

Department of Justice

U.S. Attorney's Office

Northern District of Iowa

FOR IMMEDIATE RELEASE

Friday, July 2, 2021

Iowa Man Sentenced to Federal Prison for his Role in COVID-19 Unemployment Insurance Fraud

Used a Credit Union Account to Receive Unemployment Insurance Funds to Which he Was Not Entitled and then Sent the Money to his Cohorts

A man who used his credit union account to receive unemployment insurance money from the State of Washington to which he was not entitled was sentenced July 1, 2021, to federal prison.

Jerry D. Johnson, age 54, from Webster City, Iowa, received the prison term after a January 28, 2021, guilty plea to one count of mail fraud.

Information at Johnson's plea and sentencing hearings showed that, in May 2020, Johnson's credit union account received over \$31,000 in unemployment funds from the State of Washington in the names of others. He then withdrew the benefits in cash and mailed the cash through the United States Postal Service to others involved in the scheme. Later, the Commonwealth of Massachusetts attempted to deposit over \$20,000 in fraudulent unemployment benefits into Johnson's account. The credit union recognized the transaction as fraudulent and returned the money.

Johnson was sentenced in Sioux City by United States District Court Chief Judge Leonard T. Strand. Johnson was sentenced to eight months' imprisonment. He was ordered to make \$31,062 in restitution to the State of Washington. He must also serve a two-year term of supervised release after the prison term. There is no parole in the federal system.

On May 17, 2021, the Attorney General established the COVID-19 Fraud Enforcement Task Force to marshal the resources of the Department of Justice in partnership with agencies across government to enhance efforts to combat and prevent pandemic-related fraud. The Task Force bolsters efforts to investigate and prosecute the most culpable domestic and international criminal actors and assists agencies tasked with administering relief programs to prevent fraud by, among other methods, augmenting and incorporating existing coordination mechanisms, identifying resources and techniques to uncover fraudulent actors and their schemes, and sharing and harnessing information and insights gained from prior enforcement efforts. 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](tel:866-720-5721) or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

Johnson was released on the bond previously set and is to surrender to the Bureau of Prison on a date yet to be set.

The case was prosecuted by Assistant United States Attorney Morfitt and investigated by the Federal Bureau of Investigation and the United States Department of Labor, Office of Inspector General.

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

The case file number is 20-CR-3027.

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Topic(s):

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