

Department of Justice

U.S. Attorney's Office

Northern District of Illinois

FOR IMMEDIATE RELEASE

Wednesday, September 29, 2021

Two Men Charged With Fraud Involving More Than \$1 Million in Unemployment Compensation and the CARES Act

ROCKFORD — A superseding indictment returned Tuesday by a federal grand jury in Rockford charged two individuals with wire fraud, mail fraud, and aggravated identity theft involving unemployment compensation claims and the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”).

As alleged in the indictment, from June 2020 through March 2021, ROBERT CARTER, SIRREGINALD MCGUIRE, and others schemed to submit fraudulent Pandemic Unemployment Assistance claims to the California Employment Development Department, the Maryland Division of Unemployment Insurance, and the Virginia Employment Commission, resulting in more than \$1 million in unemployment benefits for claimants whom Carter and McGuire knew were not entitled to them. Carter, McGuire, and others also electronically filed unemployment insurance claims in their own names, the charges allege. The pair opted to have the unemployment benefits paid via debit cards mailed to residences connected to Carter, McGuire, and others involved in the scheme, and then withdrew the money from financial institutions in Illinois.

Carter, 27, of Hampton, Ga., is charged with wire fraud and mail fraud involving unemployment compensation claims and the CARES Act, aggravated identity theft, and money laundering. McGuire, 26, of DeKalb, Ill., is charged with wire fraud and mail fraud involving unemployment compensation claims and the CARES Act, and aggravated identity theft.

The indictment was announced by John R. Lausch, Jr., United States Attorney for the Northern District of Illinois; Irene Lindow, Special Agent-in-Charge of the Chicago Region of the Department of Labor – Office of Inspector General; and William Hedrick, Inspector-in-Charge of the Chicago Division of the U.S. Postal Inspection Service. The government is represented by Assistant U.S. Attorney Scott R. Paccagnini.

Each count of wire fraud and mail fraud carries a maximum penalty of 20 years in federal prison, while money laundering carries a maximum sentence of ten years. Aggravated identity theft carries a mandatory sentence of two years' imprisonment. If convicted, the Court must impose a reasonable sentence under federal sentencing statutes and the advisory U.S. Sentencing Guidelines. Arraignments in U.S. District Court in Rockford have not yet been set.

The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendant is presumed innocent and entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

Attachment(s):

[Download Carter et al superseding indictment](#)

Topic(s):

Coronavirus

Cyber Crime

Disaster Fraud
Labor & Employment

Component(s):
USAO - Illinois, Northern

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