

PRESS RELEASE

Over Six Million Dollars in Taxpayer Funds Recovered

Monday, February 9, 2026

For Immediate Release

U.S. Attorney's Office, District of Arizona

PHOENIX, Ariz. – Timothy Courchaine, U.S. Attorney for the District of Arizona, today announced that, through a court-ordered judgment in a civil asset forfeiture action, the government has secured approximately \$6,550,729 in stolen taxpayer money.

Through diligent investigation and the effective use of civil forfeiture, federal agents and prosecutors recovered the taxpayer funds stolen through pandemic-related schemes.

As set forth in the civil complaint, COVID-19 pandemic-related unemployment insurance funding was distributed through several federal programs, including the CARES Act, the Continued Assistance Act, and the American Rescue Plan Act of 2021. This funding was administered through state workforce agencies, including the Arizona Department of Economic Security (ADES). Fraudsters, using stolen personal information of U.S. citizens and fabricated employment information, applied for and obtained unemployment insurance payments through ADES. The fraudsters routed the payments to bank accounts they opened using the stolen personal information, then withdrew the funds or transferred them to other accounts. Investigators identified over 2,000 fraudulent accounts that contained over \$6 million in payments obtained from ADES. Using civil forfeiture authority, federal prosecutors and investigators were able to seize and recover the funds.

The District of Arizona brought this civil forfeiture case in cooperation with the broader national DOJ-led COVID Fraud Task Force—a multi-agency collaboration among prosecutors and law enforcement from various agencies that has, to-date, charged numerous individuals and entities who exploited COVID fraud relief programs and seized and forfeited over \$1.4 billion in COVID fraud proceeds.

This case was investigated by the U.S. Department of Labor, Office of Inspector General, with assistance from the U.S. Postal Inspection Service and U.S. Secret Service. The

U.S. Marshals Service assisted in the seizure and forfeiture. The United States was represented by Assistant U.S. Attorneys Joseph Bozdech and LaTanya Wateland.

CASE NUMBER: CV-24-00331-PHX-SHD

RELEASE NUMBER: 2026-024_over \$6million in US Currency

Contact

Public Affairs

Lennea Montandon

Telephone: (602) 514-7542

Lennea.Montandon@usdoj.gov

Updated February 9, 2026