

Department of Justice

U.S. Attorney's Office

District of Rhode Island

FOR IMMEDIATE RELEASE

Wednesday, March 30, 2022

West Warwick Man Indicted in Unemployment Fraud Scheme

PROVIDENCE, R.I. – A West Warwick man was arraigned on Monday in U.S. District Court on charges contained in a federal indictment alleging that he participated in a conspiracy to use the stolen identities of others to gain COVID related unemployment insurance benefits, announced United States Attorney Zachary A. Cunha and Rhode Island Attorney General Peter F. Neronha.

Richard Allen, 56, pled not guilty to conspiracy to commit mail fraud, five counts of aggravated identity theft, and two counts of theft of government money.

Charging documents allege that Allen and other members of the conspiracy used stolen personal identifying information of other individuals, to file for COVID-related unemployment benefits. It is alleged that fraudulent applications were filed with agencies in multiple states, including Ohio, Massachusetts, Arizona, and Texas. Allen and co-conspirators are alleged to have listed addresses associated with Allen to which benefit payments by check or debit card should be mailed.

Charging documents allege that Allen communicated with co-conspirators to activate benefit debit cards; withdrew funds from the debit cards; and sent a portion of the funds to co-conspirators, including via Bitcoin transactions. U.S. Department of Labor – Office of Inspector General databases show that checks and debit cards in the names of other persons with at least \$58,734 in unemployment and expanded COVID benefits were mailed to Allen's address.

The indictment also alleges that Allen, while conspiring to and receiving debit cards and checks with fraudulent unemployment insurance benefits, also fraudulently received payments from the Social Security Administration.

A federal indictment is merely an accusation. A defendant is presumed innocent unless and until proven guilty. A defendant's sentence will be determined by a federal district judge after consideration of the U.S. Sentencing Guidelines and other statutory factors.

This case, as well as other instances of criminal activity related to fraudulent applications for pandemic-related unemployment insurance benefits are being investigated jointly by the FBI, the Rhode Island State Police, and the U.S. Department of Labor – Office of Inspector General. Cases are jointly reviewed, charged, and prosecuted by a team of prosecutors that include Assistant U.S. Attorneys Denise M. Barton, Stacey P. Veroni, and G. Michael Seaman, and Rhode Island Assistant Attorney General John M. Moreira, chief of the Rhode Island Attorney General's Public Integrity Unit.

United States Attorney Cunha and Attorney General Neronha thank the Social Security Administration, Office of Inspector General for their assistance in the investigation of this matter.

Rhode Islanders who believe their personal identification has been stolen and used to fraudulently obtain unemployment benefits are urged to contact the Rhode Island State Police at financialcrimes@risp.gov or the FBI Providence office at (401) 272-8310.

On May 17, 2021, the United States 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):
Coronavirus
Financial Fraud

Component(s):
[USAO - Rhode Island](#)

Contact:
Jim Martin (401) 709-5357

Press Release Number:
22-52