

PRESS RELEASE

Former College Football Player Pleads Guilty to a Fraud Scheme Involving More than \$1 Million in COVID-19 Unemployment Benefits

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For Immediate Release

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

LOS ANGELES – A former college football player and Orange County man pleaded guilty today to orchestrating a scheme that fraudulently sought more than \$1 million and obtained more than \$280,000 in pandemic unemployment benefits.

Abdul-Malik McClain, 24, most recently of Coto de Caza, pleaded guilty to one count of mail fraud.

"Instead of using his time at a major university to advance his athletic and academic life, this defendant took advantage of a public health emergency to fraudulently obtain government benefits," said United States Attorney Martin Estrada. "My office will continue to vigorously prosecute individuals who used the recent pandemic for their own unlawful ends."

"Mr. McLain squandered his gifts and opportunities only to defraud taxpayers whose hard-earned money was appropriated for deserving victims during the Covid era," said Krysti Hawkins, the Acting Assistant Director in Charge of the FBI's Los Angeles Field Office. "The FBI will continue to work with our partners to identify those who leveraged the Covid pandemic to commit fraud and hold them accountable."

According to his plea agreement, while a member of his university's football team, McClain filed fraudulent claims for unemployment benefits and organized and assisted a group of other football players in filing fraudulent claims for unemployment benefits, including under the Pandemic Unemployment Assistance (PUA) program established by Congress in response to COVID-19's economic fallout. McClain and others filed the

claims with the California Employment Development Department (EDD), the administrator of the state's unemployment insurance (UI) benefit program. The claims contained false information about the claimants' supposed prior employment, pandemic-related job loss, and job-seeking efforts in California.

The false statements in the UI applications led EDD to authorize Bank of America to mail debit cards addressed to the named claimants, often to addresses that McClain controlled, such that McClain (and not the named claimants) received the debit cards. Those debit cards were loaded with various amounts in fraudulently obtained benefits, ranging from a few hundred dollars to thousands of dollars in unemployment benefits, which the recipients of the debit cards, including in many instances McClain himself, used to make cash withdrawals at ATMs and to fund personal expenses. In some cases, McClain sought and obtained a cut of the fraudulently obtained benefits for helping others file fraudulent UI applications.

McClain's and his co-schemers' fraudulent applications sought at least \$1,056,092 in UI benefits from EDD and led to receiving at least \$283,063 in fraudulently obtained benefits.

United States District Judge Michael W. Fitzgerald scheduled a September 16 sentencing hearing, at which McClain will face a maximum sentence of 20 years in federal prison.

"Abdul-Malik McClain defrauded our nation's unemployment insurance (UI) system by filing for UI benefits in the names of identity theft victims, while so many deserving people were suffering from pandemic-related economic challenges," said Quentin Heiden, Special Agent in Charge, Western Region, United States Department of Labor Office of Inspector General. "The benefits were intended for those who truly needed it, not for greedy individuals who chose to exploit the system. The U.S. Department of Labor, Office of Inspector General remains dedicated to its mission to combat UI fraud. Our efforts to uncover fraudulent actors and their schemes is unwavering. I would also like to thank our state and federal law enforcement partners in Los Angeles in this collaborative investigative effort."

The FBI; the United States Department of Labor Office of Inspector General; the Federal Deposit Insurance Corp. Office of Inspector General; the United States Treasury Inspector General for Tax Administration; the Social Security Administration Office of Inspector General; and the United States Postal Inspection Service investigated this matter. The university, called "University 1" in the indictment, cooperated in this investigation.

Assistant United States Attorney Kerry L. Quinn of the Major Frauds Section is prosecuting this case.

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 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. More information on the Justice Department's response to the pandemic may be found [here](#).

Anyone with information about allegations of attempted fraud involving COVID-19 can report it to the Department of Justice's National Center for Disaster Fraud (NCDF) Hotline at (866) 720-5721 or via the [NCDF online complaint form](#).

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