

PRESS RELEASE

Detroit Man Pleads Guilty to Conspiring with Former State Contractor to Steal \$550,000 in Unemployment Insurance Benefits

Tuesday, July 11, 2023

For Immediate Release

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

DETROIT – A Detroit resident pleaded guilty today to engaging in an extensive unemployment fraud conspiracy with a former State of Michigan Unemployment Insurance Agency contract employee, whereby they stole over \$550,000 in public funds, announced United States Attorney Dawn N. Ison.

Joining in the announcement were Irene Lindow, Special Agent-in-Charge, Great Lakes Region, U.S. Department of Labor-Office of Inspector General; Devin Kowalski, Acting Special Agent in Charge of the Federal Bureau of Investigation's Detroit Field Office; and Julia Dale, Director of the State of Michigan Unemployment Insurance Agency.

William Haynes, 26, pleaded guilty today before United States District Judge Mark A. Goldsmith. Haynes admitted to engaging in a criminal conspiracy with Autumn Mims, a former contract Unemployment Insurance Examiner for the State of Michigan. Mims's duties included reviewing, processing, and verifying the legitimacy of unemployment insurance claims.

Mims previously pleaded guilty to the same charge and is currently awaiting sentencing before Judge Goldsmith.

According to court records, shortly after Mims began working with the Michigan Unemployment Insurance Agency in August 2020, she began using her insider access to fraudulently process claims in the names of third parties without their knowledge or authorization. As part of the scheme, Haynes (1) altered direct deposit information for third-party unemployment insurance assistance; (2) accessed third-party unemployment

insurance assistance claim information without authorization; (3) completed false and fraudulent certifications for third-party unemployment insurance assistance benefits; (4) opened unauthorized bank accounts in the names of third parties; (5) provided stolen personal identifying information to his co-conspirator, Mims; (6) conducted cash withdrawals of unemployment insurance assistance issued in the names of third parties; (7) conducted financial transactions utilizing unemployment insurance assistance funds issued in the names of third parties; and (8) received non-cash benefits from his involvement in the conspiracy, including rent payments made by his co-conspirator Mims.

According to court records, as a result of the conspiracy, over \$550,000 in fraudulent unemployment assistance payments were made by the State of Michigan. Haynes has agreed to be held accountable for \$448,614 in restitution.

Sentencing is set for November 28, 2023, before Judge Goldsmith. Haynes faces up to 20 years' imprisonment.

"We are committed to prosecuting those who engage in schemes to steal public funds," stated U.S. Attorney Ison. "We will continue working with our law enforcement partners to bring them to justice, whether they are insiders who abuse their positions of trust or outsiders who enable that abuse."

"William Haynes conspired with former Michigan Unemployment Insurance Agency Examiner Autumn Mims to defraud the state of Michigan. Haynes worked with Mims to certify Pandemic Unemployment Assistance (PUA) unemployment insurance (UI) claims he knew were fraudulent. The proceeds from the fraudulent claims were deposited into bank accounts that Haynes and Mims controlled. We will continue to work with our law enforcement partners and state workforce agencies to protect the integrity of the UI system," stated Special Agent-in-Charge Irene Lindow, Great Lakes Region, U.S. Department of Labor, Office of Inspector General.

"Haynes used his co-defendant's official position at the Michigan Unemployment Insurance Agency to steal money from people who were struggling through pandemic-related economic challenges," said Devin J. Kowalski, Acting Special Agent in Charge of the FBI's Detroit Field Office. "The FBI will continue working alongside our state and federal partners to investigate this type of scheme and bring to justice those who defraud the unemployment system."

"Add William Haynes to the growing list of fraudsters that UIA's investigators have identified as brazenly violating the trust Michiganders put in an unemployment system that is their lifeline when they lost work," said Julia Dale, Director of the Michigan

Unemployment Insurance Agency. "That Mr. Haynes found a willing accomplice within the UIA to help carry out his devious scheme is also appalling. Today's guilty plea should put bad actors on notice that the UIA won't tolerate the theft of public funds. Our nearly 50 convictions so far prove they won't get away with defrauding taxpayers."

The case is being prosecuted by Assistant United States Attorney Andrew J. Yahkind. The investigation is being conducted jointly by the Department of Labor, Office of Inspector General, Federal Bureau of Investigation, and the Unemployment Insurance Agency, Michigan Department of Labor and Economic Opportunity.

Updated July 11, 2023

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