

Department of Justice

U.S. Attorney's Office

Eastern District of Pennsylvania

FOR IMMEDIATE RELEASE

Thursday, July 21, 2022

**Former Federal Inmate Sentenced to Nearly Three Years
For Fraudulently Collecting PUA Funds on Behalf of
Incarcerated Individuals**

PHILADELPHIA – United States Attorney Jacqueline C. Romero announced that Brandon Segers, 34, of Philadelphia, PA, was sentenced to two years and nine months in prison, 3 years of supervised release, and was ordered to pay \$142,069 in restitution for fraudulently applying for and obtaining emergency unemployment benefits related to the COVID-19 pandemic. Specifically, Segers and others submitted false applications claiming that prison inmates lost employment as a result of the pandemic, and false weekly certifications that inmates were available to work full-time despite their incarceration.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law. The CARES Act created the Pandemic Unemployment Assistance (PUA) program, which provides unemployment benefits to individuals not eligible for regular unemployment compensation or extended unemployment benefits, including individuals, families, and businesses affected by the COVID-19 pandemic. Eligibility to receive weekly PUA benefits is predicated on an applicant's unemployment for reasons related to the pandemic, and it requires that the applicant was able to work each day and, if offered a job, would have been able to accept it. Once an applicant is approved to receive benefits, the applicant is required to submit weekly certifications indicating that he or she: was ready, willing and able to work each day; was seeking full time employment; did not refuse any job offers or referrals; and had reported any employment during the week and the gross pay or other payments received.

In April 2022, the defendant pleaded guilty to charges including conspiracy to commit wire fraud, wire fraud, conspiracy to defraud the United States, and theft of government money. As part of his guilty plea, Segers acknowledged that applications were filed on behalf of inmates who did not lose their job due to COVID. Co-defendant and incarcerated individual, Michael Matthews, transmitted the necessary inmate information for the filing of PUA applications to Segers, a former federal inmate who was previously incarcerated with Matthews, via phone and email. Segers would then file the fraudulent applications and weekly certifications in the name of Matthews and other inmates Matthews provided. Segers compensated Matthews for providing the inmate information by depositing money into his federal prison commissary account. Matthews previously pleaded guilty to related charges and is due to be sentenced on July 22, 2022. Co-defendant Dionne Segers' case is pending.

“Pandemic Unemployment Assistance and small business loan funds are intended to help working Americans and small business owners continue to pay their bills and make ends meet, even when revenues have dropped dramatically due to the pandemic,” said U.S. Attorney Romero. “Thieves who attempt to take these funds are taking advantage of others' misfortune – ripping them off while also ripping off all taxpayers who fund the program. Segers and Matthews fraudulently obtained thousands of dollars in funds that could have helped struggling businesses and individuals.”

“Today, Brandon Segers has been held accountable for using deceit and fraud to line his pockets with PUA funds,” said IRS Criminal Investigation Special Agent in Charge Yury Kruty. “This is a warning to those out there who think the PUA program is a slush fund. IRS CI, along with our partners, remains committed to investigating those who fraudulently target the PUA program.”

This case was investigated by the United States Department of Labor – Office of Inspector General, and the Internal Revenue Service – Criminal Investigation. The case is being prosecuted by Assistant United States Attorney Timothy Lanni.

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 Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

Topic(s):

Financial Fraud

Component(s):

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UNITED STATES ATTORNEY’S OFFICE EASTERN DISTRICT OF PENNSYLVANIA 615 Chestnut Street, Suite 1250 Philadelphia, PA 19106 JENNIFER CRANDALL Media Contact 215-861-8300 If you have not done so already, follow @USAO_EDPA on Twitter to get the most up-to-date information about big cases and community news.