

PRESS RELEASE

# Former Massachusetts State Senator Arrested for COVID Fraud

Friday, November 17, 2023

## For Immediate Release

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

### Defendant charged in 28-count federal indictment

BOSTON – Former Massachusetts State Senator Dean Tran was arrested today and charged in federal court in Boston with allegedly scheming to defraud the Massachusetts Department of Unemployment Assistance and collecting income that he failed to report to the IRS.

Tran, 48, of Fitchburg, was indicted on 25 counts of wire fraud and three counts of filing false tax returns. Tran was arrested this morning and will appear in federal court in Boston at 1:30 p.m. today.

According to the indictment, Tran served as an elected member of the Massachusetts State Senate, representing Worcester and Middlesex from 2017 to January 2021. It is alleged that after his State Senate term ended in 2021, Tran fraudulently applied for pandemic unemployment benefits after he had already accepted employment as a paid consultant for a New Hampshire-based automotive parts company. While working as the paid consultant, it is alleged that Tran fraudulently collected \$30,120 in pandemic unemployment benefits.

It is further alleged that Tran concealed over \$50,000 in consulting income that he received from the automotive parts company on his 2021 federal income tax return. This was in addition to thousands of dollars in rental income that Tran allegedly concealed from the IRS while collecting rent from tenants of a Fitchburg rental property from 2020 to 2022.

*“The indictment returned by the grand jury alleges that Former State Senator Tran exploited pandemic unemployment benefits – diverting critical resources intended for deserving individuals genuinely in need,” said Acting United States Attorney Joshua S. Levy. “Our office*

*and our law enforcement partners are committed to safeguarding the integrity of public assistance programs and holding accountable those who exploit them – no matter who they are – particularly during times of widespread hardship.”*

“Dean Tran was once elected to serve taxpayers, but today we arrested him for allegedly cheating them out of tens of thousands of dollars in fraudulent unemployment benefits that were meant to be a lifeline for those struggling for survival as a result of the pandemic,” said Jodi Cohen, Special Agent in Charge of the FBI Boston Division. “This former state senator allegedly made the conscious decision to repeatedly lie about his employment status and underreport his rental property income so he could get a tax break. The FBI and our partners are working hard every day to shut down such fraud schemes and protect the public from being fleeced.”

“An important part of the mission of the Office of Inspector General is to investigate allegations of fraud involving the Department of Labor’s unemployment insurance programs. With the passage of the CARES Act and creation of the Pandemic Unemployment Assistance program, we focused our efforts on these types of allegations. We will continue to work with our law enforcement partners to investigate fraud that has a negative effect on the American workforce,” said Special Agent-in-Charge Jonathan Mellone, U.S. Department of Labor, Office of Inspector General.

“Elected officials are rightly held to a higher standard when they take an oath to serve,” said Harry Chavis, Jr., Special Agent in Charge of the Internal Revenue Service’s Criminal Investigations in Boston. “Instead of honoring his commitment to the public trust, Tran allegedly defrauded the citizens that elected him by failing to pay tax on his income and fleecing a public-assistance program at a time when his constituents needed this help the most, due to the Covid-19 pandemic. Rooting out public corruption remains one of IRS CI’s highest priorities.”

The charge of wire fraud provides for a sentence of up to 20 years in prison, three years of supervised release and a fine of \$250,000. The charge of filing false tax returns provides for a sentence of up to three years in prison, one year of supervised release and a fine of \$100,000. Sentences are imposed by a federal district court judge based upon the U.S. Sentencing Guidelines and other statutory factors.

Acting U.S. Attorney Levy, FBI SAC Cohen, DOL-OIG SAC Mellone and IRS-CI SAC Chavis made the announcement today. Assistant U.S. Attorneys John T. Mulcahy and Dustin Chao of the Criminal Division are prosecuting the case.

On May 17, 2021, the Attorney General established the COVID-19 Fraud Enforcement Task Force to marshal the resources of the Department of Justice in partnership with agencies across government to enhance efforts to combat and prevent pandemic-related fraud. The Task Force bolsters efforts to investigate and prosecute the most culpable domestic and international criminal actors and assists agencies tasked with administering relief programs to prevent fraud by augmenting and incorporating existing coordination mechanisms, identifying resources and techniques to uncover fraudulent actors and their schemes, and sharing and harnessing information and insights gained from prior enforcement efforts. For more information on the department's response to the pandemic, please visit <https://www.justice.gov/coronavirus> and <https://www.justice.gov/coronavirus/combatingfraud>.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice's National Center for Disaster Fraud (NCDF) Hotline via the [NCDF Web Complaint Form](#).

The details contained in the charging documents are allegations. The defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.

*Updated November 17, 2023*

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