

Department of Justice
U.S. Attorney's Office
Eastern District of Virginia

FOR IMMEDIATE RELEASE

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Four Individuals Indicted for Fraudulently Obtaining Pandemic Unemployment Benefits for Virginia Prison Inmates

NORFOLK, Va. – A federal grand jury returned an indictment yesterday charging four individuals with allegedly participating in a conspiracy to use the personal identifying information of 35 Virginia prison inmates in order to fraudulently obtain over \$300,000 in pandemic-related unemployment benefits.

“As alleged in the indictment, the defendants deliberately stole funds intended for members of our community who have faced financial hardship and unemployment during the COVID-19 pandemic,” said Raj Parekh, Acting U.S. Attorney for the Eastern District of Virginia. “EDVA will continue to work with our law enforcement partners to safeguard these critical taxpayer-funded resources and hold accountable those who unlawfully line their pockets at the expense of the American people.”

According to the indictment, Mary Benton, 38, of Portsmouth, and Angelica Cartwright-Powers, 35, of Norfolk, allegedly worked with two inmates at Virginia correctional institutions to collect the personally identifiable information of other inmates to fraudulently apply for Virginia unemployment benefits during the COVID-19 pandemic. Benton allegedly submitted successful applications for Virginia unemployment benefits for 31 inmates across three Virginia correctional facilities. Cartwright-Powers allegedly submitted successful applications for four inmates at one correctional facility.

“Fraudulently exploiting COVID-19 relief funds for personal gain is unconscionable,” said Joseph V. Cuffari, Inspector General for the Department of Homeland Security. “Today’s indictment sends a clear message that DHS OIG will fully investigate fraud affecting FEMA funds and continue to work with our law enforcement partners to bring an end to these schemes.”

“Investigating fraud involving the Unemployment Insurance Program is an important part of the mission of the U.S. Department of Labor - Office of Inspector General, particularly during a time when our nation is providing billions of dollars in unemployment benefits to American workers in need of assistance due to the continuing economic effects of the ongoing COVID-19 pandemic,” said Derek Pickle, Special Agent in Charge of the Washington, DC Regional Office of the U.S. Department of Labor, Office of Inspector General. “We will continue to work with our law enforcement partners to vigorously investigate unemployment insurance fraud.”

According to the indictment, co-conspirator Michael Lee Lewis, Jr., 41, of Chesapeake, allegedly provided information for inmates at the Augusta Correctional Center, where he was incarcerated. Michael Anthony White, 38, of Chesapeake, allegedly provided information for inmates at the Lawrenceville Correctional Center, where he was incarcerated. The four individuals charged in this indictment, along with the prisoners whose information was used for the unemployment applications, allegedly shared the proceeds of their crimes, which amounted to approximately \$334,667. Although the conspirators initially and allegedly obtained \$436,834, the Virginia Employment Commission was able to reclaim some of the disbursed funds after discovering the fraud.

During the pandemic, both the federal government and the Virginia Employment Commission expanded unemployment benefits both by increasing the monetary amount, and by making benefits accessible for the self-employed, contractors, and gig workers, who have not historically qualified for unemployment. However, inmates remained ineligible for such benefits, and each application that Benton and Cartwright-Powers submitted allegedly contained numerous false statements that made the application successful, such as the inmates' contact information and last employer, and that they were ready and willing to work.

Benton is charged with one count of conspiracy, three counts of fraud in connection with major disaster benefits, and three counts of mail fraud. Lewis and White are each charged with one count of conspiracy and two counts of mail fraud. Cartwright-Powers is charged with one count of conspiracy, one count of fraud in connection with major disaster benefits, and one count of mail fraud. If convicted, the conspirators face a maximum of five years in prison on the conspiracy count and thirty years in prison on each fraud count. Actual sentences for federal crimes are typically less than the maximum penalties. A federal district court judge will determine any sentence after taking into account the U.S. Sentencing Guidelines and other statutory factors.

Raj Parekh, U.S. Attorney for the Eastern District of Virginia; Joseph V. Cuffari, Inspector General for the Department of Homeland Security; Derek Pickle, Special Agent-in-Charge of the Washington, DC Regional Office, U.S. Department of Labor, Office of Inspector General; and Paul Haymes, Chief of Investigations, Virginia Department of Corrections, Special Investigations Unit, made the announcement.

This investigation was conducted under the auspices of "Operation Checkmate," the Virginia Department of Corrections Inmate Unemployment Insurance Fraud Task Force. The task force is led by the U.S. Attorney's Office for the Eastern District of Virginia, DOL-OIG, DHS-OIG, and the Virginia Department of Corrections. This investigation included assistance from the U.S. Secret Service's Richmond Field Office, the Portsmouth Police Department, and the Virginia Employment Commission.

Assistant U.S. Attorney Rebecca Gantt is prosecuting the case.

A copy of this press release is located on the website of the [U.S. Attorney's Office](#) for the Eastern District of Virginia. Related court documents and information are located on the website of the [District Court](#) for the Eastern District of Virginia or on [PACER](#) by searching for Case No. 2:21-cr-33.

An indictment is merely an accusation. The defendants are presumed innocent until proven guilty.

Topic(s):
Coronavirus
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