

Two Arizona Department of Economic Security Employees Convicted of Receiving Bribes to Approve Unemployment Insurance Claims

Tuesday, February 11, 2025

For Immediate Release

U.S. Attorney's Office, District of Arizona

PHOENIX, Ariz. – Jacqueline Espino, 53, of Phoenix, pleaded guilty last week to one count of Bribery Concerning a Program that Receives Federal Funds. Sentencing is scheduled for May 5, 2025, before United States District Michael T. Liburdi. In a separate case, Brandilyn Lorenzen, 48, of Gilbert, was sentenced on January 22, 2025, by United States District Judge Diane J. Humetewa to 30 months in prison for Bribery Concerning a Program that Receives Federal Funds. Lorenzen was also ordered to pay over \$2.9 million in restitution. Lorenzen pleaded guilty to that charge on November 6, 2024. (CR 24-01749-PHX-DJH)

Both Espino and Lorenzen were employed by the Arizona Department of Economic Security (DES) as adjudicators who evaluated claims for both unemployment insurance (UI) and Pandemic Unemployment Assistance (PUA). Between 2020 and 2022, when DES was facing a higher volume of UI and PUA claims as a result of the COVID-19 pandemic, Espino and Lorenzen each accepted bribes to approve UI and PUA claims for individuals who were not qualified to receive such assistance. In addition, both Espino and Lorenzen admitted that they embezzled large sums money from DES for their own benefit and for the others.

“These defendants didn’t just accept bribes,” said United States Attorney Gary Restaino. “When public employees cheat, they damage the credibility of their colleagues across the country. In a time of unprecedented attacks against the integrity of public servants, it’s important for us all to recognize the patriotic service of federal and state employees, and their key role in protecting and cherishing Arizona and America.”

“Government employees are entrusted to protect the integrity of these crucial aid programs. Those who betray that trust will be held accountable,” said DHS Inspector General Joseph V. Cuffari, Ph.D.

said. "We appreciate the continued partnership between DHS OIG and our law enforcement partners in bringing these individuals to justice."

Espino admitted in her plea agreement that she received bribes related to 9 UI/PUA claims, which caused DES to pay \$140,298 in claims that were not properly adjudicated by DES. During the same period of time, Espino also embezzled \$600,672 in DES funds for her own benefit and others.

Lorenzen admitted in her plea agreement that she received bribes related to 24 UI/PUA claims, which caused DES to pay \$532,964 in claims that were not properly adjudicated by DES. During the same period of time, Lorenzen also embezzled \$2,461,520 in DES funds for her own benefit and others. At her sentencing, Lorenzen was ordered to pay \$2,994,484 in restitution to DES.

The U.S Department of Homeland Security, Office of Inspector General and U.S. Department of Labor, Office of Inspector General conducted the investigation in these two cases. Assistant U.S. Attorney Aron Ketchel, District of Arizona, Phoenix, handled the prosecution.

CASE NUMBERS: CR 24-01749-PHX-DJH (Lorenzen)

CR 25-00009-PHX-MTL (Espino)

RELEASE NUMBER: 2025-015_Espino and Lorenzen

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Updated February 11, 2025