

PRESS RELEASE

Congressman George Santos Charged with Fraud, Money Laundering, Theft of Public Funds, and False Statements

Wednesday, May 10, 2023

For Immediate Release

U.S. Attorney's Office, Eastern District of New York

Santos Allegedly Embezzled Contributions from Supporters, Fraudulently Obtained Unemployment Benefits, and Lied in Disclosures to the House of Representatives

CENTRAL ISLIP, NY – A 13-count indictment was unsealed today in the United States District Court for the Eastern District of New York charging George Anthony Devolder Santos, better known as “George Santos,” a United States Congressman representing the Third District of New York, with seven counts of wire fraud, three counts of money laundering, one count of theft of public funds, and two counts of making materially false statements to the House of Representatives.

The indictment was returned yesterday under seal by a federal grand jury sitting in Central Islip, New York. Santos was arrested this morning and will be arraigned this afternoon before U.S. Magistrate Judge Arlene R. Lindsay at the federal courthouse in Central Islip, New York.

Breon Peace, United States Attorney for the Eastern District of New York, Kenneth A. Polite, Jr., Assistant Attorney General of the Justice Department’s Criminal Division, and Michael J. Driscoll, Assistant Director-in-Charge, Federal Bureau of Investigation, New York Field Office (FBI), and Anne T. Donnelly, District Attorney, Nassau County, announced the charges.

"This indictment seeks to hold Santos accountable for various alleged fraudulent schemes and brazen misrepresentations," stated United States Attorney Peace. "Taken together, the allegations in the indictment charge Santos with relying on repeated dishonesty and deception to ascend to the halls of Congress and enrich himself. He used political contributions to line his pockets, unlawfully applied for unemployment benefits that should have gone to New Yorkers who had lost their jobs due to the pandemic, and lied to the House of Representatives. My Office and our law enforcement partners will continue to aggressively root out corruption and self-dealing from our community's public institutions and hold public officials accountable to the constituents who elected them."

"The Criminal Division's Public Integrity Section is committed to rooting out fraud and corruption, especially when committed by our elected officials," said Assistant Attorney General Kenneth A. Polite, Jr. of the Justice Department's Criminal Division. "As alleged, Santos engaged in criminal conduct intended to deceive and defraud the American public. As this indictment reflects, the Department of Justice will hold accountable anyone who engages in such criminality."

"As today's enforcement action demonstrates, the FBI remains committed to holding all equally accountable under the law. As we allege, Congressman Santos committed federal crimes, and he will now be forced to face the consequences of his actions. I would like to commend the diligent efforts of the investigative and prosecutorial teams in this matter," stated FBI Assistant Director-in-Charge Driscoll.

"At the height of the pandemic in 2020, George Santos allegedly applied for and received unemployment benefits while he was employed and running for Congress," stated District Attorney Donnelly. "As charged in the indictment, the defendant's alleged behavior continued during his second run for Congress when he pocketed campaign contributions and used that money to pay down personal debts and buy designer clothing. This indictment is the result of a lengthy collaboration between law enforcement agencies, and I thank our partners at the U.S. Attorney's Office, the Department of Justice and the Federal Bureau of Investigation for their dedication to rooting out public corruption."

Mr. Peace also thanked the U.S. Department of Labor, Office of Inspector General, the New York State Department of Labor (NYS DOL), and the Queens County District Attorney's Office for their assistance.

As alleged in the indictment, Santos, who was elected to Congress last November and sworn in as the U.S. Representative for New York's Third Congressional District on January 7, 2023, engaged in multiple fraudulent schemes.

Fraudulent Political Contribution Solicitation Scheme

Beginning in September 2022, during his successful campaign for Congress, Santos operated a limited liability company (Company #1) through which he allegedly defrauded prospective political supporters. Santos enlisted a Queens-based political consultant (Person #1) to communicate with prospective donors on Santos's behalf. Santos allegedly directed Person #1 to falsely tell donors that, among other things, their money would be used to help elect Santos to the House, including by purchasing television advertisements. In reliance on these false statements, two donors (Contributor #1 and Contributor #2) each transferred \$25,000 to Company #1's bank account, which Santos controlled.

As alleged in the indictment, shortly after the funds were received into Company #1's bank account, the money was transferred into Santos's personal bank accounts—in one instance laundered through two of Santos's personal accounts. Santos allegedly then used much of that money for personal expenses. Among other things, Santos allegedly used the funds to make personal purchases (including of designer clothing), to withdraw cash, to discharge personal debts, and to transfer money to his associates.

Unemployment Insurance Fraud Scheme

Beginning in approximately February 2020, Santos was employed as a Regional Director of a Florida-based investment firm (Investment Firm #1), where he earned an annual salary of approximately \$120,000. By late-March 2020, in response to the outbreak of COVID-19 in the United States, new legislation was signed into law that provided additional federal funding to assist out-of-work Americans during the pandemic.

In mid-June 2020, although he was employed and was not eligible for unemployment benefits, Santos applied for government assistance through the New York State Department of Labor, allegedly claiming falsely to have been unemployed since March 2020. From that point until April 2021—when Santos was working and receiving a salary on a near-continuous basis and during his unsuccessful run for Congress—he falsely affirmed each week that he was eligible for unemployment benefits when he was not. As a result, Santos allegedly fraudulently received more than \$24,000 in unemployment insurance benefits.

False Statements to the House of Representatives

Finally, the indictment describes Santos's alleged efforts to mislead the House of Representatives and the public about his financial condition in connection with each of his two Congressional campaigns.

Santos, like all candidates for the House, had a legal duty to file with the Clerk of the House of Representatives a Financial Disclosure Statement (House Disclosures) before each election. In each of his House Disclosures, Santos was personally required to give a full and complete accounting of his assets, income, and liabilities, among other things. He certified that his House Disclosures were true, complete, and correct.

In May 2020, in connection with his first campaign for election to the House, Santos filed two House Disclosures in which he allegedly falsely certified that, during the reporting period, his only earned income consisted of salary, commission, and bonuses totaling \$55,000 from another company (Company #2), and that the only compensation exceeding \$5,000 he received from a single source was an unspecified commission bonus from Company #2. In actuality, Santos allegedly overstated the income he received from Company #2 and altogether failed to disclose the salary he received from Investment Firm #1.

In September 2022, in connection with his second campaign for election to the House, Santos filed another House Disclosure, in which he allegedly overstated his income and assets. In this House Disclosure, he falsely certified that during the reporting period:

- He had earned \$750,000 in salary from the Devolder Organization LLC, a Florida-based entity of which Santos was the sole beneficial owner;
- He had received between \$1,000,001 and \$5,000,000 in dividends from the Devolder Organization LLC;
- He had a checking account with deposits of between \$100,001 and \$250,000; and
- He had a savings account with deposits of between \$1,000,001 and \$5,000,000.

As alleged in the indictment, these assertions were false: Santos had not received from the Devolder Organization LLC the reported amounts of salary or dividends and did not maintain checking or savings accounts with deposits in the reported amounts. Further, Santos allegedly failed to disclose that, in 2021, he received approximately \$28,000 in income from Investment Firm #1 and more than \$20,000 in unemployment insurance benefits from the NYS DOL.

The charges in the indictment are merely allegations, and the defendant is presumed innocent unless and until proven guilty. If convicted of the charges, Santos faces a maximum penalty of 20 years in prison for the top counts. A federal district court judge will determine any sentence after considering the U.S. Sentencing Guidelines and other statutory factors.

The FBI is investigating the case with assistance from the Nassau County District Attorney's Office, the IRS-Criminal Investigation, and the U.S. Department of Labor, Office of Inspector General.

The government's case is being prosecuted by the Office's Public Integrity Section, the Long Island Criminal Division, and the Criminal Division's Public Integrity Section. Assistant United States Attorneys Ryan Harris, Anthony Bagnuola, and Laura Zuckerwise, along with Trial Attorneys Jolee Porter and Jacob Steiner, are in charge of the prosecution with assistance from Paralegal Specialist Rachel Friedman. Senior Litigation Counsel Victor R. Salgado of the Criminal Division's Public Integrity Section provided substantial contributions to the prosecution.

The Defendant:

GEORGE ANTHONY DEVOLDER SANTOS

Age: 34

Washington, District of Columbia

E.D.N.Y. Docket No. 23-CR-197

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Attachment

[Indictment](#) [PDF, 9 MB]

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