



# Department of Justice



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FOR IMMEDIATE RELEASE  
MONDAY, JANUARY 27, 2014  
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## **LAS VEGAS WOMAN SENTENCED TO 57 MONTHS IN PRISON FOR UNEMPLOYMENT, HOUSING AND SOCIAL SECURITY FRAUD SCHEMES**

**LAS VEGAS, Nev.** – A woman who pleaded guilty to stealing over \$400,000 from the unemployment system, public housing authority, and Social Security Administration, was sentenced today to 57 months in prison, three years of supervised release, and ordered to pay \$477,466 in restitution, announced Daniel G. Bogden, United States Attorney for the District of Nevada.

Teresa Ann Towns, 50, who pleaded guilty in October 2013 to three counts of theft of government money, was sentenced by Senior U.S. District Judge Lloyd D. George. Towns was indicted and arrested in June 2013, and has been in custody since that time.

“Stealing from government benefits programs is a serious crime with serious consequences,” said U.S. Attorney Bogden. “Besides protecting our citizens from terrorist threats, white collar fraud is a top priority of the U.S. Department of Justice, and considerable resources are being utilized to investigate and prosecute this type of crime.”

Between 2005 and 2013, Towns, who also uses the aliases C. or T. Moorehead, C. or S. Grayson, and V. Johnson, established multiple business entities in Nevada and submitted false wage reports for fictitious employees to the Nevada Department of Employment, Training and Rehabilitation, which is the state agency responsible for distributing unemployment benefits that are partially funded by the federal government. Unemployment benefits were then disbursed on debit cards in the names of the fictitious employees and sent to addresses accessible to Towns. Towns used the debit cards to obtain cash from ATM machines and to convert the funds to her own use and the use of others. The loss to the federal and state unemployment system was approximately \$322,682.

In March 2001, Towns fraudulently obtained a public housing unit from the Southern Nevada Housing Authority using a false identity and other fraudulent information. The Housing Authority is funded through the U.S. Department of Housing and Urban Development. From 2005 to 2013, Towns failed to report her income on annual re-certifications which would have

made her ineligible for the housing benefits. In May 2007, Towns also fraudulently obtained Section 8 Housing from the Southern Nevada Housing Authority using false income and household composition information. Towns failed to report in the original application and in annual re-certifications that she already had a public housing unit and was receiving unemployment income, and that she had an unauthorized adult and minor residing in the housing for several years. The loss to the Southern Nevada Housing Authority because of the fraud was approximately \$114,000.

In October 2009, Towns applied for and fraudulently received child insurance benefits from the Social Security Administration. Towns falsely represented that the child lived with her in Las Vegas, and that she would use the benefits for the child or would place them into savings for the child. Between 2009 and 2012, Towns fraudulently obtained approximately \$40,656 in child insurance benefits from the Social Security Administration.

In 1991, Towns was convicted in California of grand theft for using multiple aliases to obtain welfare benefits and was sentenced to two years in prison.

The case was investigated by the U.S. Department of Labor Office of Inspector General, U.S. Department of Housing and Urban Development Office of Inspector General, and the Social Security Administration Office of Inspector General, and prosecuted by Assistant U.S. Attorney J. Gregory Damm.

Today's announcement is part of efforts underway by President Obama's Financial Fraud Enforcement Task Force (FFETF) which was created in November 2009 to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. With more than 20 federal agencies, 94 U.S. attorneys' offices and state and local partners, it's the broadest coalition of law enforcement, investigatory and regulatory agencies ever assembled to combat fraud. Since its formation, the task force has made great strides in facilitating increased investigation and prosecution of financial crimes; enhancing coordination and cooperation among federal, state and local authorities; addressing discrimination in the lending and financial markets and conducting outreach to the public, victims, financial institutions and other organizations. Over the past three fiscal years, the Justice Department has filed more than 10,000 financial fraud cases against nearly 15,000 defendants including more than 2,700 mortgage fraud defendants. For more information on the task force, visit [www.stopfraud.gov](http://www.stopfraud.gov).

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