

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

FOR IMMEDIATE RELEASE

Thursday, February 24, 2022

State Prison Inmates Plead Guilty to Unemployment Insurance Fraud

Inmates Admit to Conspiring with Others to Defraud Pandemic-Related Benefits Programs

ALBANY, NEW YORK – Two New York State prison inmates pled guilty today to conspiring with others to defraud pandemic-related unemployment insurance programs administered by the New York State Department of Labor (NYSDOL).

Reginald Thornton, age 29, pled guilty to conspiracy to commit mail fraud and aggravated identity theft. He admitted to conspiring with others to file unemployment insurance claims in his own name and in the names of other inmates, even though they were incarcerated by New York State at the Bare Hill Correctional Facility in Malone, New York. Inmates were not eligible to receive unemployment insurance benefits.

Lord Paulin, age 41, pled guilty to conspiracy to commit mail fraud and admitted to conspiring with Thornton and another person to file a false unemployment insurance claim in his own name while he was also incarcerated at Bare Hill.

The announcement was made by United States Attorney Carla B. Freedman; Jonathan Mellone, Special Agent in Charge, New York Region, U.S. Department of Labor, Office of Inspector General (USDOL-OIG); Matthew Scarpino, Acting Special Agent in Charge of the Buffalo Field Office of Homeland Security Investigations (HSI); Ketty Larco-Ward, Inspector in Charge of the Boston Division of the United States Postal Inspection Service (USPIS); Anthony J. Annucci, Acting Commissioner of the New York State Department of Corrections and Community Supervision (NYSDOCCS); and Roberta Reardon, Commissioner of NYSDOL.

Thornton agreed to pay restitution in the amount of \$31,276 to the State of New York. Paulin agreed to restitution in the amount of \$10,004.

The mail fraud convictions carry maximum terms of 20 years in prison, fines of up to \$250,000, and terms of supervised release of up to 3 years. Thornton's identity theft conviction carries a mandatory term of 2 years in prison, to be imposed consecutively to any other term of imprisonment. Thornton and Paulin are scheduled to be sentenced on June 30, 2022 by Chief United States District Judge Glenn T. Suddaby. A defendant's sentence is imposed by a judge based on the particular statute the defendant is charged with violating, the U.S. Sentencing Guidelines and other factors.

These cases were investigated by USDOL-OIG, HSI, USPIS, and the Offices of Special Investigations of NYSDOCCS and NYSDOL. The cases are being prosecuted by Assistant U.S. Attorneys John T. Chisholm and Joshua R. Rosenthal.

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, among other methods, 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>.

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>.

Topic(s):
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