

Department of Justice
U.S. Attorney's Office
Central District of California

FOR IMMEDIATE RELEASE

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Six Defendants Arrested on Federal Grand Jury Indictment Alleging They Fraudulently Obtained \$2 Million in COVID-19 Jobless Benefits

LOS ANGELES – Law enforcement today arrested six defendants charged in a federal grand jury indictment alleging they fraudulently obtained more than \$2 million in COVID-19-related unemployment insurance (UI) benefits by submitting fraudulent applications in the names of others that falsely asserted, among other things, that the claimants were salon and barbershop workers rendered jobless because of the pandemic.

The 14-count indictment, returned on June 23 and unsealed today, charges eight defendants with conspiracy to commit mail fraud, mail fraud, and aggravated identity theft. The defendants arrested today are expected to be arraigned this afternoon in United States District Court in Riverside, Los Angeles, Atlanta, and Houston, and tomorrow in Medford, Oregon. Two of the defendants are fugitives.

According to the indictment, from March 2020 to July 2021, Robert Campbell Jr., 29, of Corona, the case's lead defendant, orchestrated a conspiracy to steal the UI benefits. Campbell and his co-conspirators, including Regjinay Tate, 28, also of Corona, allegedly used the personally identifiable information (PII) of others – including names, dates of birth, and Social Security numbers – to file fraudulent UI applications with the California Employment Development Department (EDD), which administers the state's unemployment insurance program.

The fraudulent UI claims were federally funded through programs authorized by Congress in response to the pandemic, including the Pandemic Unemployment Assistance (PUA) and Lost Wage Assistance (LWAP) programs.

According to the indictment, many of the fraudulent claims were made on behalf of ineligible out-of-state claimants as well as on behalf of claimants ineligible for benefits because of their incarceration, including one claimant in Texas. One of the conspirators boasted about obtaining a homeless man's PII, the indictment alleges.

Generally, the fraudulent applications falsely stated the claimants' prior annual income at \$42,000 and that they were unemployed self-employed individuals whose jobs were adversely impacted when salons and barbershop closed during the COVID-19 pandemic. The fraudulent applications listed mailing addresses with locations chosen and controlled by Campbell and his co-conspirators, the indictment alleges.

Once the fraudulent applications were approved, debit cards were then mailed to addresses under the control of Campbell and his co-conspirators. Other members of the conspiracy allegedly arranged for some of the fraudulently obtained UI benefits to be disbursed to claimants living outside of California, including in Oregon and Texas.

In total, Campbell and others allegedly caused 174 fraudulent applications to be filed with EDD, resulting in 125 fraudulent claims to be paid to 116 unique claimants, causing losses of approximately \$2,091,436.

An indictment contains allegations that a defendant has committed a crime. Every defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

If convicted of all charges, the defendants would face statutory maximum sentences of 30 years in federal prison on each of the conspiracy and mail fraud counts, and a mandatory two-year consecutive prison sentence on the aggravated identity theft counts.

This matter is being investigated by the United States Department of Labor – Office of Inspector General and the California Employment Development Department – Investigation Division, with assistance from Homeland Security Investigations; the United States Postal Inspection Service; the California Department of Corrections and Rehabilitation – Special Services Unit; and the United States Secret Service.

Assistant United States Attorney Adam P. Schleifer of the Major Frauds Section is prosecuting this case.

Anyone with information about allegations of fraud involving COVID-19 can report it by calling the Department of Justice’s National Center for Disaster Fraud Hotline at (866) 720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

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