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TEXAS MAN SENTENCED TO OVER 3 YEARS IN PRISON FOR UNEMPLOYMENT INSURANCE FRAUD SCHEME

FRESNO, Calif. — Fernando Alanis, 55, of Rio Grande City, Texas, was sentenced today by U.S. District Judge Lawrence J. O’Neill to three years and three months in prison for two counts of mail fraud related to an unemployment insurance fraud scheme, U.S. Attorney McGregor W. Scott announced.

According to court documents, Alanis and others participated in a scheme to defraud the California Employment Development Department (EDD) of unemployment insurance benefits. Alanis was a supervisor with a local farm labor contractor that provided contract labor for growers and packers and organized them into crews managed by “crew bosses.” Alanis would hire and supervise crew bosses and facilitate the hiring of other laborers.

According to court documents, Alanis provided the personal identifying information of individuals, including his relatives and other acquaintances, to workers, some of whom were undocumented, so they could obtain employment with the farm labor contractor under the assumed identities. They then worked as seasonal farm laborers and earned wages. When the workers were laid off at the end of the season, with Alanis’ knowledge and assistance, false and fraudulent unemployment insurance claims were filed in the names of the assumed identities. This caused EDD to send unemployment insurance checks and benefit debit cards to the addresses of the owners of the assumed identities, who were not entitled to the benefits. The individuals lending their identities would either share some of the benefits with Alanis, or would pay Alanis in advance of the unemployment insurance claims being made. Alanis’ direct and indirect conduct resulted in a loss to EDD of approximately \$456,548.

“As a supervisor for a large Central Valley farm labor contractor, Fernando Alanis devised a scheme to defraud the U.S. Department of Labor’s unemployment insurance program

for his own personal benefit. We will continue to work with our law enforcement partners to combat fraud against programs of the Department designed to assist unemployed workers,” stated Abel Salinas, Special Agent-in-Charge, Los Angeles Region, U.S. Department of Labor Office of Inspector General.

This case was the product of an investigation by the U.S. Department of Labor Office of Inspector General, U.S. Immigration and Customs Enforcement’s (ICE) Homeland Security Investigations (HSI), and the California Employment Development Department Investigations Division. Assistant United States Attorneys Henry Z. Carbajal III and Vincenza Rabenn prosecuted the case.

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