

**Department of Justice**

U.S. Attorney's Office

District of Massachusetts

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FOR IMMEDIATE RELEASE

Monday, August 24, 2020

## **Melrose Man Indicted for Unemployment Insurance Scam**

BOSTON – A Melrose man has been indicted in connection with his role in an unemployment insurance fraud scheme.

Alan Neal Scott, 68, was indicted on four counts of mail fraud, one count of wire fraud and five counts of aggravated identity theft. Scott was arrested and charged by criminal complaint in July 2020.

According to the charging documents, over the course of the last six years, Scott submitted numerous fraudulent unemployment insurance claims with the Massachusetts Department of Unemployment Assistance (DUA). Scott submitted these claims using his own identity as well as the identities of various individuals, including some who were not eligible for unemployment benefits as they were incarcerated at the time of the claims and could not have been employed as reported. Moreover, the fraudulent claims all reported prior employment at a non-operational Massachusetts-based business also associated with Scott. As a result of these fraudulent claims, it is alleged that the DUA sent unemployment benefits funds to several addresses connected to Scott and that the funds were deposited into accounts he controlled. The indictment also alleges that Scott submitted fraudulent pandemic unemployment insurance claims in the names of others.

The charges of mail and wire fraud provide for a sentence of up to 20 years in prison, three years of supervised release and a fine of \$250,000 or twice the gross gain or loss, whichever is greater. The aggravated identity theft charges provide for a mandatory sentence of two years in prison to be served consecutive to any other sentence imposed, up to one year of supervised release and a fine of \$250,000. Sentences are imposed by a federal district court judge based upon the U.S. Sentencing Guidelines and other statutory factors.

United States Attorney Andrew E. Lelling; Michael Mikulka, Special Agent in Charge of the U.S. Department of Labor, Office of Inspector General, Labor Racketeering and Fraud Investigation, New York Regional Office; Michael Shea, Acting Special Agent in Charge of Homeland Security Investigations in Boston; Joseph W. Cronin, Inspector in Charge of the United States Postal Inspection Service; and Tonya Perkins, Acting Special Agent in Charge of the Social Security Administration, Office of the Inspector General, Office of Investigations, Boston Field Division made the announcement today. The Commonwealth of Massachusetts, Department of Unemployment Assistance, Program Integrity Unit also provided assistance with the investigation. Assistant U.S. Attorney Sara Miron Bloom of Lelling's Securities, Financial & Cyber Fraud Unit is prosecuting the case.

The details contained in the charging documents are allegations. The defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.