

PRESS RELEASE

Southfield Woman Pleads Guilty to Stealing \$300,000 in Unemployment Insurance Benefits

Tuesday, December 5, 2023

For Immediate Release

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

DETROIT – A Southfield woman pleaded guilty today to wire fraud arising out of a scheme to defraud the State of Michigan out of more than \$300,000 in pandemic-related unemployment insurance benefits, announced United States Attorney Dawn N. Ison.

Ison was joined in the announcement by Irene Lindow, Special Agent-in-Charge, Great Lakes Region, U.S. Department of Labor Office of Inspector General, and Special Agent in Charge John Marengo of the United States Secret Service's Detroit Field Office.

Katrina Maddox, 47, entered her guilty plea this afternoon, before United States District Judge Terrence G. Berg.

According to court records, beginning as early as April 2020 and continuing through at least September 2021, Maddox filed approximately 65 fraudulent unemployment insurance (UI) claims seeking pandemic unemployment assistance (PUA) benefits. Maddox submitted the fraudulent claims in the names of multiple individuals, using their Social Security Numbers and other personal identifying information, without those individuals' authorization or consent. The fraudulent UI benefits were paid out via debit cards, which Maddox then used to repeatedly withdraw the funds from ATMs.

United States Attorney Ison stated, "This case reflects our ongoing commitment to prosecute those who took advantage of the Covid-19 pandemic by stealing funds intended for those in need. My office will remain vigilant in the pursuit of those who cheat the government and their fellow citizens."

"Katrina Maddox engaged in an unemployment insurance fraud scheme targeted at the Michigan Unemployment Insurance Agency by filing false UI claims in the names of

identity theft victims to obtain debit cards containing stolen UI benefits. We will continue to work with our law enforcement partners to safeguard the UI system from those who exploit these benefit programs,” said Irene Lindow, Special Agent-in-Charge, Great Lakes Region, U.S. Department of Labor Office of Inspector General.

“We are thankful to the Department of Labor and the US Attorney’s Office for partnering with us in the investigation and prosecution of this case. We will continue to work with our partners to protect our nation’s financial infrastructure. We will continue to work with our federal and state partners to bring these perpetrators to justice,” said Special Agent in Charge Marengo.

Maddox faces a statutory maximum penalty of 20 years imprisonment on the charge of wire fraud. Per the terms of her plea agreement, Maddox will also be required to pay restitution to the victim states in the total amount of \$311,440. Sentencing is set for April 25, 2024 at 2pm.

This case was investigated by the U.S. Department of Labor Office of the Inspector General and the U.S. Secret Service. The case is being prosecuted by Assistant United States Attorneys Sarah Youngblood and Ryan A. Particka. _

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