

PRESS RELEASE

Six Individuals, Including Two Maryland State Department of Labor Subcontractors, Facing Federal Indictment for a Scheme to Fraudulently Obtain COVID-19 CARES Act Unemployment Insurance Benefits

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For Immediate Release

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

Greenbelt, Maryland – A federal grand jury returned an indictment charging six individuals for conspiracy to commit wire fraud, wire fraud, and aggravated identity theft, relating to the submission of fraudulent CARES Act unemployment insurance (“UI”) claims. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was a federal law enacted in March 2020 to provide emergency financial assistance to Americans suffering from the economic effects caused by the COVID-19 pandemic. The indictment was returned on October 24, 2023, and unsealed today upon the arrests of several defendants. The following defendants are charged in the indictment:

Lawrence Nathaniel Harris, a/k/a “Manman” and “Biggbank,” age 30, of Temple Hills, Maryland;

Ahmed Hussain, a/k/a “Oso,” age 22, of Oxon Hill, Maryland;

Zakria Hussain, age 26, of Washington, D.C.;

Terry Chen, a/k/a “Mike Livingston” and “2Trunt Up,” age 24, of Bowie, Maryland;

Kiara Smith, age 26, of Fort Washington, Maryland; and

Bryan Nushawn Ruffin, age 26, of Woodbridge, Virginia.

Smith and Ruffin were employed by Company 1, which provided professional support services to the Maryland Department of Labor to review UI claims and administer UI benefits.

Ahmed Hussain and Terry Chen are expected to have an initial appearance in U.S. District Court in Greenbelt later this afternoon. Harris, Smith, and Ruffin are expected to have initial appearances next week. Zakria Hussain will have his initial appearance upon being taken into custody.

The indictment was announced by United States Attorney for the District of Maryland Erik L. Barron; Special Agent in Charge Troy W. Springer of the National Capital Region,

U.S. Department of Labor - Office of Inspector General; and Acting Special Agent in Charge R. Joseph Rothrock of the Federal Bureau of Investigation, Baltimore Field Office.

"In partnership with the U.S. Department of Labor – Office of Inspector General and the FBI, our COVID-19 Strike Force prosecutors have used data to uncover alleged fraud, waste, and abuse as outlined in today's indictment," said United States Attorney Erik L. Barron. "This case is an example of the results being obtained by our office's COVID-19 Strike Force, which is one of five nationwide that the Attorney General has designated to fight pandemic related fraud."

"An important part of the mission of the Office of Inspector General is to investigate allegations of fraud involving Unemployment Insurance programs," stated Troy W. Springer, Special Agent in Charge of the National Capital Region, U.S. Department of Labor - Office of Inspector General. "We will continue to work closely with the U.S. Attorney's Office and our other law enforcement partners on the Maryland COVID-19 Fraud Strike Force, as well as the Maryland Department of Labor, to protect the integrity of programs intended for unemployed American workers, including those who were affected by the COVID-19 pandemic."

"The FBI is pleased to be a part of the COVID-19 Strike Force in Maryland," said Acting Special Agent in Charge R. Joseph Rothrock of the FBI'S Baltimore Field Office. "We will continue to work with our law enforcement partners to seek justice against those individuals who shamelessly defrauded pandemic relief programs during a time of uncertainty and crisis."

The CARES Act and other federal legislation provided expanded financial assistance to Americans throughout the pandemic, and expanded eligibility for Unemployment Insurance benefits.

According to the 18-count indictment, beginning in at least January 2021 and continuing until about September 2023, the defendants and their co-conspirators engaged in a scheme to defraud the United States, the State of Maryland, multiple financial institutions and multiple individuals—including at least six identity theft victims—by submitting false and fraudulent claims for UI benefits to the Maryland Department of Labor ("MD-DOL"), the agency in Maryland responsible for processing those claims. As part of the conspiracy, the defendants obtained and attempted to obtain more than \$500,000 through the submission of fraudulent UI claims.

As detailed in the indictment, the defendants possessed and used computers that Company 1 had issued to Smith and Ruffin to access nonpublic UI data and databases maintained by the MD-DOL. The indictment alleges that the defendants and their co-

conspirators used their access to MD-DOL databases to change information on existing UI claims, including the contact email address, the online account password, and the payment method for existing UI claims. In addition to allegedly submitting false and fraudulent information in support of UI claims using the personal identifying information (PII) of identity theft victims, the indictment alleges that the defendants and their co-conspirators used their access to the MD-DOL databases to upload and approve documents submitted in support of fraudulent UI claims, remove fraud holds on UI claims, certify weeks for determining UI benefits, and engage in other actions to facilitate the payment of fraudulent UI benefits. The MD-DOL disbursed the UI benefits to bank accounts that were believed to be those of the UI applicants, but allegedly were opened and controlled by the defendants and their co-conspirators.

If convicted, the defendants all face a maximum sentence of 20 years in federal prison for the wire fraud conspiracy. All the defendants except Ahmed Hussain also face a maximum of 20 years in federal prison for each count of wire fraud and a mandatory sentence of two years in federal prison, consecutive to any other sentence imposed, for aggravated identity theft. Actual sentences for federal crimes are typically less than the maximum penalties. A federal district court judge will determine any sentence after taking into account the U.S. Sentencing Guidelines and other statutory factors.

An indictment is not a finding of guilt. An individual charged by indictment is presumed innocent unless and until proven guilty at some later criminal proceedings.

The District of Maryland Strike Force is one of five strike forces established throughout the United States by the U.S. Department of Justice to investigate and prosecute COVID-19 fraud, including fraud relating to the Coronavirus Aid, Relief, and Economic Security ("CARES") Act. The CARES Act was designed to provide emergency financial assistance to Americans suffering the economic effects caused by the COVID-19 pandemic. The strike forces focus on large-scale, multi-state pandemic relief fraud perpetrated by criminal organizations and transnational actors. The strike forces are interagency law enforcement efforts, using prosecutor-led and data analyst-driven teams designed to identify and bring to justice those who stole pandemic relief funds.

For more information on the Department's response to the pandemic, please visit <https://www.justice.gov/coronavirus>. 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 at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

United States Attorney Erek L. Barron commended the DOL-OIG and the FBI for their work in the investigation and thanked the Maryland Department of Labor for its assistance. Mr. Barron thanked Assistant U.S. Attorneys Harry M. Gruber and Paul A. Riley, who are prosecuting the case. Mr. Barron also recognized the assistance of the Maryland COVID-19 Strike Force Paralegal Specialist Joanna B.N. Huber.

For more information on the Maryland U.S. Attorney's Office, its priorities, and resources available to help the community, please visit www.justice.gov/usao/md.

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