insurance (UI) benefits in the names of identity theft victims. He stole benefits intended to assist those who became unemployed due to the COVID-19 pandemic,” said Quentin Heiden, Special Agent-in-Charge, Western Region, U.S. Department of Labor, Office of Inspector General. “This sentencing demonstrates that those who defraud the UI program will be held accountable. We will continue to work with our law enforcement partners to investigate those who exploit these benefit programs.”

“Shittu stole more than \$2.2 million in unemployment benefits by using the identities of innocent victims. His scheme deprived those truly in need during the pandemic crisis, and he will now face the consequences of his actions,” said FBI Special Agent in Charge Tripp. “The FBI is committed to identifying and investigating those who steal government benefits designed to help our citizens in need.”

The unemployment benefits at issue were made available as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). In passing the CARES Act, the federal government authorized the payment of hundreds of billions of dollars in unemployment benefits to those affected by the COVID-19 pandemic. In most cases, state authorities were responsible for distributing those unemployment benefits to their residents. Shittu admitted that he obtained Green Dot Cards issued to other people, that the cards were obtained by fraud, and that the persons whose unemployment insurance benefits were loaded onto the cards never consented to have Shittu use the cards. Shittu also admitted that his participation in the scheme resulted in a loss of between \$1.5 million and \$3.5 million.

The plea agreement describes how Shittu used the Green Dot Cards issued to three different persons—all residents of the State of Washington. The first victim is identified in the plea agreement only by the initials, “S.O.” Shittu admitted that S.O. never submitted a claim for unemployment benefits and that S.O.’s card was obtained through fraud. Further, Shittu acknowledged that he completed multiple transactions with the card—including one transaction for \$950 and two transactions, each for \$1,000, at a Walmart store in San Jose, Calif.—with the intent to defraud. Similarly, Shittu acknowledged using a card issued in the name of a second victim to make multiple cash withdrawals at Walmart stores in Hayward, Castro Valley, and San Leandro. In addition, in the Spring of 2020, Shittu used the card of a third victim to withdraw cash and to pay for service to his BMW 5-series automobile.

On July 29, 2020, law enforcement officers searched Shittu's residence and found over \$500,000 in cash split between a plastic container in a garage and a backpack under a bathroom sink. Officers also found over 400 Green Dot Cards issued to other individuals. The Green Dot Cards were loaded with over \$1.6 million in unemployment benefits from various state agencies.

On May 18, 2022, Shittu was charged by felony information with three counts of effecting transactions with access devices issued to other persons, in violation of 18 U.S.C. § 1029(a)(5). Shittu pleaded guilty to all three counts.

In addition to the prison term, Judge Gilliam also ordered Shittu to serve a three-year term of supervised release after being released from prison and pay restitution in the amount of \$1,615,614 split among state employment agencies in Illinois, Nevada, New York, and Ohio. Judge Gilliam ordered Shittu to self-surrender on or before October 11, 2023, to begin serving his prison term.

Special Assistant U.S. Attorney Christopher J. Carlberg is prosecuting the case with the assistance of Mark DiCenzo. The prosecution is the result of an investigation by the United States Department of Labor, Office of Inspector General ("DOL-OIG"), Office of Investigations, Labor Racketeering and Fraud and the FBI.

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