



Department of Justice

Office of the United States Attorney
Eastern District of California
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FOR IMMEDIATE RELEASE
Thursday, May 18, 2017
www.justice.gov/edca
Docket #: 2:17-cr-060 MCE

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FORMER EDD EMPLOYEE ARRESTED FOR UNEMPLOYMENT BENEFITS FRAUD AND IDENTITY THEFT SCHEME

SACRAMENTO, Calif. — An 18-count indictment was unsealed today after two of five defendants were arrested today for unemployment benefits fraud and an identity theft scheme, U.S. Attorney Phillip A. Talbert announced.

The indictment charges Pamela Emanuel, 57, of San Jose; Gregory Lee, 55, of Antioch; Russell White III, 35, of Turlock; Brittany Maunakea, 27, of Turlock; and Sergio Reyna, 24, of Stockton with conspiracy to commit mail fraud and 16 counts of mail fraud. Emanuel and Lee are also charged with separate counts of aggravated identity theft. Emanuel and Reyna were arrested today.

According to court documents, between April 13, 2013, and July 14, 2016, the defendants conspired to execute a scheme to defraud the state of California. Emanuel worked as a tax compliance representative for the California Employment Development Department. She used her position to access the personal identifying information of workers throughout California and gave that information to other members of the conspiracy who filed fraudulent unemployment claims in the names of the unknowing victims. When Emanuel contacted EDD to pose as a laid-off employee, she used a Virtual Private Network designed to mask her IP address in an attempt to hide her identity. When the defendants filed claims with EDD, they usually provided the name of a fake business as the claimant's last employer. As a result, the victim's true employer was not immediately notified that a claim was filed.

The scheme resulted in the conspirators receiving over \$800,000 in fraudulent unemployment benefits and over 250 stolen identities.

This case is the product of an investigation by the United States Department of Labor, Office of Inspector General, the Federal Bureau of Investigation and the California Employment

Development Department – Investigations Division. Assistant U.S. Attorney Jared C. Dolan is prosecuting the case.

If convicted, the defendants face a maximum statutory penalty of 20 years in prison and a \$250,000 fine for each count. Emanuel and Lee also face statutory mandatory minimum penalty of two years in prison for aggravated identity theft, which would run consecutive to any other sentence imposed. 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 defendants are presumed innocent until and unless proven guilty beyond a reasonable doubt.

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