PRESS RELEASE

Former Employee of Maryland State Contractor Sentenced for Unemployment Benefits Fraud

Monday, November 9, 2026

For Immediate Release
U.S. Attorney's Office, District of Maryland

Baltimore, Maryland – A former Maryland Department of Labor (MD-DOL) insider received a federal-prison term, today, for scheming to fraudulently obtain unemployment insurance (UI) claim benefits during the COVID-19 Pandemic.

U.S. District Judge Julie R. Rubin sentenced Katrina McCant, 41, of Baltimore, to four years in prison, followed by three years of supervised release, for wire fraud and aggravated identity theft. This prosecution is part of the Trump Administration's Task Force to Eliminate Fraud.

Kelly O. Hayes, U.S. Attorney for the District of Maryland, announced the sentence with Inspector General Anthony P. D'Esposito, U.S. Department of Labor - Office of Inspector General (DOL-OIG), and Special Agent in Charge Jimmy Paul, FBI Baltimore Field Office.

According to her guilty plea, beginning in January 2021, and continuing until December 2021, McCant used her position as a contractor for Company #1 to advance the scheme. Company #1 provided support services to MD-DOL. While working for the MD-DOL, McCant enriched herself by fraudulently obtaining UI benefits.

McCant used her insider access to MD-DOL data and databases to upload and approve documents submitted in support of UI claims. Some of the claims she initiated herself while others she took over by changing the claimant's email address and name to her own.

As part of the scheme, McCant used her insider access to MD-DOL data, databases, and systems to facilitate fraudulent UI benefit payments. She uploaded and approved documents submitted in support of UI claims, removed fraud holds, certified weeks, and performed other actions to advance fraudulent claims. McCant also changed claimant

names to facilitate the direct deposit of funds into her financial accounts and used the personally identifiable information (PII) of multiple real individuals, who were victims of aggravated identity theft, to make changes to UI claims in the MD-DOL system. Additionally, she provided similar fraudulent assistance to other individuals, who paid her one-time fees, often through PayPal, in exchange for approving or facilitating fraudulent UI claims. The fees varied based on the size of the claim and ranged from approximately $500 to $8,000 per claim.

As part of the plea, McCant agreed to pay restitution to the Maryland Department of Labor of $753,551. McCant also agreed to a forfeiture of at least $550,000.

On April 7, the Department of Justice announced the creation of the National Fraud Enforcement Division ("Fraud Division"). The Fraud Division is 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.

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.

U.S. Attorney Hayes commended the FBI and DOL-OIG for their work in the investigation. Ms. Hayes also thanked Assistant U.S. Attorneys Jared W. Murphy and Harry Gruber who are prosecuting this federal case, along with Paralegal Specialists Joanna B.N. Huber and Shelbe Mascaro, for their valuable assistance.

For more information about the Maryland U.S. Attorney's Office, its priorities, and resources available to report fraud, please visit justice.gov/usao-md and justice.gov/usao-md/report-fraud.

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