



Department of Justice

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Corapeake Woman Pleads Guilty to Virginia Unemployment Fraud Scheme

NORFOLK, Va. – Paula Lane, a.k.a. Paula Hipps, 47, formerly of Corapeake, North Carolina, pleaded guilty today to charges of mail fraud and aggravated identity theft.

According to the statement of facts filed with the plea agreement, Lane created fake companies and reported employees and wages to the Virginia Employment Commission (VEC). The employees' identifications were stolen or otherwise used without authorization. She then filed unemployment claims under the names of these individuals as if they had been laid off. She received payment from the VEC through EPPICards (debit cards issued to claimants) and direct deposits into her bank account. A search warrant of her home led to the discovery of handwritten documents with personal identifying information, including dates of birth and social security numbers. There were approximately 30 victims of identity theft, and in one-year Lane collected approximately \$130,000.

Lane was indicted by a federal grand jury on June 9 and faces a maximum penalty of 20 years in prison for the mail fraud count and a mandatory consecutive two years in prison for the aggravated identity theft count when sentenced on Jan. 17, 2017. The maximum statutory sentence is prescribed by Congress and is provided here for informational purposes, as the sentencing of the defendant will be determined by the court based on the advisory Sentencing Guidelines and other statutory factors.

Dana J. Boente, U.S. Attorney for the Eastern District of Virginia and Robin Blake, Special Agent in Charge of the Washington, D.C. Regional Office, U.S. Department of Labor, Office of Inspector General, made the announcement after the plea was accepted by U.S. Magistrate Judge Robert J. Krask. Assistant U.S. Attorney Randy Stoker is prosecuting the case.

A copy of this press release may be found on the website of the [U.S. Attorney's Office](#) for the Eastern District of Virginia. Related court documents and information may be found on the website of the [District Court](#) for the Eastern District of Virginia or on [PACER](#) by searching for **Case No. 2:16-cr-089**.