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MADIGAN, IDES CRACK DOWN ON UNEMPLOYMENT FRAUD

Attorney General Charges Nine for Illegally Collecting More Than \$200,000 in Unemployment Benefits

Chicago — Attorney General Lisa Madigan and the Illinois Department of Employment Security (IDES) today announced charges against nine defendants, alleging they defrauded the state when they fraudulently collected more than \$200,000 in unemployment benefits, including one defendant who was incarcerated at the time he received the benefits.

The sweep was the result of investigations by IDES and the Attorney General's office that revealed the defendants were fraudulently certifying they were unemployed in order to collect weekly benefits.

"These defendants received unemployment benefits while they were simultaneously collecting a paycheck," Madigan said. "Prosecuting these cases deters fraud and maintains the resources of the unemployment insurance program to help those people it is intended assist—the unemployed."

"Fighting waste, fraud and abuse are not empty words. Doing so is critical to protecting taxpayer money and rebuilding our economy," IDES Director Jay Rowell said. "The vast majority of our workers follow the rules and must not be by muddled by the few who choose to cheat. The people most hurt by this selfishness are our neighbors who honestly are looking for work and the employers who respect their workers and treat them fairly."

In less than three years, IDES' primary anti-fraud measures have saved taxpayers nearly \$400 million. The amount reflects tax refunds seized from those knowingly defrauding IDES as well as payments frozen because fraud was suspected and then confirmed.

Madigan's office charged each of the nine defendants with theft, a Class 1 felony punishable by four to 15 years in prison, and state benefits fraud and wire fraud, Class 3 felonies punishable by two to five years in prison, against nine defendants.

In each case, the defendant falsely verified they were unemployed through the IDES telephone or on-line verification system to access taxpayer-funded assistance during their supposed unemployment. Investigations by IDES and Madigan's office revealed the defendants were, in fact, employed or incarcerated and should not have received benefits or the level of benefits they claimed.

Fraudulent claims made by the defendants spanned from 2009 through 2012. Prosecutors charged six defendants in Cook County, alleging:

- Leon Allen, 56, of Chicago, collected more than \$33,000 in fraudulent benefits;
- David Bailey, 47, of Chicago, collected more than \$30,000 in fraudulent benefits;
- Stephanie Burrage, 46, of Chicago, collected more than \$24,000 in fraudulent benefits;
- Sonya Franklin, 30, of Chicago, collected more than \$22,000 in fraudulent benefits;
- Lawrence Howard, 34, who was incarcerated at Pontiac Correctional Center at the time he collected more than \$17,000 in fraudulent benefits; his accomplice in the matter, Georgina Jackson, 30, of Chicago, has also been charged; and
- Marvin Ross, 29, of Chicago, collected more than \$22,000 in fraudulent benefits.

Kane, McHenry, Winnebago Charges:

- Edward Sitko, 43, of Wonder Lake, charged in McHenry County with collecting more than \$20,000 in fraudulent benefits;

- Margaret Smith, 49, of Rockford, charged in Winnebago County with collecting more than \$18,000 in fraudulent benefits; and
- Moira Wolf, 50, of South Elgin, charged in Kane County with collecting more than \$20,000 in fraudulent benefits.

Assistant Attorneys General Jill Kolinski and John Walz are handling the cases for Madigan's Special Prosecutions Bureau.

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