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FOR IMMEDIATE RELEASE

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**GEORGIA MAN INDICTED ON CHARGES OF WIRE FRAUD INVOLVING
UNEMPLOYMENT COMPENSATION AND THE CARES ACT USING RESIDENCES
IN HOMEWOOD AND DEKALB, ILLINOIS**

ROCKFORD — A Georgia man was indicted yesterday day by a federal grand jury in Rockford on charges of wire fraud. ROBERT CARTER, 27, of Hampton, Ga., was charged with three counts of wire fraud involving unemployment compensation claims and the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) using residences in Homewood and DeKalb, Ill.

The CARES Act expanded states’ ability to provide unemployment insurance for many workers impacted by the COVID-19 pandemic, including workers who were not ordinarily eligible for unemployment benefits. One such program, the Federal Pandemic Unemployment Compensation Program (“FPUC Program”), allowed eligible individuals who were collecting certain unemployment benefits to receive an additional \$600 in federal benefits per week for weeks of unemployment ending on or before July 31, 2020. The Pandemic Emergency Unemployment Compensation (“PEUC”) Program allowed those who had exhausted benefits under regular unemployment compensation or other programs to receive up to 13 weeks of additional federally funded benefits. The Pandemic Unemployment Assistance (“PUA”) Program allowed individuals who do not qualify for regular unemployment compensation and were unable to continue working as a result of COVID-19, such as self-employed workers and independent contractors, to file for

unemployment benefits. PUA provided up to 39 weeks of benefits to qualifying individuals who were otherwise able to work and available for work within the meaning of applicable state law, except that they were unemployed, partially unemployed, or unable or unavailable to work due to COVID-19 related reasons, as defined in the CARES Act. Unemployment benefit payments under PUA were retroactive for weeks of unemployment, partial employment, or inability to work due to COVID-19 reasons starting on or after Jan. 27, 2020.

Residents of Maryland, or individuals who resided in another state but worked primarily in Maryland, and who became unemployed through no fault of their own, had the option of initiating their unemployment claim electronically via the website for the Maryland Division of Unemployment Insurance.

As alleged in the indictment, from June through August 2020, Carter and others schemed to submit fraudulent unemployment insurance claims to the Maryland Division of Unemployment Insurance resulting in more than \$506,000 in unemployment benefits for claimants who he knew were not entitled to benefits and who did not work or live in Maryland. Further, it is alleged that Carter caused unemployment insurance claims in his name and others to be sent from Homewood and DeKalb, Ill. to the Maryland Division of Unemployment Insurance. Carter opted to have the unemployment benefits paid via debit cards mailed to residences connected to Carter and others involved in the scheme, then withdrew funds from the debit cards at financial institutions and ATMs located in Illinois.

Each count of wire fraud carries a maximum potential penalty of up to 20 years in prison, a fine of up to \$250,000, or twice the gross gain or gross loss resulting from the offense, whichever is greater. If convicted, the court must impose a reasonable sentence under federal sentencing

statutes and the advisory United States Sentencing Guidelines. Carter will appear for arraignment on May 14, 2021, at 9:00 a.m. in federal court in Rockford, before U.S. Magistrate Lisa A. Jensen.

The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendant is presumed innocent and is entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

The indictment was announced by John R. Lausch, Jr., United States Attorney for the Northern District of Illinois; Irene Lindow, Special Agent-in-Charge of the Chicago Region of the Department of Labor – Office of Inspector General; and William Hedrick, Inspector-in-Charge of the Chicago Division of the U.S. Postal Inspection Service.

The government is represented by Assistant U.S. Attorney Scott R. Paccagnini.

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