

# Milwaukee Women Sentenced to Prison for Stealing Unemployment Benefits During COVID Pandemic

Thursday, August 17, 2023

## **For Immediate Release**

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

Gregory J. Haanstad, United States Attorney for the Eastern District of Wisconsin, announced that on August 17, 2023, United States District Court Judge Brett H. Ludwig sentenced Nikki Brown (age: 43) of Milwaukee to 33 months in federal prison for stealing \$494,498 in unemployment benefits made available under the CARES Act during the COVID-19 pandemic. Nikki Brown previously pled guilty to one count of wire fraud in violation of 18 U.S.C. § 1343 for executing a scheme to defraud various state unemployment benefits programs.

According to documents filed in the case, Brown recruited third parties to help file fraudulent federal unemployment claims in six different states, including Wisconsin. Brown convinced dozens of people to give her their personally identifiable information (PII) by promising to give them a portion of the fraud proceeds. Brown then used the PII to file false and fraudulent unemployment claims, which resulted in her stealing \$494,498 of unemployment benefits.

Over the past few years, the Department of Justice has led an historic enforcement initiative to detect and disrupt COVID-19 related fraud. To date, those efforts have resulted in criminal charges against over 1,500 defendants with alleged losses exceeding \$1.1 billion; the seizure of over \$1.2 billion in relief funds; and civil investigations into more than 1,800 individuals and entities for alleged misconduct in connection with pandemic relief loans totaling more than \$6 billion.

United States Attorney Haanstad stated: "Prosecuting those who steal from federal benefits programs remains a top priority for the Department of Justice and my office. We are committed to working with our law enforcement partners to hold those, like Ms. Brown, who enrich themselves by defrauding COVID-19 benefit programs fully accountable."

“Nikki Brown’s sentencing reiterates the Office of Inspector General’s commitment to bringing to justice those who conspire to file fraudulent unemployment insurance (UI) claims. Protecting the integrity of the UI program is one of our highest priorities, and we will continue to work with our law enforcement partners to safeguard the UI program for those who need it,” said Irene Lindow, Special Agent-in-Charge of the U.S. Department of Labor, Office of Inspector General, Great Lakes Region.

In May 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 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 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>.

The U.S. Department of Labor, Office of Inspector General, investigated the case, and is being prosecuted by Assistant United States Attorney Peter Smyczek.

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