

Department of Justice
U.S. Attorney's Office
Southern District of New York

FOR IMMEDIATE RELEASE

Wednesday, May 3, 2023

Queens Woman Charged With Fraudulently Obtaining Government Funds

Public Employee Allegedly Submitted Fraudulent Applications for Unemployment Insurance Benefits and U.S. Small Business Administration Paycheck Protection Program Loans

Damian Williams, the United States Attorney for the Southern District of New York, John Gay, the Inspector General of the Port Authority of New York and New Jersey, Office of Inspector General ("PA-OIG"), Jonathan Mellone, the Special Agent in Charge of the Northeast Region of the U.S. Department of Labor, Office of Inspector General ("DOL-OIG"), and Ivan J. Arvelo, the Special Agent in Charge of the New York Field Office of Homeland Security Investigations ("HSI"), announced today the unsealing of a Complaint charging JASMIN GADSON, an employee of the Port Authority of New York and New Jersey, with wire fraud and theft of government funds for submitting fraudulent applications to obtain unemployment insurance benefits from the New York State Department of Labor at the height of the COVID-19 pandemic in 2020 and 2021. During that period, GADSON also allegedly submitted fraudulent applications for loans under the United States Small Business Administration's ("SBA") Paycheck Protection Program ("PPP"). GADSON was arrested this morning and will be presented this afternoon before U.S. Magistrate Judge Stewart D. Aaron in Manhattan federal court.

U.S. Attorney Damian Williams said: "Jasmin Gadson, an employee of the Port Authority of New York and New Jersey, allegedly stole government funds intended to help those who were struggling as a result of a national emergency. This Office will continue to prosecute those who used the COVID-19 pandemic as an opportunity to line their pockets with fraudulently obtained taxpayer money."

PA-OIG Inspector General John Gay said: "We are appalled that a toll collector, on her own time, allegedly filed for fraudulent government benefits."

DOL-OIG Special Agent in Charge Jonathan Mellone said: "An important part of the mission of the U.S. Department of Labor, Office of Inspector General is to investigate allegations of fraud related to Pandemic unemployment insurance programs. We will continue to work with our law enforcement partners to investigate these types of allegations."

HSI Special Agent in Charge Ivan J. Arvelo said: "As alleged, Jasmin Gadson not only fraudulently claimed unemployment benefits while actively employed by the Port Authority of New York and New Jersey, but this defendant also defrauded a program intended to assist hardworking Americans who were financially impacted due to the unprecedented COVID-19 health crisis. HSI will not abide those who engage in theft of federal funds destined to help the financially vulnerable. I am extremely grateful to our partners at the Port Authority of NY/NJ, Office of the Inspector General and the U.S. Department of Labor, Office of the Inspector General, as well as HSI New York's Document & Benefit Fraud Task Force for uncovering and investigating Gadson's criminal scheme that allegedly defrauded U.S. taxpayers out of \$78,000."

According to the Complaint unsealed today in Manhattan federal court and publicly available information:^[1]

JASMIN GADSON is currently employed by the Port Authority of New York and New Jersey, where she has worked since 2015. Beginning in the summer of 2020 through the fall of 2021, she submitted fraudulent applications for unemployment insurance benefits to the New York State Department of Labor and fraudulent applications for PPP loans to the SBA. In support of her fraudulent unemployment insurance applications, GADSON falsely claimed, in an initial application and weekly verifications, that the last date that she worked was during the onset of the COVID-19 pandemic in March 2020. At all times from March 2020 through the present, GADSON was employed by the Port Authority of New York and New Jersey and received salary or paid sick leave or was on unpaid protected parental leave. During that period, she received full health benefits and was not eligible for unemployment insurance benefits. In addition, GADSON falsely claimed five-figure net revenues for a business that did not exist in support of her fraudulent PPP loan applications.

Between both of these schemes, GADSON stole more than \$78,000 from the New York State Department of Labor, the SBA, and financial institutions that issued SBA-guaranteed loans.

* * *

JASMIN GADSON, 29, of Queens, New York, is charged with wire fraud, which carries a maximum penalty of 20 years in prison, and theft of government funds, which carries a maximum penalty of 10 years in prison.

The maximum potential sentences are prescribed by Congress and are provided here for informational purposes only, as any sentencing of the defendant will be determined by the judge.

Mr. Williams praised the outstanding investigative work of the PA-OIG, the DOL-OIG, and HSI. The investigation was conducted by HSI's Document and Benefit Fraud Task Force ("DBFTF"), a specialized investigative group comprising personnel from various state, local, and federal agencies with expertise in detecting, deterring, and disrupting organizations and individuals involved in various types of document, identity, and benefit fraud schemes.

The case is being prosecuted by the Office's General Crimes Unit. Assistant U.S. Attorney Amanda C. Weingarten is in charge of the prosecution.

The charges contained in the Complaint are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

^[1] As the introductory phrase signifies, the Complaint and the descriptions of the Complaint set forth herein constitutes only allegations, and every fact described should be treated as an allegation.

Attachment(s):

[Download U.S. v. Gadson Complaint.pdf](#)

Topic(s):

Coronavirus
Financial Fraud

Component(s):

[USAO - New York, Southern](#)

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