



Department of Justice

**Office of the United States Attorney
Eastern District of California
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STOCKTON MAN ARRESTED, CHARGED WITH UNEMPLOYMENT FRAUD

SACRAMENTO, Calif. — Herbert Alexander, 69, was arrested today at his Stockton residence after a federal grand jury returned a four-count indictment, charging him with unemployment fraud, Acting United States Attorney Phillip A. Talbert announced.

According to court documents, Alexander operated a “fictitious employer” scheme by creating a fictitious employer with the California Employment Development Department (EDD) that did not conduct any business. Alexander then caused the submission of information to the EDD falsely indicating that various persons were employed by the fictitious employer. Alexander subsequently filed unemployment claims in the names of the fake employees.

This case is the product of an investigation by the United States Department of Labor, Office of Inspector General, the U.S. Postal Inspection Service, and the California Employment Development Department, Investigations Division. Assistant United States Attorney Jared C. Dolan is prosecuting the case.

This is the second indictment returned as a result of the investigation. On December 30, 2015, Deborah Hollimon of Stockton and West Memphis, Arkansas, was charged with unemployment fraud and identity theft. Hollimon is currently a fugitive. Anyone with information on her whereabouts should call (415) 625-2685.

If convicted, Alexander faces a maximum statutory penalty of 20 years in prison and a \$250,000 fine. 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.