

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

FOR IMMEDIATE RELEASE

Thursday, February 16, 2023

Woodbridge Man Pleads Guilty to Pandemic Unemployment Insurance Fraud

ALEXANDRIA, Va. – A Woodbridge man pleaded guilty today to illegally obtaining pandemic unemployment benefits from the state of California.

According to court documents, from August 2020 to on or about September 28, 2020, Osman Kanu, 26, executed a scheme to defraud the California Employment Development Department (California EDD) by filing at least 15 fraudulent unemployment insurance (UI) applications using the personal identifying information (PII) of victims. On each of these applications, the defendant knowingly made false statements and false certifications to mislead California EDD. These included falsely submitting applications with the PII of real individuals without their permission or consent; falsely certifying the real individuals' employment history and unemployment status; falsely certifying that the real individuals would receive the UI benefits; and falsely certifying the real individuals' home addresses. Kanu committed this fraud from Virginia. He did not live in California during the scheme or qualify for California EDD benefits.

During a lawful traffic stop on Kanu's vehicle, law enforcement discovered 15 visa debit cards with different names on each of them. After further investigation, federal law enforcement determined that the debit cards provided access to UI funds provided by California EDD and Kanu was arrested.

In total, California EDD funded \$308,400 to the prepaid debit cards. The total intended loss was \$628,708. In total, Kanu withdrew \$178,000 from the prepaid debit cards between late August and September 2020.

The California EDD funds loaded on the prepaid debit cards were derived from the Pandemic Unemployment Assistance program, the Federal Pandemic Unemployment Compensation program, and from funds made available by the Federal Emergency Management Agency Administrator to provide grants to participating states, territories, and the District of Columbia to administer delivery of lost wages assistance. All these programs were intended to help workers suffering economic consequences from the COVID-19 pandemic.

Kanu is scheduled to be sentenced on June 1. He faces a maximum penalty of 30 years in prison. Actual sentences for federal crimes are typically less than the maximum penalties. A federal district court judge will determine any sentence after taking into account the U.S. Sentencing Guidelines and other statutory factors.

Jessica D. Aber, U.S. Attorney for the Eastern District of Virginia, and Troy Springer, Acting Special Agent in Charge of the National Capital Region, U.S. Department of Labor, Office of Inspector General, made the announcement after U.S. District Judge Michael E. Nachmanoff accepted the plea.

The Arlington County Police Department provided assistance in this case.

Assistant U.S. Attorney Carina A. Cuellar is prosecuting the case.

A copy of this press release is located on the website of the [U.S. Attorney's Office](#) for the Eastern District of Virginia. Related court documents and information are located on the website of the [District Court](#) for the Eastern District of Virginia or on [PACER](#) by searching for Case No. 1:23-cr-32.

Topic(s):

Disaster Fraud

Component(s):

[USAO - Virginia, Eastern](#)

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