

Detroit Resident Pleads Guilty to Pandemic Unemployment Insurance Fraud Scheme

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For Immediate Release

U.S. Attorney's Office, Eastern District of Michigan

DETROIT, MI - A Detroit man pleaded guilty today to a wire fraud scheme in which he stole \$297,000 of pandemic-related unemployment insurance benefits from the State of Michigan, announced United States Attorney Dawn N. Ison.

Joining in the announcement were Irene Lindow, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General and Special Agent in Charge John Marengo of the United States Secret Service's Detroit Field Office.

Terrell Heard, 33, pleaded guilty before United States District Judge Matthew F. Leitman.

According to court records, Heard committed fraud by obtaining pandemic unemployment assistance (PUA) to which he was not entitled. The plea documents indicate that in approximately April 2020, Heard began to submit electronic applications for PUA benefits to the State of Michigan in the names of various individuals without those individuals' authorization. In some instances, the PUA benefits were sent to bank accounts Heard controlled. In other instances, the PUA benefits were loaded onto Bank of America debit cards which were then mailed to addresses to which Heard had access.

According to the plea papers, Heard continued submitting false claims to the Michigan Unemployment Insurance Agency until approximately July 2020. He managed to obtain approximately \$297,000 from the agency as a result of this fraud, and has agreed to a money judgment forfeiting that amount as part of his plea agreement. He also agreed that his criminal conduct involved more than ten identity theft victims.

Sentencing is set for August 21, 2023 before Judge Leitman. Heard faces a maximum of twenty years in prison.

"Fraud involving COVID-19 relief programs is sadly widespread, both in our community and nationally," U.S. Attorney Ison stated. My office alone has charged over 100 defendants with such crimes since the pandemic began. Today's guilty plea marks another positive step in our ongoing effort to bring to justice those who defrauded pandemic assistance programs."

"Terrell Heard engaged in an unemployment insurance fraud scheme targeted at the Michigan Unemployment Insurance Agency. Heard conspired to submit fraudulent unemployment insurance claims in the names of other individuals. Today's guilty plea affirms the U.S. Department of Labor, Office of Inspector General's commitment to ensuring the integrity of the unemployment insurance program. We will continue working with our law enforcement partners to aggressively investigate these types of allegations," said Irene Lindow, Special Agent in Charge, Great Lakes Region, U.S. Department of Labor, Office of Inspector General.

"Thank you to the Department of Labor and the US Attorney's Office for their continued support in prosecuting COVID relief fraud. The U.S. Secret Service will continue to work cases that impact our community," said Special Agent in Charge Marengo.

The case is being prosecuted by Assistant United States Attorney John K. Neal. The investigation is being conducted jointly by the Department of Labor-Office of Inspector General and the Secret Service, with assistance from the Michigan Unemployment Insurance Agency.

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