



Department of Justice

Office of the United States Attorney
Eastern District of California
U.S. Attorney Phillip A. Talbert

FOR IMMEDIATE RELEASE

Thursday, June 15, 2017

www.justice.gov/edca

Docket #: 2:12-cr-375 TLN

CONTACT: LAUREN HORWOOD

PHONE: 916-554-2706

usacae.edcapress@usdoj.gov

LONG BEACH MAN SENTENCED TO 6 YEARS IN PRISON FOR \$5M UNEMPLOYMENT BENEFITS FRAUD SCHEME

SACRAMENTO, Calif. — U.S. District Judge Troy L. Nunley sentenced Andre Antonio Walters, 37, of Long Beach, today to six years and one month in prison and a \$15,000 fine for four counts of mail fraud for his role in a significant unemployment benefit fraud scheme, U.S. Attorney Phillip A. Talbert announced.

According to evidence presented at trial in August 2016, Walters was a “manager” in a scheme to defraud the State of California of unemployment benefits from approximately 2008 to 2011. The scheme involved registering fictitious businesses with the state, listing “employees” as having earned wages at those fictitious businesses when in fact they had never worked there, and then filing for unemployment benefits on behalf of those “employees.” Walters recruited people to pose as these “employees,” managed their unemployment claims once filed, and split the resulting unemployment benefits checks that were mailed out of West Sacramento. According to the indictment, the scheme resulted in at least \$5 million in fraudulently obtained unemployment benefits being disbursed by the state.

U.S. Attorney Talbert stated: “The funds set aside for unemployment insurance and disability insurance are intended to benefit Californians who have earned the right to receive those benefits. Fraud schemes that damage and deplete the fund undermine the benefit system and cheat those whom the funds are intended to protect. We will continue to work with our law enforcement partners to investigate and stop fraud schemes like this that harm California workers.”

“Andre Walters and Michael Taylor Jr., who was sentenced last week, created several fictitious employers and then used the names of approximately 500 nonexistent employees to collect more than \$5 million in unemployment insurance benefits intended to provide relief to unemployed workers. We will continue to work with our state and federal law enforcement partners to preserve the integrity of all Department of Labor enforcement programs,” said Abel Salinas,

Special Agent in Charge, Los Angeles Region, U.S. Department of Labor, Office of Inspector General.

“Today’s sentencing sends a loud, clear message: we will not tolerate those who engage in unemployment benefits fraud,” said Patrick W. Henning, Director of the Employment Development Department (EDD). “We’re proud to team up with the U.S. Attorney’s Office and the U.S. Department of Labor, Office of Inspector General to stop these criminals. We all share a common commitment: to ensure unemployment benefits go to the unemployed who need the assistance — not to thieves who believe they are above the law.”

This case was the product of an investigation by the U.S. Department of Labor, Office of Inspector General and the California Employment Development Department. Assistant U.S. Attorneys Jared C. Dolan and Matthew M. Yelovich prosecuted the case.

Walters is the sixth defendant to be sentenced for participating in this fraud scheme. Kenneth Kim Parks, 54, of Pomona, and of Long Beach, was sentenced to five years in prison. Gregory Bart Martin, 36, of Lakewood, was sentenced to 18 months of probation, Michael Ray Taylor Sr., 52, of Fontana, was sentenced to three years in prison; and Michael Ray Taylor Jr., 32, of El Monte, was sentenced to 15 months in prison.

###