

**PRESS RELEASE**

# **Fourth Illinoisan Sentenced After Cashing Out Stolen Government Money at a Dubuque Casino**

Wednesday, May 6, 2026

**For Immediate Release**

U.S. Attorney's Office, Northern District of Iowa

## **Multi-State Scheme Involved over \$200,000 in COVID-19 Unemployment Benefits**

A woman from Northwest Illinois who fraudulently obtained approximately \$100,000 in pandemic-era unemployment benefits, which she then converted to cash at a Dubuque casino, was sentenced on May 5, 2026, to more than three years in federal prison. Jackie L. Smith, age 39, from Galena, Illinois, received the prison term after a November 4, 2025, guilty plea to one count of wire fraud.

Evidence at Smith's guilty plea and sentencing hearings established that Smith orchestrated a scheme to defraud various states out of approximately \$100,000 in federally subsidized unemployment insurance ("UI") benefits during the COVID-19 pandemic. Smith filed a false UI application in her own name, recruited others into the UI fraud scheme in exchange for a share of the fraud proceeds, and stole others' personally identifiable information and pocketed the UI moneys for herself. Smith then made cash withdrawals at a Dubuque casino.

Smith is a felon with an extensive criminal history. Smith has convictions in Illinois, Texas, and Wisconsin for bail jumping, methamphetamine possession, burglary, theft, resisting a law enforcement officer, receiving stolen property, and operating under the influence.

Smith was sentenced in Cedar Rapids by United States District Court Chief Judge C.J. Williams. Smith was sentenced to 42 months' imprisonment. She was ordered to make \$95,708 in restitution to three states. She must also serve a three-year term of supervised release after the prison term. There is no parole in the federal system. Smith is being held in the United States Marshal's custody until she can be transported to a federal prison.

Smith is the fourth Illinoisan whom Chief Judge Williams has sentenced for making cash withdrawals at a Dubuque casino from stolen UI fraud money during the pandemic:

In April 2026, Jeffrey Alan Edmonds, age 58, from Galena, Illinois, was sentenced to four months of imprisonment and three years of supervised release after he pled guilty to one count of wire fraud. Edmonds was ordered to pay \$10,923.30 in restitution to one state.

In January 2026, Michael Angelo Martinelli, age 35, a self-employed gambler from Galena, Illinois, was sentenced to six months of imprisonment and three years of supervised release after he pled guilty to one count of wire fraud. Martinelli was ordered to pay \$170,144.70 in restitution to two states.

In September 2024, Dezaray Elizabeth Seitz, age 35, from Galena, Illinois, was sentenced to 78 days in jail and three years of supervised release after she pled guilty to one count of wire fraud. Seitz was ordered to pay \$4,000 in restitution to one state. In December 2025, after Seitz violated the terms of her supervised release, Chief Judge Williams sentenced Seitz to nine additional months in federal prison.

On April 7, the Department of Justice announced the creation of the National Fraud Enforcement Division. The core mission of the Fraud Division is to zealously investigate and prosecute those who steal or fraudulently misuse taxpayer dollars. Department of Justice efforts to combat fraud support 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.

The cases were prosecuted by Assistant United States Attorney Timothy L. Vavricek and investigated by the United States Department of Labor, Office of Inspector General, and the Iowa Division of Criminal Investigation.

Court file information at <https://ecf.iand.uscourts.gov/cgi-bin/login.pl>.

The case file numbers are 24-CR-1019 (Smith), 25-CR-1032 (Edmonds), 25-CR-1025 (Martinelli), and 23-CR-1024 (Seitz)

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