

PRESS RELEASE

Ringleader of \$6.2M Unemployment Insurance Fraud Sentenced to Nearly 8 Years Prison

Thursday, March 13, 2025

For Immediate Release

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

DETROIT - Kenny Lee Howard, 32, of Southfield was sentenced to 94 months in prison today for his role in a scheme to defraud state unemployment insurance agencies during the Covid-19 pandemic, Acting United States Attorney Julie A. Beck announced.

Beck was joined in the announcement by Megan Howell, Special Agent-in-Charge, Great Lakes Region, U.S. Department of Labor-Office of Inspector General.

Howard was sentenced by United States District Judge Linda V. Parker. Co-defendant David Davis, 27, of Detroit was previously sentenced and received 30 months in custody. Co-defendant Keila Howard has pleaded guilty and is awaiting sentencing. The case remains pending as to co-defendant Stevenvan Ware. All four defendants were charged with conspiracy to commit wire fraud; Kenny Howard was also charged with aggravated identity theft.

According to court records, between April 2020 and August 2021, Howard and his co-conspirators filed more than 700 unemployment insurance claims across five states, primarily Michigan and California. Once the claims were processed, funds were loaded onto pre-paid debit cards and mailed to addresses controlled by the defendants. Upon receiving these debit cards, the defendants visited ATMs to withdraw cash. Roughly sixty percent of the scheme's fraudulent claims were successful, resulting in a loss of \$6,336,575 to state unemployment insurance agencies. If all the fraudulent claims had been approved, the resulting loss would have exceeded \$11,000,000.

Acting United States Attorney Beck stated, "The pandemic may be over, but the prosecutions of those who took advantage of government programs during the pandemic are not. This office continues—and will continue—to hold those responsible

for these fraudulent schemes accountable for their actions, and today's sentence is evidence of that important work."

"Kenny Howard III and his co-conspirators engaged in a scheme to defraud multiple state workforce agencies by filing for unemployment insurance in the names of identity theft victims who were not entitled to such benefits. Today's sentencing affirms the Office of Inspector General's commitment to work with our law enforcement partners to investigate and bring to justice those who exploit U.S. Department of Labor programs," said Megan Howell, Acting Special Agent-in-Charge, Great Lakes Region, U.S. Department of Labor, Office of Inspector General.

The case is being prosecuted by Assistant United States Attorneys Ryan A. Particka and Timothy Wyse. The investigation was conducted by the Department of Labor, Office of Inspector General.

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