

PRESS RELEASE

Michigan Man Pleads Guilty to COVID-19 Fraud

Friday, August 15, 2025

For Immediate Release

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

COVINGTON, Ky. – A Michigan man, Malcolm Culmer, 36, pleaded guilty before Chief U.S. District Judge David Bunning to wire fraud and money laundering arising out of a scheme to unlawfully obtain various COVID-19 pandemic relief benefits.

In 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act, passed in response to the COVID-19 pandemic, established several new unemployment compensation programs that were funded primarily by the federal government and administered by state workforce agencies. Later that same year, the President authorized the Federal Emergency Management Agency to expend money for lost wage assistance, as a supplement to unemployment compensation programs. The CARES Act also expanded existing federal programs, including the Economic Injury Disaster Loan (EIDL) Program administered by the Small Business Administration (SBA). The EIDL Program provides loans for small businesses suffering from an economic disaster.

According to his plea agreement, from April 2020 to July 2021, Culmer made material false statements in order to obtain money from various government relief and COVID-19 relief programs. Culmer fabricated information about employment history, residence, and business ventures, and applied for relief funds using that false information. In total, Culmer submitted eight EIDL applications on behalf of fictitious companies, attempting \$1,091,499 in EIDL loans, of which \$187,500 was approved.

Similarly, Culmer also applied for pandemic unemployment benefits in Kentucky, which contained false statements and representations. His fraudulent application was approved, and he obtained \$39,496 in unemployment benefits.

As to the money laundering charge, Culmer engaged in several transactions over \$10,000 using the fraudulently obtained funds, including by withdrawing cash, transferring money between bank accounts, and purchasing automobiles to expand a vehicle rental business.

Paul McCaffrey, Acting United States Attorney for the Eastern District of Kentucky; Joseph V. Cuffari Ph.D., Inspector General, Department of Homeland Security (DHS-OIG); and Mathew Broadhurst, Special Agent in Charge, U.S. Department of Labor, Office of Inspector General (DOL-OIG), Southeast Region, jointly announced the guilty plea.

The investigation was conducted by DHS-OIG and DOL-OIG. Assistant U.S. Attorney Brittany Dunn-Pirio is prosecuting the matter on behalf of the United States.

Culmer is scheduled to appear for sentencing on December 16. He faces a maximum of 20 years in prison. However, the Court must consider the U.S. Sentencing Guidelines and the applicable federal sentencing statutes before imposing its sentence.

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. For more information on the Department's response to the pandemic, please visit <https://www.justice.gov/coronavirus>.

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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