Department of Justice

U.S. Attorney's Office

Eastern District of Pennsylvania

FOR IMMEDIATE RELEASE

Thursday, April 14, 2022

Chester County Man Sentenced to Over 2 ½ Years for Stealing Pandemic Unemployment Assistance Funds While Incarcerated

PHILADELPHIA – United States Attorney Jennifer Arbittier Williams announced that Kenneth L. Huggins, Jr., 25, of Coatesville, PA, was sentenced to two years and nine months in prison, and three years of supervised release by United States District Judge Gerald J. Pappert for filing a fraudulent application for pandemic unemployment compensation while he was imprisoned on a state drug trafficking sentence, thus making him ineligible to receive those benefits.

On March 27, 2020, the CARES ACT was enacted and created the Pandemic Unemployment Assistance ("PUA") program, to provide unemployment benefits to workers who lost their jobs because of the COVID-19 pandemic and who were ineligible for other unemployment compensation.

In December 2021, the defendant pleaded guilty to charges of mail fraud and conspiracy to commit mail fraud stemming from this scheme to file false PUA claims. Beginning in July 2020, Huggins abused the emergency benefit program by arranging to have his mother (co-defendant Patrice Hawthorne) and cousin (co-defendant Dashona Lawrence) submit a fraudulent PUA claim on his behalf. At the time, Huggins was an inmate at Chester County Prison in West Chester, PA, and he had been incarcerated there since before the pandemic began. Huggins also attempted to convince his co-defendants to file fraudulent PUA applications for two of his fellow inmates (who were also ineligible for benefits because they were not unemployed as a result of the pandemic) and planned to keep the vast majority of any funds paid to those inmates for himself. In total, Huggins fraudulently obtained nearly \$13,000 in PUA benefits.

"Pandemic Unemployment Assistance funds are intended to help working Americans continue to pay their bills and make ends meet, even when hours and wages have dropped dramatically due to the pandemic," said U.S. Attorney Williams. "Thieves who attempt to take these funds are taking advantage of others' misfortune — ripping them off while also ripping off all taxpayers who fund the program. Huggins fraudulently obtained thousands of dollars in funds that could have helped struggling individuals."

"The job losses from COVID-19 were fast and furious in 2020," said Jacqueline Maguire, Special Agent in Charge of the FBI's Philadelphia Division. "So many people lost their livelihoods and needed help fast. The Pandemic Unemployment Assistance program was enacted as a safety net, not an ATM for prison inmates seeking easy money. Kenneth Huggins stole thousands of taxpayer dollars to which he knew he wasn't entitled. Anyone considering doing the same should know this: the FBI is committed to finding and locking up criminals willfully defrauding the federal government."

The case was investigated by the Federal Bureau of Investigation, the Internal Revenue Service, Criminal Investigations, and the U.S. Department of Labor Office of the Inspector General, and is being prosecuted by Assistant United States Attorney Jessica Rice.

Topic(s):

Financial Fraud

Component(s):

USAO - Pennsylvania, Eastern

Contact:

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