

PRESS RELEASE

Former Arizona Man Sentenced to 5 Years for Stealing Mainers' Identities as Part of Pandemic Unemployment Fraud Scheme

Tuesday, January 16, 2024

For Immediate Release

U.S. Attorney's Office, District of Maine

James McAuliffe also ordered to pay \$203,616 in restitution

BANGOR, Maine: A former Arizona man was sentenced in U.S. District Court in Bangor today after pleading guilty to six counts of wire fraud and six counts of aggravated identity theft.

U.S. District Judge Lance E. Walker sentenced, **James McAuliffe**, 55, to 60 months followed by three years of supervised release. He was also ordered to pay \$203,616 in restitution. He pleaded guilty on August 29, 2023.

According to court records, from January to November 2020 McAuliffe filed false claims for unemployment insurance (UI) benefits. He filed fraudulent applications for UI payments with the Maine Department of Labor, Bureau of Unemployment Compensation using others' personal identifying information without their knowledge and consent. As a part of the scheme, he caused fraudulent applications for replacement drivers licenses to be filed with the Maine Bureau of Motor Vehicles and changed the drivers' mailing addresses, using the falsified licenses as proof of identification in support of the fraudulent UI claims. McAuliffe had the UI benefits loaded onto debit cards and wired into an account he opened in another person's name and withdrew the funds at ATMs in Arizona. At the time of his arrest, McAuliffe was living in Kansas.

The U.S. Department of Labor, Office of Inspector General and the U.S. Postal Inspection Service investigated the case.

“The prosecution of Mr. McAuliffe is one of numerous cases brought by the Department of Justice nationwide to bring to justice those who sought to exploit COVID-19 relief fund programs,” said **U.S. Attorney Darcie N. McElwee**. “To those who defrauded and stole from American taxpayers in the middle of a global crisis, you should expect that our Office and the Department of Justice will do everything possible to hold you accountable.”

“James McAuliffe engaged in a scheme to obtain unemployment insurance benefits by submitting fraudulent claims using the stolen identities of Maine residents and others. McAuliffe stole federal benefits intended to assist unemployed American workers struggling during the COVID-19 pandemic. We will continue to work with our law enforcement partners to safeguard Department of Labor programs from those who seek to exploit them,” said **Jonathan Mellone, Special Agent-in-Charge, Northeast Region, U.S. Department of Labor, Office of Inspector General**.

Coordinated, nationwide enforcement action to combat COVID-19 fraud: On August 23, 2023 [the Justice Department announced](#) the results of a coordinated, nationwide enforcement action to combat COVID-19 fraud, which included 718 enforcement actions – including federal criminal charges against 371 defendants – for offenses related to over \$836 million in alleged COVID-19 fraud. The Justice Department has now seized over \$1.4 billion in COVID-19 relief funds that criminals had stolen and charged over 3,000 defendants with crimes in federal districts across the country. Many of the cases in the enforcement action involve charges related to pandemic unemployment insurance benefit fraud and fraud against the two largest pandemic Small Business Administration programs: the Paycheck Protection Program and Economic Injury Disaster Loans. Additional matters involved pandemic healthcare billing fraud, fraud against the Emergency Rental Assistance program, and fraud committed against the IRS Employee Retention Credit program (ERC), a refundable tax credit for businesses and tax-exempt organizations that had employees and were affected during the COVID-19 pandemic.

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Contact

Sean M. Green, Assistant United States Attorney (207-780-3257)

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