

Department of Justice

U.S. Attorney's Office

Western District of Virginia

FOR IMMEDIATE RELEASE

Wednesday, May 5, 2021

Bristol, Tennessee Woman Pleads Guilty as Part of Ongoing Prosecution of CARES Act Fraudsters

ABINGDON, Va. – A Bristol, Tennessee woman pleaded guilty yesterday to conspiring to defraud the United States as part of the ongoing prosecution into dozens of individuals who fraudulently filed for more than \$499,000 in pandemic unemployment benefits and committed mail fraud.

According to court documents, Melissa Hayes, 51, conspired with others, including those previously convicted as part of the ongoing prosecution, to file claims for pandemic unemployment benefits through the Virginia Employment Commission [VEC] website. The scheme involved submitting claims for various individuals who were not eligible to receive pandemic unemployment benefits, including for numerous inmates incarcerated in southwest Virginia regional jails.

Conspiracy members lied on the filings as part of the scheme to make filers appear eligible for benefits. Because pandemic unemployment benefits were paid weekly, those filing reverified and recertified the false statements on numerous occasions throughout the scheme.

In all, the conspiracy filed fraudulent claims for approximately 37 individuals, causing at least \$499,000 in false claims to be have been paid.

The aggregate actual loss for all fraudulent claims in which Hayes was directly involved is more than \$70,000.

Hayes pleaded guilty to one count of conspiracy to defraud the government and one count of conspiracy to commit mail fraud. She is scheduled to be sentenced on July 26, 2021. A federal district court judge will determine any sentence after considering the U.S. Sentencing Guidelines and other statutory factors.

Acting United States Attorney Daniel P. Bubar, Jonathan Mellone, Acting Special Agent-in-Charge, Philadelphia Region, U.S. Department of Labor Office of Inspector General and Acting Special Agent in Charge is Darrell J. Waldon of the Internal Revenue Service- Criminal Investigation announced the guilty plea today.

The Department of Labor-Office of the Inspector General and the Internal Revenue Service – Criminal Investigation, the Norton Police Department, and the Russell County Sheriff's Office are investigating the case.

Assistant U.S. Attorney Daniel J. Murphy is prosecuting the case.

Component(s):

USAO - Virginia, Western

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