

Department of Justice

U.S. Attorney's Office

Southern District of New York

FOR IMMEDIATE RELEASE

Friday, August 12, 2022

Queens Postal Workers Charged With Bribery Scheme And Theft Of Mail Linked To Covid-19 Benefits Fraud

Damian Williams, the United States Attorney for the Southern District of New York, Daniel B. Brubaker, Inspector in Charge, New York Division of the United States Postal Inspection Service ("USPIS"), Matthew Modafferi, Special Agent-in-Charge of the Northeast Area Field Office of the U.S. Postal Service, Office of Inspector General ("USPS-OIG"), Jonathan Mellone, Special Agent-in-Charge of the New York Regional Office of the U.S. Department of Labor Office of Inspector General ("DOL-OIG"), and Sharon MacDermott, Special Agent-in-Charge of the Boston-New York Field Division of the U.S. Social Security Administration Office of Inspector General ("SSA-OIG"), announced today charges against OSCAR ABREU, RAFAEL GRULLON, and ALDO PALOMINO, JR., in connection with their participation in a conspiracy to receive bribes and steal hundreds of pieces of mail linked to a COVID-19 benefits scheme that sought to obtain millions of dollars in fraudulent unemployment benefits from the New York State Department of Labor ("NYS DOL"). OSCAR ABREU was arrested yesterday morning in White Plains, New York and was presented later that day before United States Magistrate Judge Paul E. Davison. RAFAEL GRULLON and ALDO PALOMINO, JR. were arrested this morning in Queens, New York, and were presented this afternoon before Magistrate Judge Davison.

U.S. Attorney Damian Williams said: "As alleged, the defendants accepted bribes and stole hundreds of pieces of mail, abusing the public trust placed in them as employees of the U.S. Postal Service and enabling the perpetration of a multi-million-dollar scheme to obtain fraudulent COVID-19 unemployment benefits. My Office and our partners in law enforcement will continue to hold accountable the individuals who defraud government benefit programs as well as anyone else who enables them to do so."

USPIS Inspector in Charge Daniel B. Brubaker said: "It is a sad day when postal employees allegedly aid other conspirators to commit identity theft. Their actions affected hundreds of innocent victims by enabling their fellow criminals to illegally receive Covid-19 unemployment benefits through the U.S. Mail. These Letter Carriers have betrayed the public and showed a total disregard for honesty and the public trust that was placed with them. Thankfully however, these instances are few and far between, as the hard-working men and women of the U.S. Postal Service continue to deliver mail with pride and integrity on a daily basis to every doorstep in the nation. Customers should know, no matter where crime is found, Postal Inspectors and their law enforcement partners will bring the perpetrators to justice. I would like to thank our law enforcement partners for their dedication and hard work on this case."

USPS-OIG Special Agent-in-Charge Matthew Modafferi said: "The Special Agents of the USPS OIG will vigorously investigate Postal Service employees who compromise their integrity for personal gain. This case serves as an excellent example of the successful collaboration between the USPS OIG, our law enforcement partners and the U.S. Attorney's Office to pursue and prosecute Postal Service employees involved in criminal activity. The U.S. Postal Service, Office of Inspector General would

like to thank our law enforcement partners and the Department of Justice for their dedication and efforts in this investigation.”

DOL-OIG Special Agent-in-Charge Jonathan Mellone said: “An important mission of the Office of Inspector General is to investigate allegations relating to Unemployment Insurance Fraud. We will continue to work with our law enforcement partners to investigate these types of allegations.”

SSA-OIG Special Agent-in-Charge Sharon MacDermott said: “Today’s arrest results from our collective law enforcement efforts to pursue those who have devised schemes to defraud federal benefit programs and taxpayers of much needed resources by misusing identities of innocent people. I thank the U.S. Postal Inspectors, U.S. Postal Service OIG, Homeland Security Investigations, and the Department of Labor OIG for their major efforts leading to these arrests. I also thank the U.S. Attorney’s Office for their pursuit of justice in this matter.”

As alleged in the Complaints filed yesterday and today in White Plains federal court:[\[1\]](#)

From at least in or about July 2020 to in or about December 2020, OSCAR ABREU, RAFAEL GRULLON, and ALDO PALOMINO, JR., while employed as letter carriers with the U.S. Postal Service and working in Queens, New York, accepted cash bribe payments to intercept and steal mail sent by the NYS DOL to specific addresses along their assigned postal routes. ABREU was first approached by a co-conspirator (“CC-1”) in or about mid-2020 and agreed to accept \$200 for every NYS DOL envelope he intercepted and turned over to CC-1. The payment later increased to \$500 per NYS DOL envelope, and, at CC-1’s request, ABREU eventually recruited two more letter carriers, GRULLON and PALOMINO, JR. CC-1 agreed to pay \$200 per NYS DOL envelope that GRULLON and PALOMINO, JR. intercepted, \$100 of which ABREU retained.

The stolen NYS DOL mail was linked to a scheme perpetrated by CC-1 and others to obtain COVID-19 unemployment benefits through the fraudulent filing and verification of benefit claims using the names and social security numbers of hundreds of other individuals. The scheme required numerous addresses to which CC-1 and her co-conspirators could direct NYS DOL mailings related to the fraudulent claims. Law enforcement agencies were first alerted to the scheme after CC-1 and another co-conspirator, CC-2, fled a Yonkers hotel in December 2020, leaving behind in their previously occupied room over 700 pieces of NYS DOL mail, containing, among other items, benefit debit cards. The stash of stolen NYS DOL mail was tied to over 500 unemployment benefit claims seeking in excess of \$16 million in benefits, approximately \$3 million of which had already been disbursed by December 2020.

* * *

OSCAR ABREU, 41, of South Ozone Park, New York, RAFAEL GRULLON, 40, of Manhattan, and ALDO PALOMINO, JR., 30, of Long Island City, New York, are charged with conspiracy to commit theft and receipt of stolen mail, which carries a maximum sentence of five years in prison; theft of mail by Postal officer or employee, which carries a maximum sentence of five years in prison; and conspiracy to receive bribes, which carries a maximum sentence of 15 years in prison.

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

Mr. Williams praised the outstanding work of the USPIS, the USPS-OIG, the DOL-OIG, the SSA-OIG, the NYS DOL, the City of Yonkers Police Department, Homeland Security Investigations, and the New York City Police Department. Mr. Williams noted that the investigation is ongoing.

The case is being prosecuted by the Office’s White Plains Division. Assistant U.S. Attorney Kevin Sullivan is in charge of the prosecution.

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

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

Component(s):

USAO - New York, Southern

Contact:

Nicholas Biase Victoria Bosah (212) 637-2600

Press Release Number:

22-259

Updated August 12, 2022