

June 23, 2022

**ATTORNEY GENERAL RAOUL CHARGES SIX COOK COUNTY RESIDENTS OVER UNEMPLOYMENT,
SMALL BUSINESS ADMINISTRATION LOAN FRAUD**

***Charges Stem from Investigation by Raoul's Task Force on Unemployment Insurance Benefits
Fraud into Alleged Fraud by Postal Service Employees***

Chicago — Attorney General Kwame Raoul today announced charges against six former or current U. S. Postal Service (Postal Service) employees as a result of a wide-ranging investigation by the Attorney General's Task Force on Unemployment Insurance Benefits Fraud. Raoul alleges all six individuals fraudulently applied for a range of government loans and assistance during the height of the COVID-19 pandemic.

All six defendants are charged in Cook County Circuit Court with fraudulently seeking loans through the Small Business Administration (SBA) for businesses that did not exist. Additionally, four defendants are charged with applying for fraudulent unemployment insurance benefits through the state of Illinois while being employed by the Postal Service. Today's charges are the first brought based on an investigation by the [Attorney General's Task Force on Unemployment Insurance Benefits Fraud](#).

"Thousands of Illinois residents and small businesses were forced to rely on unemployment benefits and loans from the SBA during the height of the pandemic," Raoul said. "Thieves who intentionally took advantage of the situation to steal money from the government also slowed the processing of legitimate claims. I am committed to continued collaborations through the Task Force on Unemployment Insurance Benefits Fraud to ensure individuals are held accountable for their actions at a time when many Americans desperately needed assistance."

Attorney General Raoul filed over 65 felony counts, including theft by deception, state benefits fraud, loan fraud, wire fraud and forgery, against the following individuals:

- Davonte Kendall, 30, of Lansing, Illinois.
- Bria Taylor, 27, of Berwyn, Illinois.
- Imani Butler, 29, of Dixmoor, Illinois.
- Raven Daniel, 28, of Bellwood, Illinois.
- Louis K. Lay, Jr., 32, of Chicago.
- Erica M. Beck, 34, of Chicago.

Lay and Beck, who are married and are still employed by the Postal Service, also face charges relating to a scheme to allegedly steal \$25,000 in economic impact payments from residents living in Chicago's South Shore neighborhood.

The investigation began after the Postal Service's Office of the Inspector General (OIG) was informed that certain Postal Service employees were potentially receiving paychecks while drawing unemployment insurance benefits. The OIG contacted Raoul's task force, which conducted a joint federal and state investigation involving the Illinois Department of Employment Security, the U.S. Department of Labor, the Department of the Treasury, the U.S. Postal Inspection Service and the FBI. Raoul's resulting complaint alleges that in addition to fraudulently receiving unemployment insurance benefits, the defendants received loans through the Paycheck Protection Program and the Economic Injury Disaster Loan program for businesses that did not exist.

"These charges represent our commitment to work with our law enforcement partners to maintain the integrity and trust in U.S. Postal Service employees and critical benefit programs," said Special Agent-in-Charge Andre Martin, Central Area Field Office, U.S. Postal Service Office of Inspector General. "The majority of postal employees are hard-working dedicated public servants. Those charged betrayed the public's trust and the USPS OIG, along with the law enforcement community, remain committed to safeguarding the integrity of the Postal Service and its employees."

"The United States Postal Service is one of the most relied upon public institutions in our nation. As Illinoisans and Americans, we expect the highest level of ethical behavior from the postal workers who handle some of our most private and sensitive information," said Kristin Richards, Director of the Illinois Department of Employment Security. "I'm pleased that Attorney General Raoul has taken action that will ensure the public trust is upheld, and I look forward to continuing to partner with him to pursue those individuals who attempt to enrich themselves by defrauding Illinois taxpayers."

"Unemployment programs exist to support our residents in times of extreme need, not to line the pockets of a select few with ill-gotten profits. This week's charges are the first, but certainly not the last as we continue to work with our law enforcement and prosecutorial partners to safeguard public funds," said Special Agent-in-Charge at the FBI Chicago Division Emmerson Buie, Jr.

"This indictment demonstrates the commitment of the Treasury Inspector General for Tax Administration to investigate and bring to justice those who would exploit Federal programs for unlawful personal gain by stealing Economic Impact Payments," said J. Russell George, the Treasury Inspector General for Tax Administration.

"An important part of the mission of the Office of Inspector General is to investigate fraud involving unemployment insurance programs. This is particularly true when an allegation involves misconduct by federal employees. We will continue to work with our law enforcement partners and state workforce agencies to aggressively investigate unemployment insurance fraud," said Irene Lindow, Special Agent in Charge, Chicago Region, U.S. Department of Labor Office of Inspector General.

Attorney General Raoul partnered with the FBI to establish the Attorney General's Task Force on Unemployment Insurance Benefits Fraud in response to increased reports of alleged unemployment insurance benefits fraud throughout Illinois and nationally. The task force is aimed at enhancing collaborations between state and federal agencies investigating and prosecuting forms of unemployment benefits fraud.

The public is reminded that the defendants are presumed innocent until proven guilty in a court of law.

The cases are being handled by Assistant Attorney General Haley C. Bookhout from Raoul's Public Integrity Bureau and Assistant Attorney General Megan McGuire Bachman from Raoul's Criminal Prosecutions Bureau.



January 8, 2021

ATTORNEY GENERAL RAOUL ANNOUNCES ATTORNEY GENERAL'S TASK FORCE ON UNEMPLOYMENT INSURANCE BENEFITS FRAUD

Task Force To Facilitate State, Federal Action Against Unemployment Insurance Benefits Fraud

Chicago — Attorney General Kwame Raoul today announced his office is partnering with the FBI to establish the Attorney General's Task Force on Unemployment Insurance Benefits Fraud. The task force will for the first time allow state and federal resources to be deployed on a large scale to combat unemployment insurance benefits fraud.

Throughout the COVID-19 pandemic, Raoul's office has received and investigated complaints related to unemployment insurance benefits fraud. The aim of the task force is to enhance collaboration among state and federal agencies investigating and prosecuting forms of unemployment benefits fraud. In addition to the Illinois Attorney General's office and the FBI, the task force will be made up of the Illinois Department of Employment Security, the Illinois State Police, the U.S. Department of Labor Office of Inspector General, the Illinois Department of Revenue, the Internal Revenue Service, as well as the Illinois Association of Chiefs of Police and the Illinois State's Attorneys Association.

"The Task Force on Unemployment Insurance Benefits Fraud will for the first time allow a broad coalition of federal, state and local law enforcement to collaborate and share resources and address widespread unemployment insurance benefits fraud," Raoul said. "I appreciate the FBI dedicating the needed resources and look forward to working with our partner agencies to investigate and hold accountable those who steal federal funding that is intended to help residents during the COVID-19 pandemic."

"While the citizens of Illinois have worked to regain financial stability after last year's tumultuous job market, criminals have sought to do them harm," FBI Special Agent in Charge Emmerson Buie Jr said. "With today's announcement of a joint unemployment task force, we commit to working with our local, state, and federal partners to ensure that those who would steal resources from our most vulnerable are brought to swift justice."

"Bad actors have taken advantage of a global pandemic that has pushed desperate people to unemployment insurance agencies for economic relief," IDES Acting Director Kristin Richards said. "While this massive fraud scheme has redirected the valuable man-hours and resources the Department would be better served to use assisting claimants, IDES remains committed to detecting and shutting these claims down and will continue to support law enforcement's efforts to find the fraudsters behind these crimes."

"The Illinois State Police are here to coordinate, facilitate and share intelligence on fraudulent activity," Illinois State Police Director Brendan F. Kelly said. "It is through multi-jurisdictional partnerships such as these that will allow us to better combat and contain this criminal conduct."

"An important mission of the Office of Inspector General is to investigate allegations relating to unemployment insurance fraud. We will continue to work with our law enforcement partners to investigate these types of allegations," Irene Lindow, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General said.

"As the 2021 tax filing season nears, the Illinois Department of Revenue remains focused on preventing fraudulent income tax refunds, including those perpetrated through unemployment insurance claims." Illinois Department of Revenue Director David Harris said. "We look forward to working with our state and federal partners on Attorney General Raoul's Task Force to end this criminal activity and assist victims of fraudulent claims."

According to the Illinois Department of Employment Security (IDES), the increase in identity theft unemployment fraud can likely be attributed to large corporate data breaches and is not the result of any state system breaches. These breaches compromised

personal information including Social Security numbers, driver's license numbers, names, dates of birth, credit card numbers and addresses – information individuals must provide when applying for loans or lines of credit, or during other interactions.

Currently, state unemployment agencies throughout the nation are battling widespread fraud by individuals seeking to steal federal money. Using personal information obtained as a result of data breaches, thieves are applying for unemployment insurance benefits for which they are not eligible. The IDES strongly encourages anyone who has received notice that an unemployment insurance claim has been fraudulently filed in their name to immediately report the claim to the department [via its website](#) or by calling 800-814-0513. To date, the IDES has stopped more than 350,000 fraudulent claims.

Attorney General Raoul encourages individuals who think their personal or financial information has been compromised to take steps to protect themselves. People should closely monitor credit reports, consider requesting a fraud alert by contacting one of the three nationwide credit bureaus, consider placing a freeze on credit reports, and closely review and monitor all financial accounts for any unauthorized charges.

Additional information on how to protect yourself from potential identity theft is available free of charge on the [Illinois Attorney General's website](#). Residents can also call the Attorney General's Identity Theft Hotline at 1-866-999-5630 for assistance.

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[Return to January 2021 Press Releases](#)

