

PRESS RELEASE

Maryland Woman Sentenced for CARES Act Unemployment Insurance Fraud

Wednesday, May 13, 2026

For Immediate Release

U.S. Attorney's Office, District of Maryland

Greenbelt, Maryland – A Maryland woman received a prison term for her role in an unemployment insurance (UI) fraud conspiracy.

District Judge Deborah L. Boardman sentenced Kiara Smith, 28, of Prince George's County, to 42 months in federal prison, followed by one year of supervised release, for conspiracy to commit wire fraud and aggravated identity theft charges, in connection with the scheme. Judge Boardman also ordered Smith to pay \$3.5 million in restitution and imposed a criminal forfeiture of \$275,000.

Smith, who served as a contractor for the Maryland Department of Labor (MD-DOL), allowed her co-conspirators to use her work laptop to alter and approve fraudulent Coronavirus Aid, Relief, and Economic Security (CARES) Act UI claims. She also sought and fraudulently obtained a significant amount of UI benefits separate from the conspiracy.

Kelly O. Hayes, U.S. Attorney for the District of Maryland, announced the sentence with Inspector General Anthony P. D'Esposito, U.S. Department of Labor – Office of Inspector General (DOL-OIG), and Special Agent in Charge Jimmy Paul, Federal Bureau of Investigation (FBI) – Baltimore Field Office.

According to the court documents, beginning in May 2021, and continuing until June 2022, Smith and her co-conspirators engaged in an identity theft scheme to defraud the United States, State of Maryland, multiple financial institutions, and multiple individuals. The co-conspirators submitted false and fraudulent UI benefits claims to the MD-DOL, Maryland's agency that is responsible for processing the UI claims. As part of the conspiracy, the co-conspirators fraudulently obtained more than \$3.5 million in unemployment insurance benefits.

Company 1 employed Smith to provide professional support services, including fraud detection efforts, to the MD-DOL. As part of the scheme, Smith provided a company-issued laptop to co-conspirators to access and alter non-public UI data and MD-DOL-maintained databases. This enabled the co-conspirators to maximize the UI payouts on fraudulent UI claims.

Smith's co-conspirators altered the contact email addresses, online account passwords, and payment methods for existing UI claims. The co-conspirators furthered the scheme by using the identity theft victims' personal identifying information (PII). They also used their access to the MD-DOL databases to upload and approve documents submitted in support of fraudulent UI claims; remove fraud holds on UI claims; certify weeks for determining UI benefits; and engage in other actions to facilitate the fraudulent UI benefits payments. During the scheme, the MD-DOL believed it was disbursing UI benefits to debit cards/accounts of UI applicants, but the accounts were opened and controlled by the co-conspirators.

Judge Boardman previously sentenced co-conspirators Lawrence Nathaniel Harris, 32, of Temple Hills, Maryland, Ahmed Hussain, 23, of Prince George's County, Maryland, Zakria Hussain, 28, of Oxon Hill, Maryland, and Bryan Nushawn Ruffin, 27, of Woodbridge, Virginia, to 180-month, 102-month, 36-month, and 27-month federal-prison sentences, respectively. Terry Chen, 25, of Prince George's County, Maryland, is receiving his sentence on Wednesday, May 20.

On April 7, the Department of Justice announced the creation of the National Fraud Enforcement Division ("Fraud 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.

For more information about the Department's response to the pandemic, visit [justice.gov/coronavirus](https://www.justice.gov/coronavirus). Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice's National Center for Disaster Fraud (NCDF) Hotline at 866-720-5721 or via the NCDF Web Complaint Form at [justice.gov/disaster-fraud/ncdf-disaster-complaint-form](https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form).

U.S. Attorney Hayes commended the DOL-OIG and FBI for their work in the investigation and the Maryland Department of Labor for its assistance. Ms. Hayes thanked Assistant U.S. Attorneys Harry M. Gruber and Joseph L. Wenner, who are prosecuting this case. She also recognized the Maryland COVID-19 Strike Force and Paralegal Specialist Joanna B.N. Huber for their valuable assistance.

For more information about the Maryland U.S. Attorney's Office, its priorities, and resources available to report fraud, visit justice.gov/usao-md and justice.gov/usao-md/report-fraud.

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