

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

FOR IMMEDIATE RELEASE

Friday, September 30, 2022

Hampton Gang Member Sentenced for Pandemic Unemployment Fraud

NEWPORT NEWS, Va. – A Hampton man was sentenced today to 27 months in prison for a fraud scheme to obtain unemployment benefits made available because of the COVID-19 pandemic.

According to court documents, Demichael J. Peeples, 27, submitted multiple false unemployment claims with the Commonwealth of Virginia and State of California. He filed fraudulent claims for benefits for himself and on behalf of others. In these claims, Peeples falsely represented, among other things, the applicants' work history and that they lost their employment as a result of the COVID-19 pandemic. Peeples recruited individuals on social media to provide their personally identifying information, so he could file fraudulent claims for benefits in their name. In many cases, the defendant had the benefit payments delivered to his residence and kept the proceeds for himself.

Peeples is a documented member of the "10K" street gang on the Peninsula. While on pretrial release, he used illegal drugs, failed to seek employment, did not report contact with law enforcement to his supervising probation officer, and otherwise failed to comply with his conditions of release. In March, Peeples was evicted from a hotel room where police found a Glock semiautomatic firearm that had a preliminary match to a shooting that occurred earlier that same day. In May, police were dispatched to Peeples's residence after unknown individuals fired 19 rounds at Peeples. After pleading guilty, the Court revoked his bond and remanded him into the custody of the U.S. Marshals Service.

Jessica D. Aber, U.S. Attorney for the Eastern District of Virginia; Damon E. Wood, Inspector in Charge of the Washington Division of the U.S. Postal Inspection Service; Troy Springer, Acting Special Agent in Charge of the Washington, DC Regional Office, U.S. Department of Labor, Office of Inspector General; Brian Dugan, Special Agent in Charge of the FBI's Norfolk Field Office; and Mark Talbot, Chief of Hampton Police, made the announcement after sentencing by U.S. District Judge Arenda Wright Allen.

This case was investigated under the leadership and coordination of the Newport News Financial Crimes Task Force.

Assistant U.S. Attorneys D. Mack Coleman and Devon E.A. Heath prosecuted 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. 4:21-cr-66.

Topic(s):
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