

Department of Justice
U.S. Attorney's Office
Eastern District of Michigan

FOR IMMEDIATE RELEASE

Thursday, January 28, 2021

Three Defendants Charged in Two New Unemployment Fraud Cases; Combined Losses Exceed a Half Million Dollars

Three defendants have been charged via criminal complaints for their roles in two separate Unemployment Insurance benefit fraud schemes, announced United States Attorney Matthew Schneider.

Joining in the announcement were Special Agent-in-Charge Timothy Waters, Federal Bureau of Investigation; and Irene Lindow, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General.

One complaint charges Mitchacole Johnson, 44, of Shelby Township, and Larry Witherspoon, 45, of Harper Woods, with mail fraud, wire fraud, and conspiracy to commit mail and wire fraud. Johnson and Witherspoon were arrested today.

According to the complaint, Johnson and Witherspoon are responsible for filing at least 66 claims for fraudulent Michigan unemployment insurance benefits, causing a loss to the state of over \$150,000. It is also alleged that Johnson and Witherspoon filed dozens of complaints in other states—including California, Arizona, and Nevada—causing additional losses in excess of \$300,000. The complaint alleges that Johnson filed a number of claims in her own name, while Witherspoon filed multiple claims in the names of people who had names similar to his own, such as “Lawrence Witherspoon” Both Johnson and Witherspoon are alleged to have filed their claims using other people’s Social Security Numbers. The complaint alleges that the pair had the benefits deposited into a variety of bank accounts, some connected to pre-paid debit cards.

The other complaint charges Jordan Armstrong, 28, of Detroit, with wire fraud, fraud in connection with access devices, and aggravated identity theft. Armstrong was arrested on January 20, 2021.

According to the complaint, Armstrong has filed fraudulent applications for unemployment insurance benefits on behalf of individuals in Michigan, California, and Pennsylvania. It is alleged that Armstrong did so using these individuals’ Social Security Numbers, and that he did so without their permission. The complaint states that during the application process, Armstrong requested the benefits to be paid out via debit card, and then caused the cards to be mailed to various addresses within his control here in Michigan. It is alleged that Armstrong then used these cards to repeatedly withdrawal the funds via ATM, and that by October 2020 he was making daily, high-dollar cash withdrawals using at least 12 separate debit cards. Armstrong is alleged to be responsible for as many as 29 fraudulent Michigan Unemployment Insurance claims, and at least 19 claims in other states. The total value of the benefits stolen by Armstrong is alleged to be more than \$180,000.

“These funds should have gone to Michiganders who need help getting through this difficult time. As I have said before, those who steal unemployment benefits steal from all of us. These arrests reflect our ongoing commitment to investigating these schemes and bringing the people who commit these crimes to justice,” stated United States Attorney Schneider.

“An important mission of the Office of Inspector General is to investigate allegations of fraud related to unemployment insurance benefit programs. We will continue to work with our law enforcement

partners to protect the integrity of unemployment insurance benefit programs," stated Irene Lindow, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General.

"Unemployment benefits are intended to support individuals and families who are in crisis due to the economic impact of the COVID-19 pandemic," said Timothy Waters, Special Agent in Charge of the FBI in Michigan. "Fraud against the unemployment benefit insurance program has become increasingly prevalent during the pandemic. The FBI will continue to work with our state, local, and federal law enforcement partners to identify and aggressively investigate anyone who steals identities in an effort to divert these vital funds."

"We thank the U.S. Attorney's office for their continued efforts to protect workers and the state's unemployment system," said Michigan Unemployment Insurance Agency (UIA) Acting Director Liza Estlund Olson. "The UIA remains committed to working closely with all of our federal and state partners on the Michigan Unemployment Insurance Fraud Task Force to bring unemployment fraud cases to justice."

A complaint is only a charge and is not evidence of guilt. Trial cannot be held on felony charges in a complaint. When the investigations are completed, determinations will be made whether to seek felony indictments.

These cases are both being prosecuted by Assistant United States Attorney Ryan A. Particka. The investigations are being conducted jointly by agents from the Department of Labor Office of the Inspector General and the Federal Bureau of Investigation.

Topic(s):
Financial Fraud

Component(s):
[USAO - Michigan, Eastern](#)