PRESS RELEASE

Dominican Republic National Pleads Guilty to Participating in $1 Million Unemployment Fraud Scheme

Friday, July 10, 2026

For Immediate Release
U.S. Attorney's Office, District of Columbia
USADC.Media@usdoj.gov

WASHINGTON – Karin L. Contreras, 45, a Dominican Republic citizen and U.S. lawful permanent resident, pleaded guilty today in U.S. District Court in connection with a scheme to defraud unemployment programs, announced U.S. Attorney Jeanine Ferris Pirro.

Contreras pleaded guilty before the Honorable Beryl A. Howell to conspiracy to commit wire fraud. Following the plea hearing, Judge Howell scheduled sentencing for Nov. 6, 2026.

“Contreras came to our country, was given the privilege of permanent residency, and then turned around and defrauded the American people,” said U.S. Attorney Pirro. “This behavior won’t be tolerated, and thieves will be held accountable. Contreras will suffer the consequence of her attempt to cheat the American taxpayers.”

According to court documents, from June 2020 through March 2021, Contreras conspired with others to fraudulently obtain unemployment insurance benefits using other people’s names and personal identity information. As a result of the fraudulent applications, conspirators received prepaid ATM cards loaded with benefits totaling more than $1 million. The overwhelming majority of the cards were mailed to a D.C. address immediately next to Contreras’ residence. Contreras and other conspirators then withdrew funds from the cards at ATMs, typically in increments of $1,000, the maximum daily withdrawal limit.

Between July 1, 2020, and July 14, 2020, Contreras personally used 12 different fraudulently obtained cards to withdraw $23,000 from ATMs in Washington, D.C. In total, conspirators were able to realize more than $550,000 from the scheme.

On April 7, the Department of Justice announced the creation of the National Fraud Enforcement Division. The Fraud Division is laser-focused on investigating and prosecuting those who commit fraud against the American people. The Department’s work to combat fraud supports President Trump’s Task Force to Eliminate Fraud, a whole-of-government effort chaired by Vice President J.D. Vance to eliminate fraud, waste, and abuse within Federal benefit programs

This case was investigated by the FBI Washington Field Office and the Department of Labor, Office of Inspector General. It is being prosecuted by Assistant U.S. Attorney Kondi Kleinman of the U.S. Attorney’s Office for the District of Columbia and John Kosmidis of the Justice Department’s Fraud Section.

26cr181

Updated July 10, 2026