

Department of Justice
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Northern District of Georgia

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Couple charged with using fictitious employer accounts and stolen identities to fraudulently obtain more than \$1.5 million in Unemployment Insurance benefits

ATLANTA - Shenita Daniel and Wayne A. Lowe, Jr., have been indicted for allegedly using numerous stolen identities to fraudulently claim Unemployment Insurance ("UI") benefits under fictitious employer accounts registered with the Georgia Department of Labor. The scheme resulted in the fraudulent payment of more than \$1.5 million in UI benefits, including Pandemic Unemployment Assistance and Lost Wage Assistance – programs that were created and expanded to assist individuals experiencing unemployment due to the COVID-19 pandemic.

"During the height of the pandemic in 2020, criminals exploited the availability of COVID-19 unemployment benefits to illegally enrich themselves," said U.S. Attorney Ryan K. Buchanan. "The defendants allegedly used the identities of numerous victims to illegally obtain proceeds meant to help citizens who desperately needed these funds to support themselves and their families during a time of emotional and economic crisis. In doing so, they diverted more than \$1.5 million in government benefits."

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

"The defendants share one trait in common – greed," said Special Agent in Charge James E. Dorsey, IRS Criminal Investigation, Atlanta Field Office. "Their desire for money, power and material items, drove them to perpetrate crimes against our unemployment insurance system and prey upon many individuals within our community. The financial expertise and diligence of IRS-CI special agents and partnership with other federal and state law enforcement officers we collectively uncovered these schemes, and now these criminals face the consequences of their actions."

Dr. Joseph V. Cuffari, Inspector General of the Department of Homeland Security, stated, "The DHS Office of Inspector General will continue to prioritize investigations of individuals who take advantage of programs meant to help those in need and work with our law enforcement partners to bring those who commit fraud to justice."

"These two individuals stole money from the COVID-19 unemployment insurance program during the pandemic for their own financial gain," said Tommy D. Coke, Inspector-in-Charge of

the Atlanta Division, U.S. Postal Inspection Service. “The U.S. Postal Inspection Service remains committed to working with our law enforcement partners to investigate and prosecute individuals who exploited this program which was designed to assist hard working Americans that were suffering from financial hardships.”

“Along with being tasked by the federal government to provide financial assistance to those unemployed through no fault of their own, it is equally important for our agency to uphold the integrity of the program by monitoring each of the stakeholders for truthful and accurate information,” said Georgia Labor Commissioner Mark Butler. “We were glad to be a partner in potentially bringing justice to an unjust situation meant to extort state and federal dollars for wrongful gain.”

According to U.S. Attorney Buchanan, the charges, and other information presented in court: Starting in June 2020, Shenita Daniel and Wayne A. Lowe, Jr. allegedly created several fictitious employer accounts with the Georgia Department of Labor. Through these accounts, they submitted false information to the Georgia Department of Labor that was used, in part, to determine whether persons associated with the employer were entitled to receive benefits. This information included the names and personal identifying information for purported employees, which were actually stolen identities of individuals who had no knowledge of the scheme and did not consent to the use of their information. Daniel and Lowe also allegedly submitted false hiring dates and false quarterly wage information for the purported employees.

Within a few days of creating these fictitious employer accounts, claims for UI benefits were allegedly submitted to the Georgia Department of Labor using the stolen identities of persons listed as purported employees of the sham companies.

In addition to filing fraudulent claims for UI benefits in Georgia, Daniel and Lowe allegedly used some of the same stolen identities to submit fraudulent claims for UI benefits in California.

The Georgia Department of Labor approved and paid UI claims through the issuance of debit cards mailed to various addresses in the metro-Atlanta area. The Georgia Department of Labor paid more than \$1.5 million in UI benefits as a result of the scheme.

Daniel and Lowe allegedly withdrew the fraudulently obtained proceeds through transactions at retail stores, restaurants, and ATM cash withdrawals. Starting in December 2020, they began making large monthly cash deposits of the fraud proceeds into a bank account for a company called Simplicity Cares LTD. Daniel was listed as the company’s Chief Executive Officer, and Lowe was listed as the company’s Chief Financial Officer.

Prior to December 2020, Daniel and Lowe never received payroll payments from this bank account. Daniel and Lowe allegedly started making payroll payments to themselves after the large cash deposits began.

The indictment charges Shenita Daniel, 42, of Atlanta, Georgia, and Wayne A. Lowe Jr., 43, of Union City, Georgia, with conspiracy, mail fraud, wire fraud, aggravated identity theft, and conspiracy to commit money laundering. Members of the public are reminded that the indictment

only contains charges. The defendants are presumed innocent of the charges, and it will be the government's burden to prove the defendants' guilt beyond a reasonable doubt at trial.

This case is being investigated by the U.S. Department of Labor – Office of Inspector General, the Internal Revenue Service Criminal Investigation, the U.S. Department of Homeland Security (“DHS”) – Office of Inspector General, and the United States Postal Inspection Service. Special assistance was provided by the Georgia Department of Labor and the U.S. Immigration and Customs Enforcement's Homeland Security Investigations.

Assistant U.S. Attorneys Tracia M. King and Kelly K. Connors are prosecuting the case.

This investigation was sponsored by the Georgia Unemployment Insurance Fraud Task Force. The mission of the Task Force is to combat fraud schemes targeting the Unemployment Insurance Benefits program, which is federally and state funded, and administered by the Georgia Department of Labor.

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>

For further information please contact the U.S. Attorney's Public Affairs Office at USAGAN.PressEmails@usdoj.gov or (404) 581-6016. The Internet address for the U.S. Attorney's Office for the Northern District of Georgia is <http://www.justice.gov/usao-ndga>.