

Idaho woman gets 1½ year term for California egg donor fraud

By BRIAN MELLEY, Associated Press

LOS ANGELES (AP) — An egg donation and surrogacy agency that branded itself as a miracle was more of a mirage.

More than 40 people, including egg donors, surrogates and intended parents were duped by the owner of Miracles Egg Donation of more than \$270,000, federal prosecutors said.

Allison Layton, 38, of Star, Idaho, was sentenced Monday to a year and a half in federal prison for wire fraud in the case.

Between 2008 and 2012, Layton, who also used the name Allison Jarvie, took tens of thousands of dollars from would-be parents to pay for costs related to surrogacy and egg donation but instead spent it on a lavish lifestyle, including a \$60,000 wedding, or to cover unpaid costs for other clients similar to a Ponzi scheme, prosecutors said.

Layton lied when confronted about why payments had not been made to donors, surrogates and attorneys, prosecutors said.

"This offense is 'more egregious than other types of fraud' because defendant's conduct took a personal and emotional toll on her victims, for whom a happy occasion was turned into a nightmare of inexplicably lost money and frustrating, often fruitless, attempts to get it back," Assistant U.S. Attorney Kristen Williams wrote in a sentencing memo, partly quoting from a pre-sentencing report.

Williams, who sought a two-year prison term, said some of the victims were effectively prevented from ever having children because they were either too old or no longer had the money to pay a donor or surrogate.

"She is a dishonest, shady person who told lie upon lie upon lie and made my life a living hell," one victim, a man identified in court records only as D.B., wrote. "It came to a point where I could not sleep at night from the worry and upset this situation was causing me with the legal fees and knowing I had all this debt to deal with."

Deputy Federal Public Defender Yasmin Cader asked for a probationary sentence and community service. She said Layton had made "mistakes, missteps and failings."

While she successfully connected some would-be parents with donors and surrogates, she failed to keep good records, place money in trust accounts and separate business from personal funds, Cader said.

"As a result of this failure, she quickly found herself buried under the weight of these missteps," Cader said. "When her wrongdoing came to light, she dug a deeper hole for herself, not being honest about her wrongdoing, but instead trying to keep her business afloat."

Layton must also serve three years of supervised release after serving prison time.

A restitution hearing has been scheduled Oct. 22.

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