

PRESS RELEASE

Man Sentenced to Three Years in Federal Prison for Wire Fraud and Identity Theft Charges

Friday, February 28, 2025

For Immediate Release

U.S. Attorney's Office, Southern District of Iowa

DES MOINES, Iowa – A Vietnamese native formerly of Des Moines was sentenced yesterday to three years in federal prison for wire fraud and aggravated identity theft charges.

According to public court documents, in 2020 and 2021, Long Ly, 45, used his connections in the Des Moines Vietnamese community to convince five victims to let him file unemployment benefits claims on their behalf, even though the victims were employed and ineligible for unemployment benefits. Several of the victims had little English-language proficiency. Ly also submitted unemployment benefits claims for himself, even though he was gainfully employed.

In submissions to Iowa Workforce Development, Ly misrepresented that he and his victims were unemployed. And in some of the submissions, without his victims' knowledge or approval, Ly filed unemployment benefits claims with Iowa Workforce Development directing benefits payments be sent to bank accounts Ly controlled.

As a result of Ly's misrepresentations, Iowa Workforce Development issued nearly \$100,0000 in benefits payments to Ly and his victims to which they were not entitled. Some of the benefits payments included funds which had been authorized and paid in connection with COVID-19 pandemic emergency declarations.

After completing his term of imprisonment, Ly will be required to serve a three-year term of supervised release. There is no parole in the federal system. Ly was also ordered to pay \$72,872.20 in restitution.

"Long Ly defrauded Iowa Workforce Development by filing for unemployment insurance benefits using the compromised identities of vulnerable and elderly victims who had

limited English proficiency. This sentencing affirms the Office of Inspector General's commitment to work with our federal and state law enforcement partners to safeguard the unemployment insurance program for American workers who need it," said Casey Howard, Special Agent-in-Charge, Central Region, U.S. Department of Labor, Office of Inspector General.

Executive Director of Iowa Workforce Development Beth Townsend echoed those sentiments: "Iowa Workforce Development takes unemployment fraud seriously and in recent years has significantly expanded its set of tools to help catch individuals who seek to defraud taxpayers. We are grateful for efforts by the U.S. Attorney's Office and other partner prosecutors who are willing to work with us to keep fraudsters accountable and to maintain the integrity of the Unemployment Insurance Trust Fund."

United States Attorney Richard D. Westphal of the Southern District of Iowa made the announcement. This case was investigated by the U.S. Department of Labor Office of Inspector General.

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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