

PRESS RELEASE

Dana Adkins Sentenced To 18 Months In Prison For COVID-19 Unemployment Insurance Fraud Scheme

Friday, January 26, 2024

For Immediate Release

U.S. Attorney's Office, Eastern District of Tennessee

CHATTANOOGA, Tenn. - On January 25, 2024, Dana Adkins, 45, of Chattanooga, Tennessee, was sentenced to 18 months' imprisonment after being convicted of mail fraud involving a scheme to defraud COVID-19 unemployment programs in several states. Adkins was sentenced by the Honorable Charles E. Atchley, Jr., in the United States District Court for the Eastern District of Tennessee at Chattanooga. Following her incarceration, she will be on three years of supervised release. In addition, she was ordered to pay \$150,804 in restitution, and to forfeit to the United States over \$150,000 as part of a money judgment.

As part of the filed plea agreement with the court, Adkins waived indictment by a Grand Jury and pleaded guilty to an information charging her with Mail Fraud, in violation of Title 18, United States Code, Section 1341.

According to court documents, from June 2020 through January 2021, Adkins conspired with others to devise a scheme in which she defrauded the United States government and the governments of Tennessee, Alabama, Pennsylvania, and California to obtain money from the states' COVID relief programs in the form of unemployment insurance proceeds funded by the United States government. Specifically, Adkins acquired personal information from others and used it to fraudulently make mass online applications for money earmarked by the states to provide unemployment insurance relief for those affected by the national pandemic. She falsely claimed in the applications that the individuals whose personal information was reflected on the applications worked in those states. The states then mailed debit cards to addresses in

the Eastern District of Tennessee, and Adkins would receive a percentage of the payout of the fraudulent claim. The defendant was personally responsible for the fraudulent distribution of over \$150,000 of unemployment protection insurance funds. The scheme itself involved the fraudulent distribution of over \$550,000 in unemployment protection insurance funds. Adkins is the fourth defendant to be convicted in the scheme.

"We remain committed to working with our law enforcement partners to identify and prosecute those who callously undermine the United States government's efforts to help hard working Americans and small business owners with COVID unemployment relief funds," said United States Attorney Francis M. Hamilton, III. "Thieves and fraudsters who take these funds under false pretenses are not only stealing from American taxpayers, generally, but also specifically from their neighbors and members of the communities who have businesses that are struggling in the wake of massive losses due to the pandemic."

"Dana Adkins defrauded the State of Pennsylvania by filing fraudulent unemployment insurance claims. Adkins stole benefits intended to assist American workers who became unemployed due to the COVID-19 pandemic," said Mathew Broadhurst, Special Agent-in-Charge, Southeast Region, U.S. Department of Labor, Office of Inspector General. "We will continue to work with our law enforcement partners to safeguard unemployment insurance programs from those who seek to exploit them."

"The FBI along with our federal and state law enforcement partners will relentlessly pursue those who defraud the government and hold accountable those who use illegal means and criminal behavior to take advantage of others," said FBI Special Agent in Charge Joseph E. Carrico.

Assistant United States Attorney Steven Neff represents the United States.

The investigation was conducted by the Department of Labor Office of Inspector General and the FBI as part of the Smoky Mountains Financial Crimes Task Force.

On May 17, 2021, the Attorney General established the COVID-19 Fraud Enforcement Task Force to marshal the resources of the Department of Justice in partnership with agencies across the government to enhance efforts to combat and prevent pandemic-related fraud. The Task Force bolsters efforts to investigate and prosecute the most culpable domestic and international criminal actors and assists agencies tasked with administering relief programs to prevent fraud by, among other methods, augmenting and incorporating existing coordination mechanisms, identifying resources and techniques to uncover fraudulent actors and their schemes, and sharing and harnessing information and insights gained from prior enforcement efforts. For more information

on the Department's response to the pandemic, please visit <https://www.justice.gov/coronavirus>.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice's National Center for Disaster Fraud (NCDF) Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

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