Former Sacramento Resident Charged in Unemployment Insurance Fraud Scheme

SACRAMENTO, Calif. — Terence Aubrey Larker, 35, of Las Vegas, previously of Sacramento, was arrested today after a federal grand jury returned an eight-count indictment last Thursday, charging him with mail fraud and aggravated identity theft, U.S. Attorney Phillip A. Talbert announced.

The indictment was unsealed today after Larker's arrest in Las Vegas.

According to court documents, beginning in April 2020, and continuing through at least October 2020, Larker perpetrated a mail fraud and identity theft scheme that targeted the Unemployment Insurance benefit program that California administers through its Employment Development Department (EDD). Under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Pandemic Unemployment Assistance program, EDD is responsible for administering unemployment insurance benefits for qualifying residents who can no longer find employment due to the COVID-19 pandemic. Larker obtained the personally identifiable information (PII) of more than 80 individuals and filed fraudulent unemployment insurance benefit claims under their identities. EDD approved many of these applications and mailed benefits in the form of prepaid debit cards to addresses under Larker's control, including at least 24 to his home address in Sacramento. Once received in the mail, he activated the cards and spent the benefits on himself, often appearing in ATM surveillance footage taking out large amounts of cash from these cards. In total, Larker's conduct resulted in EDD and the United States paying out over $1.1 million in fraudulent claims.

"We greatly appreciate the strong work of our federal law enforcement partners who investigate these complex cases and bring perpetrators to justice," said EDD Director Nancy Farias.

This case is the product of an investigation by the Department of Labor-Office of Inspector General (DOL-OIG), California Employment Development Department, Department of

Homeland Security-Office of Inspector General (DHS-OIG), and the Federal Bureau of Investigation. Assistant U.S. Attorney Denise N. Yasinow is prosecuting the case.

If convicted, Larker faces a maximum statutory penalty of 20 years in prison and a fine of up to $250,000 for mail fraud and a mandatory additional sentence of two years in prison for aggravated identity theft. Any sentence, however, would be determined at the discretion of the court after consideration of any applicable statutory factors and the Federal Sentencing Guidelines, which take into account a number of variables. The charges are only allegations; the defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

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