

Department of Justice

U.S. Attorney's Office

Eastern District of California

FOR IMMEDIATE RELEASE

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Arkansas Woman Sentenced for Defrauding California's State Unemployment Benefits

SACRAMENTO, Calif. — Deborah Shannell Hollimon, 44, of West Memphis, Arkansas, was sentenced today by U.S. District Judge Troy L. Nunley to three years and two months in prison and ordered to pay \$569,168 in restitution for a California state unemployment insurance benefits fraud and identity theft scheme, Acting U.S. Attorney Phillip A. Talbert announced.

According to court documents, from September 2012 through September 2015, Hollimon and others filed over 100 fraudulent unemployment insurance claims with the California Employment Development Department (EDD) seeking approximately \$882,991 using fictitious businesses. Hollimon created fictitious employers with EDD and then submitted information to EDD reporting employees for the fictitious businesses. Almost all of the individuals reported as employees of the companies were actually victims of identity theft. Hollimon subsequently filed unemployment claims in her own name and in the names of the fake employees in order to collect the benefits. Approximately \$569,168 in benefits were paid out by EDD.

“The funds set aside for unemployment insurance and disability insurance are intended to benefit Californians who have earned the right to receive those benefits,” said Acting U.S. Attorney Talbert. “Fraud schemes that damage and deplete the fund undermine the benefit system and cheat those whom the funds are intended to protect. We will continue to work with our law enforcement partners to investigate and stop fraud schemes like this that harm California workers.”

“Deborah Hollimon and her co-conspirators exploited our nation's unemployment insurance system by filing at least 100 fraudulent unemployment insurance claims in the names of identity theft victims. Today's sentencing affirms the U.S. Department of Labor Office of Inspector General's commitment to working with our federal and state law enforcement partners to investigate identity theft that adversely impacts the integrity of the UI program,” said Quentin Heiden, Special Agent-in-Charge, Los Angeles Region.

This case was the product of an investigation by the U.S. Department of Labor Office of Inspector General and the California Employment Development Department. Assistant U.S. Attorney Shea J. Kenny prosecuted the case.

Topic(s):
Coronavirus

Component(s):
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