

**Department of Justice**

U.S. Attorney's Office

Middle District of Pennsylvania

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FOR IMMEDIATE RELEASE

Wednesday, August 17, 2022

## **Department of Labor Agent Charged With Multiple Fraud Schemes**

SCRANTON - The United States Attorney's Office for the Middle District of Pennsylvania announced that a Special Agent from the U.S. Department of Labor, Thomas Hartley, age 48, of Henryville, Pennsylvania, was charged yesterday in a second superseding indictment with engaging in multiple schemes to commit fraud.

According to United States Attorney Gerard M. Karam, the second superseding indictment alleges that Hartley, while on leave from his position with the Department of Labor and serving with the New Jersey National Guard, submitted false documents to the Department of the Army and thereby obtained approximately \$23,580 in housing allowance funds to which he was not entitled. The indictment charges Hartley with theft of government funds and three counts of false statements regarding the Department of the Army housing allowance.

In addition, the second superseding indictment charges Hartley with fraud in connection with the receipt of Pennsylvania unemployment compensation benefits. The indictment alleges that Hartley fraudulently applied for and collected unemployment benefits by claiming that he was unemployed, when in fact Hartley was employed on full time active duty with the New Jersey National Guard. Further, Hartley failed to disclose that he was on military leave from his full-time federal civilian employment with the United States Department of Labor. Hartley thereby collected approximately \$60,284 in unemployment compensation funds to which he was not entitled. The indictment charges Hartley with four counts of wire fraud, one count of mail fraud, and one count of theft of government funds in connection with his fraudulent unemployment compensation scheme.

Further, the second superseding indictment charges Hartley with fraudulently obtaining approximately \$127,000 from his Thrift Savings Plan (TSP) by falsely claiming that he was not married, when in fact he was at all times married. Hartley thereby transferred the funds to himself personally, or to a bank account solely in his name, without the knowledge or consent of his wife. The indictment charges Hartley with wire fraud, mail fraud and false statements in connection with his scheme to defraud the thrift savings plan and his wife.

Finally, the second superseding indictment charges Hartley with fraud in connection with the filing of a lost wage claim with USAA Insurance following an automobile accident. Hartley falsely claimed that he had lost wages as a result of the automobile accident, when in fact Hartley was suspended without pay from his employment with the Department of Labor as a result of an ongoing criminal investigation. Hartley thereby collected approximately \$50,000 in lost wage benefits to which he was not entitled. The indictment charges Hartley with five counts of wire fraud in connection with his fraudulent claim for lost wage benefits.

The charges against Hartley resulted from an investigation conducted by the Department of Labor, Office of Inspector General, Office of Special Investigations; the United States Army, Criminal Investigation Division; and the USAA Insurance Special Investigations Unit. Assistant United States Attorney Robert J. O'Hara is prosecuting the case.

Under federal law, the charges of Wire Fraud and Mail Fraud carry up to a maximum sentence of twenty years in prison, a term of supervised release following imprisonment, and a fine. The charge of Theft of Government Funds carries a maximum sentence of ten years in prison, a term of supervised release following imprisonment, and a fine. The charge of False Statements carries a maximum penalty of five years in prison, a term of supervised release following imprisonment and a fine. A sentence following a finding of guilt is imposed by the Judge after consideration of the applicable federal sentencing statutes and the Federal Sentencing Guidelines.

Indictments and Criminal Informations are only allegations. All persons charged are presumed to be innocent unless and until found guilty in court.

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**Topic(s):**

Financial Fraud

**Component(s):**

USAO - Pennsylvania, Middle

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