

Department of Justice

U.S. Attorney's Office

District of New Jersey

FOR IMMEDIATE RELEASE

Thursday, August 25, 2022

Florida Man Charged with Fraudulently Obtaining \$1 Million in Unemployment Benefits and COVID-19 Loan

NEWARK, N.J. – A Florida man was arrested for allegedly obtaining more than \$1 million in government benefits, U.S. Attorney Philip R. Sellinger announced today.

Michael Blanc, 33, of Miami, Florida, appeared by videoconference in Florida on Aug. 24, 2022, before U.S. Magistrate Judge Chris M. McAliley, who set bond at \$250,000.

According to the complaint:

The Coronavirus Aid, Relief, and Economic Security (CARES) Act is a federal law designed to provide emergency financial assistance to Americans suffering the economic effects of the COVID-19 pandemic, including workers who are not ordinarily eligible for unemployment insurance benefits. The CARES Act also enabled the Small Business Association (SBA) to offer funding to business owners through the COVID-19 Economic Injury Disaster Loans (EIDL).

From March 2020 to in or about December 2020, five states paid out approximately \$960,000 in unemployment insurance benefits in response to applications that used an internet provider (IP) address associated with Blanc in furtherance of the claim. Law enforcement officers interviewed four people in whose names the claims were made; each said they did not file a claim, authorize anyone to make a claim, or know Blanc.

In July 2020, the SBA provided an EIDL of approximately \$65,000 in response to an application in the name of a victim. The loan was transferred to a bank account in Blanc's name. The IP address used to file the EIDL application is also connected to 67 additional EIDL applications. The SBA provided approximately \$250,000 in response to these applications.

The charge of wire fraud is punishable by a maximum potential penalty of 20 years in prison and a fine of the greater of \$250,000, twice the gross profits or twice the gross loss suffered to the victims of his offense.

U.S. Attorney Sellinger credited special agents of the U.S. Department of Labor, Office of Inspector General, under the direction of Special Agent in Charge Jonathan Mellone, in New York, and the United States Treasury Inspector General for Tax Administration, under the direction of Special Agent in Charge Dale Forrester, Cybercrime Investigations Division, with the investigation leading to the charges. U.S. Attorney Sellinger also thanked the FBI, Miami Division, and the New Jersey Department of Labor & Workforce Development for their assistance in the investigation.

The government is represented by Assistant U.S. Attorney Andrew Kogan of the U.S. Attorney's Office Cybercrime Unit in Newark.

The charges and allegations contained in the complaint are merely accusations and the defendant is considered innocent unless and until proven guilty.

Attachment(s):

[Download Blanc.Complaint.pdf](#)

Topic(s):

Coronavirus

Component(s):

[USAO - New Jersey](#)

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