

**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA                   : Hon.  
  :                   :  
  : Criminal No. 23-  
  :                   :  
MICHAEL BLANC                                 : 18 U.S.C. §§ 1343 and 2

**I N F O R M A T I O N**

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

**B A C K G R O U N D**

1. At various times relevant to this Information:
  - a. Defendant MICHAEL BLANC (“BLANC”) was a resident of Miami-Dade County, Florida.
  - b. On March 18, 2020, the Families First Coronavirus Response Act (“FFCRA”) was signed into law. The FFCRA provided additional flexibility for state Unemployment Insurance (“UI”) agencies and additional administrative funding to respond to the COVID-19 pandemic. Then, the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was signed into law on March 27, 2020. It expanded States’ ability to provide assistance to workers impacted by COVID-19, including for workers who were not ordinarily eligible for UI benefits (“UIBs”). The CARES Act provided for three new temporary UI programs: Pandemic Unemployment Assistance (“PUA”);

Pandemic Emergency Unemployment Compensation (“PEUC”); and Federal Pandemic Unemployment Compensation (“FPUC”).

c. On August 8, 2020, after FPUC expired, a Presidential Memorandum authorized the Federal Emergency Management Agency (“FEMA”) to use disaster relief funds pursuant to Section 408, Other Needs Assistance, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§ 5121-5207, to provide supplemental payments for lost wages to help ease the financial burden on individuals who were unemployed as a result of COVID-19. The Lost Wages Assistance Program (“LWA”) served as a temporary measure, if a State Workforce Agency (“SWA”) chose to administer it, to provide an additional \$300 per week via a total of approximately \$42.5 billion in FEMA funds. The period of assistance for LWA was August 1, 2020, to December 27, 2020, or termination of the program, whichever was sooner.

d. Regardless of which of the three programs described above was involved (that is, whether PUA, PEUC, or FPUC), funds were distributed to program participants by the SWA. These funds were received by the SWA from the United States Department of the Treasury (“Treasury”). When a SWA approved a UIB application, the SWA caused money to be transferred to the applicant, often by causing a credit/debit card to be mailed to the address requested by the applicant.

e. The New Jersey Department of Labor and Workforce Development (“DLWD”), Division of Unemployment Insurance, administered and managed the regular and other UIB programs for the State of New Jersey.

The DLWD offered an online portal (the “Portal”) through which applicants could apply for UIBs and other benefits. The servers that host the Portal were located within New Jersey.

f. The CARES Act also enabled the Small Business Association (“SBA”) to offer funding through the COVID-19 Economic Injury Disaster Loans (“EIDL”) program to business owners negatively affected by the COVID-19 pandemic.

2. From at least as early as in or around March 2020 through in or around December 2020, in the District of New Jersey and elsewhere, the defendant,

MICHAEL BLANC,

did knowingly and intentionally devise and intend to devise a scheme and artifice to defraud the SBA, SWAs, and others, and to obtain property and money by means of materially false and fraudulent pretenses, representations, and promises, and, for the purpose of executing and attempting to execute such scheme and artifice to defraud, did transmit and cause to be transmitted by means of wire communications in interstate and foreign commerce, certain writings, signs, signals, pictures, and sounds, including a wire communication on May 2, 2020 from a location outside of New Jersey to a location inside of New Jersey, as more fully set forth below.

GOAL OF THE SCHEME TO DEFRAUD

3. The object of the scheme and artifice to defraud was for BLANC to enrich himself by fraudulently obtaining UIBs and EIDLs.

MANNER AND MEANS OF THE SCHEME TO DEFRAUD

4. It was part of the scheme and artifice to defraud that:
  - a. Blanc and others applied for UIBs in others' names without their knowledge or consent.
  - b. Blanc and others provided false information in the UIB applications inducing SWAs to approve the applications.
  - c. Blanc and others applied for EIDLs in others' names without their knowledge or consent.
  - d. Blanc and others provided false information in the EIDL applications inducing the SBA to approve the loan applications.
  - e. Blanc and others provided information in the applications causing the SBA and SWAs to (1) send assistance funds to financial accounts they controlled; or (2) send credit and debit cards containing UIBs to locations they controlled.
  - f. Blanc and others then used the cards or accessed the financial accounts to obtain the funds.
  - g. Blanc and others obtained more than \$1,500,000 through their fraudulent scheme.

5. On or about May 2, 2020, for the purpose of executing the scheme and artifice to defraud, in the District of New Jersey and elsewhere, the defendant,

MICHAEL BLANC,

knowingly and intentionally transmitted and caused to be transmitted by means of wire communication in interstate and foreign commerce, certain writings, signs, signals, pictures, and sounds, namely a wire communication submitting an application for UIBs, from a location outside of New Jersey to a location inside of New Jersey.

In violation of Title 18, United States Code, Section 1343 and Section 2.

## **FORFEITURE ALLEGATION**

1. The allegations contained in this Information are incorporated by reference as though set forth in full herein for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c).

2. Upon conviction of the offense charged in this Information, the government will seek forfeiture from defendant BLANC, in accordance with Title 28, United States Code, Section 2461(c), and Title 18, United States Code, Section 981(a)(1)(C), of any and all property, real or personal, that constitutes or is derived from proceeds traceable to the violations of Title 18, United States Code, Section 1343.

### **Substitute Assets Provision**

3. If by any act or omission of defendant BLANC any of the property subject to forfeiture herein:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be subdivided without difficulty,

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of defendant BLANC up to the value of the property described in this forfeiture allegation.

  
PHILIP R. SELLINGER  
UNITED STATES ATTORNEY