

**Department of Justice**  
U.S. Attorney's Office  
Southern District of California

FOR IMMEDIATE RELEASE

Friday, March 4, 2022

## **Vista Man Pleads Guilty to Fraudulently Obtaining More than \$300,000 in Unemployment Benefits**

**Assistant U. S. Attorneys Michael A. Deshong and Alicia Williams (619) 546-9290**

### **NEWS RELEASE SUMMARY—March 4, 2022**

SAN DIEGO - Darris Cotton of Vista pleaded guilty in federal court today to a fraud charge, admitting that he submitted false applications for unemployment benefits to California's Employment Development Department.

As admitted in the plea agreement entered today before U.S. District Judge Todd W. Robinson, Cotton used third parties' names, dates of birth, and social security numbers to submit false applications for benefits. Cotton listed an address in Vista, California on at least sixteen different applications. After California's Employment Development Department (EDD) mailed debit cards containing the benefits to Cotton's address, he took the cards to various locations to purchase money orders for the purpose of extracting the funds. Cotton admitted to fraudulently obtaining at least \$312,000 in benefits. As part of his plea agreement, Cotton agreed to forfeit \$97,400 in money orders and \$15,139 in currency that was seized from him.

The United States Department of Labor funds unemployment benefits, but the administration of the benefits is overseen by EDD. To qualify for benefits, an individual must submit an application with their name, date of birth, social security number, and other personal information. If the information is approved, then EDD sends a debit card to the address provided in the application via U.S. Mail. In March 2020, the United States Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which included an economic relief package of more than \$2 trillion designed to help the American people during the public health and economic crises that resulted from the COVID-19 pandemic. The CARES Act expanded the population of persons eligible for benefits, the time period during which persons are eligible for benefits, and/or the amount of benefits.

As set forth in his plea agreement, Cotton began submitting fraudulent applications for benefits just a few months after Congress passed the CARES Act and expanded these benefits. Cotton also admitted that he submitted fraudulent applications for benefits to EDD in addition to the sixteen specified in the plea agreement, and submitted fraudulent applications for benefits in other states such as Pennsylvania, Maryland, and Arizona. Cotton used the benefits he fraudulently obtained to purchase luxury items such as Gucci-brand backpacks.

Agents from United States Secret Service, Homeland Security Investigation, and Department of Labor Office of Inspector General and detectives from the San Diego Police Department conducted the investigation into dozens of fraudulent applications that were submitted in July and August of 2020. During the investigation, law enforcement seized approximately \$97,000 in U.S. Postal and MoneyGram money orders and \$15,000 in U.S. currency from Cotton.

"While so many deserving people were suffering from pandemic-related economic challenges, this defendant used a global pandemic to cash in," said U.S. Attorney Randy Grossman. "These benefits

are intended for those who truly need it, not for greedy people who exploit the system.” Grossman thanked the prosecution team and investigative agencies for their excellent work on this case.

“HSI special agents and our law enforcement partners have worked tirelessly to bring to justice criminal networks that are exploiting the global pandemic for personal financial gain,” said Special Agent in Charge Chad Plantz of HSI San Diego. “This guilty plea assures this individual can no longer illegally profit from resources dedicated toward those needing financial assistance due to the COVID-19 pandemic.”

“The Secret Service remains committed to pursuing those who seek to wrongfully benefit from CARES Act fraud,” said San Diego Acting Special Agent in Charge Timothy Scott. “The hard work from the skilled agents and investigators who worked this case, and many others like it, is making a difference not just here in San Diego, but around the country.”

Cotton is scheduled to be sentenced on May 27.

**DEFENDANT**

**Case Number 21cr1108-TWR**

Darris Cotton

Age: 30

Vista, CA

**SUMMARY OF CHARGES**

Conspiracy to Commit Mail Fraud—Title 18, U.S.C., Section 1349

Criminal Forfeiture—Title 18, U.S.C., Section 981

Maximum penalty: Twenty years in prison; \$250,000 fine or twice the gross gain or loss from the offense, whichever is greater; criminal forfeiture of all proceeds derived from the offense.

**AGENCY**

United States Secret Service

Homeland Security Investigations

Department of Labor Office of Inspector General (OIG)

San Diego Police Department

Carlsbad Police Department

**Topic(s):**  
Financial Fraud

**Component(s):**  
USAO - California, Southern