

PRESS RELEASE

Missouri Man Admits Unemployment Insurance, Home Depot Frauds

Wednesday, May 10, 2023

For Immediate Release

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

ST. LOUIS – A man from Ste. Genevieve County pleaded guilty to federal charges Tuesday and admitted schemes to defraud both Home Depot and Missouri's unemployment insurance program.

Arthur Grass, 36, also admitted being a felon caught with a firearm. Grass pleaded guilty in front of U.S. District Judge Matthew T. Schelp to one count of being a felon in possession of a firearm, one count of conspiracy to steal money from the United States (unemployment benefits) and one count of wire fraud.

Grass admitted filing false unemployment claims for about 10 people beginning in May of 2020. Grass falsely claimed that they had been laid off from his construction company, AJE Construction. Grass cashed out the unemployment benefits, which had been placed on debit cards, and kicked some money back to the "workers," who had voluntarily provided him their personal information to use in the scheme. In all, the scheme reaped \$142,423, including supplemental COVID-19 pandemic unemployment benefits.

Grass also admitted defrauding Home Depot on multiple occasions by filling a cart with boxes of vinyl flooring and then adding an inexpensive item on top. He would pay for the inexpensive item and claim that he'd paid for the flooring online, showing a fraudulent receipt.

Charging documents say he stole about 468 boxes of flooring that way from Home Depot stores in St. Louis and St. Louis County from Jan. 5, 2023 through Feb. 6, 2023. Each box was priced at about \$75 or more. He then sold them on Facebook.

Finally, on March 31, 2022, St. Charles County police who were investigating catalytic converter thefts found Grass' Jeep in a storage lot, with Grass inside. He was arrested and police later found a stolen Glock 9mm pistol in a toolbox in the Jeep. Grass is a convicted felon and barred from possessing a firearm.

"Arthur Grass engaged in an unemployment insurance (UI) fraud scheme targeting the Missouri Department of Labor, Division of Employment Security. Grass conspired to submit fraudulent UI claims in the names of other individuals, diverting vital taxpayer resources away from those in dire need of unemployment benefits. Today's guilty plea affirms the U.S. Department of Labor, Office of Inspector General's commitment to pursuing UI fraud. We are grateful for our partnerships with the Missouri Department of Labor and our many law enforcement partners, including the U.S. Attorney's Office," said Irene Lindow, Special Agent in Charge, Great Lakes Region, U.S. Department of Labor, Office of Inspector General.

Grass faces up to 10 years in prison for the gun charge, up to 20 years for the wire fraud charge and up to five years for the stealing charge, as well as the possibility of a fine of up to \$250,000 for each charge. He will also be ordered to repay the money.

The case was investigated by the Homeland Security Investigations, the U.S. Department of Labor Office of Inspector General, The U.S. Postal Inspection Service, the St. Charles County Police Department, the Missouri Department of Labor, the Arnold Police Department, the St. Louis County Police Department and Home Depot Retail Investigations. Assistant U.S. Attorney John Ware is prosecuting the case.

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