



Alabama Department of Industrial Relations

News Release

For Immediate Release: April 21, 2009

Two Mobile Men Arrested and Convicted of Unemployment Compensation Fraud

MONTGOMERY—Alabama Department of Industrial Relations Director Tom Surtees announced today that two Mobile men have been arrested and convicted for making false statements in claims for unemployment compensation benefits. This is a violation of the Alabama Unemployment Compensation Law.

Terry D. Smith, and Ervin McCoverly, both of Mobile, pled guilty to charges of violating the Alabama Unemployment Compensation Law in the Mobile County District Court. An investigation by the Industrial Relations Benefit Payment Control Section determined that Smith received a total of \$1,380.00 in unemployment compensation benefits to which he was not entitled, and McCoverly received \$1,171.00.

Smith was sentenced to six months in jail and ordered to pay court costs and restitution in the amount of unemployment benefits he received illegally. McCoverly was sentenced to one year in jail and was also required to pay court costs and restitution.

“The Alabama Department of Industrial Relations, in cooperation with the offices of local District Attorneys, is continuing to actively pursue indictments and arrests of those who allegedly draw unemployment compensation benefits illegally,” said Surtees. “The successful prosecution of these cases helps to maintain the integrity of the state’s Unemployment Compensation Trust Fund, which is used to pay benefits to citizens who are truly qualified to receive the money.”

Suspected unemployment compensation fraud may be reported to the Department of Industrial Relations by calling this toll-free number: 1-800-392-8019.

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Members of the media seeking more information should contact Public Information Officer Tara Hutchison at (334) 242-8616.