PRESS RELEASE

Dominican Republic Woman Sentenced in D.C. for $1 Million Unemployment Benefits Fraud Scheme

Friday, November 6, 2026

For Immediate Release
U.S. Attorney's Office, District of Columbia

WASHINGTON – Karin L. Contreras, 45, a citizen of the Dominican Republic and a U.S. lawful permanent resident, was sentenced today in U.S. District Court to 27 months in prison in connection with her role in a scheme that attempted to defraud unemployment insurance programs during the COVID-19 pandemic of more than $1 million, announced U.S. Attorney Jeanine Ferris Pirro.

“Contreras stole from programs created to help people survive the upheaval of the pandemic,” said U.S. Attorney Pirro. “When criminals take advantage of a national emergency, they siphon resources from families in genuine need, they undermine public trust, and they make it harder for communities to recover. Today’s sentence reflects that harm and holds her accountable.”

Contreras pleaded guilty on July 10, 2026, before U.S. District Judge Beryl A. Howell to conspiracy to commit wire fraud. In addition to the 27-month prison term, Judge Howell ordered Contreras to serve two years of supervised release and to pay restitution of $551,674.78. Federal prosecutors had requested a 41-month prison term.



ATM images of Karin Contreras withdrawing fraudulently obtained benefits.

According to court documents, from June 2020 through March 2021, Contreras conspired with others to fraudulently obtain unemployment insurance benefits using stolen personal identity information. As a result of the fraudulent applications, conspirators received prepaid ATM cards loaded with benefits totaling more than $1 million. The overwhelming majority of the cards were mailed to a D.C. address immediately next to Contreras' residence.

Contreras and others withdrew funds from the cards, often at ATMs in $1,000 increments—the maximum daily amount permitted. Between July 1 and July 14, 2020, Contreras personally used 12 fraudulently obtained cards to withdraw $23,000 at ATMs in Washington, D.C. In total, the conspirators realized more than $550,000 from the scheme.

On April 7, the Department of Justice announced the creation of the National Fraud Enforcement Division. The Fraud Division is laser-focused on investigating and prosecuting those who commit fraud against the American people. The Department's work to combat fraud supports President Trump's Task Force to Eliminate Fraud, a whole-of-government effort chaired by Vice President J.D. Vance to eliminate fraud, waste, and abuse within Federal benefit programs.

The investigation was conducted by the FBI Washington Field Office and the U.S. Department of Labor, Office of Inspector General. The matter was prosecuted by Assistant U.S. Attorney Kondi Kleinman of the Fraud, Public Corruption, and Civil Rights Section, and Trial Attorney John Kosmidis of the Justice Department's Fraud Section.

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Updated November 6, 2026