IDES Director Jay Rowell Statement
Following Federal Indictment
Of $825,000 in Unemployment Insurance Fraud

CHICAGO – Jay Rowell, Director of the Illinois Department of Employment Security (IDES), issued the following statement today after Acting U.S. Attorney Gary S. Shapiro’s office unsealed criminal charges alleging unemployment insurance fraud. The IDES brought the case to federal prosecutors in the Northern District of Illinois and provided detailed analysis critical to the investigation and subsequent charges.

“Stealing unemployment insurance benefits is a crime against every hard-working person and business in our state. It siphons dollars away from people trying their hardest to succeed, and in doing so harms the economy of our state,” Rowell said.

Case number 12CR0765, United States of America v. Jesse Blackmon, alleges that Blackmon wrongfully assisted in the processing of claims, and those claims were fraudulent. The allegations occurred between January 2009 and September 2010 in Chicago. The grand jury indictment was unsealed this week.

“Rooting out waste, fraud and abuse is more than a slogan. It is an absolute necessity to protect our residents and grow our economy,” Rowell said. “I thank and applaud Mr. Shapiro and his team for their hard work and dedication in this lengthy investigation.”

In the past year, the IDES has begun garnishing federal tax returns of unemployment cheats; checked unemployment rolls against prison logs; strengthened the anti-fraud unit with attorneys from Illinois Attorney General Lisa Madigan; created a new-hire directory to more quickly identify fraud; and now can hold business leaders personally liable for misstating their company’s obligations. The programs have saved taxpayers more than $120 million.

Unemployment insurance benefits are funded through business contributions. These temporary dollars most often are spent for essentials at the local grocery, gas station and clothing store, thereby supporting the local economy. Every $1 in unemployment insurance benefits generates about $1.63 in economic activity.

The criminal indictment only contains charges and is not evidence of guilt. All defendant(s) are presumed innocent and are entitled to a fair trial. At that time, the government has the burden of proving guilt beyond a reasonable doubt. Questions about this criminal case should be directed to the U.S. Attorney’s Office.

-END-