

Unearthed Surveillance Video Shows Parents Allegedly Helping with Fraud

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Unearthed surveillance footage from 2015 reportedly exposes how parents have participated in fraud schemes with Minnesota daycare centers. Video shows parents dropping their children off at a facility and coming back to retrieve them minutes later. Another clip shows parents being handed envelopes containing what is believed to be “kickback payments” for their involvement in the scheme.

“In order for the scheme to work, the daycare centers need to sign up low-income families that qualify for child care assistance funding,” a Fox 9 journalist said in an unearthed video reporting the fraud scheme in 2018.

The video report, which features surveillance footage from a case prosecuted by Hennepin County, goes on to show “parents checking their kids into a center, only to leave with them a few minutes later,” Fox 9 reported.

“Sometimes, no children would show up, but either way, the center would bill the state for a full day of child care,” the outlet added.

Additional video shows a man handing envelopes “of what are believed to be kickback payments to parents who are in on the fraud,” Fox 9 said, showing surveillance camera footage from the same case prosecuted by Hennepin County.

The footage, time-stamped from March 2015, reportedly involved four Minneapolis daycare centers that were accused of being “at the center of a fraudulent billing scheme” that swindled taxpayers out of more than \$1 million.

The Minnesota daycare centers billed the government for children that were not at their facilities, and in one case, taxpayers footed the bill for around 800 children who were never present, prosecutors said at the time.

In that case, authorities were able to confirm their claims by placing a surveillance camera on a telephone pole, which they used to keep track of how many children went in and out of the daycare.

The 2015 footage was dredged up after the Friday release of citizen journalist Nick Shirley’s video alleging fraud at multiple daycare centers in Minnesota.

The 42-minute video ended up going viral on X, where it racked up more than 127 million views at the time of this writing.

When Shirley released his video, Minnesota Gov. Tim Walz (D) was already under nationwide scrutiny over a major scandal involving hundreds of millions of dollars stolen from a federally funded nutrition program.

Federal prosecutors, meanwhile, have said that as much as \$1 billion in taxpayer money may have been stolen in separate fraudulent schemes.

House Majority Whip Rep. Tom Emmer (R-MN) has issued a letter to Walz demanding answers and immediate action. As Breitbart News reported, the letter comes after the release of Shirley's viral video.

In his letter to the Minnesota governor, Emmer shockingly revealed that "the amount of Minnesota taxpayer dollars stolen" under Walz's watch "equates to almost the entire GDP of Somalia."

FBI Director Kash Patel, meanwhile, announced that his agency has "surged personnel and investigative resources to Minnesota to dismantle large-scale fraud schemes exploiting federal programs."

"Fraud that steals from taxpayers and robs vulnerable children will remain a top FBI priority in Minnesota and nationwide," Patel said in a Sunday X post, adding that the FBI was aware of the matter "before the public conversation escalated online."

Patel added that the FBI has already "dismantled a \$250 million fraud scheme that stole federal food aid meant for vulnerable children during COVID," and "exposed sham vendors, shell companies, and large-scale money laundering tied to the Feeding Our Future network."

The FBI director also noted that the case has led to 78 indictments and 57 convictions, with prosecutors charging some of the defendants in a separate scheme "for attempting to bribe a juror with \$120,000 in cash."

"The FBI believes this is just the tip of a very large iceberg," Patel said. "We will continue to follow the money and protect children, and this investigation very much remains ongoing."

"Furthermore, many are also being referred to immigrations officials for possible further denaturalization and deportation proceedings where eligible," the FBI director added.