

PRESS RELEASE

Kunia Woman Arraigned on Scheme to Defraud Pandemic Unemployment Assistance Recipients

Tuesday, September 5, 2023

For Immediate Release

U.S. Attorney's Office, District of Hawaii

HONOLULU – On September 5, 2023, Oseola Vakameilalo, 54, of Kunia, Hawaii was arraigned in federal court and pled not guilty to all 12 charges in an indictment relating to fraud in connection with the Pandemic Unemployment Assistance (PUA) unemployment insurance program. Federal law enforcement arrested Vakameilalo on September 5, 2023, after a federal grand jury had returned the indictment on August 24, 2023. Trial was set for October 31, 2023, before Senior District Judge Susan Oki Mollway. Vakameilalo was ordered released on pretrial conditions.

According to the indictment, Vakameilalo is charged with wire fraud in connection with a scheme to defraud Hawaii residents of PUA unemployment benefit payments to which they were qualified to receive. In 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act Congress created the PUA program to provide emergency unemployment payments to certain workers whose livelihoods were impacted adversely by the COVID-19 pandemic, but who were ineligible for traditional state unemployment insurance benefits.

The indictment alleges that Vakameilalo purported to assist individuals with filing claims for PUA unemployment benefit payments. Among other things, she created profiles for them on the Hawaii Department of Industrial and Labor Relations (DLIR) website using their personal information, including social security number and date of birth, as well as their bank account information to receive direct deposits of benefit payments. The indictment further alleges that, for each individual claimant, Vakameilalo then logged onto the Hawaii DLIR website with the username and password she had created for the

claimant and submitted weekly certifications that the claimant remained eligible for benefit payments so that the claimant could obtain payments.

The indictment alleges that after the claimant had received a certain number of payments, Vakameilalo used the claimant's log-in credentials to access the claimant's DLIR account without the claimant's knowledge and consent. While falsely purporting to be or to represent the claimant, Vakameilalo then changed the bank account she previously had designated to receive the PUA unemployment benefit payments from the claimant's bank account to her own. The indictment alleges that Vakameilalo continued to use the claimant's credentials regularly to log on to the claimant's Hawaii DLIR account, without the claimant's knowledge and consent, to submit the certifications required for the benefit payments to continue, knowing that the payments would be made to her own bank account and not the claimant's. According to the indictment, Vakameilalo fraudulently obtained approximately \$52,270 in PUA unemployment benefits that were intended for other individuals.

"These criminal acts were committed for personal gain and at the expense of people who needed and deserved financial assistance during a global pandemic," said U.S. Attorney Clare E. Connors. "We will pursue criminal consequences for individuals who unlawfully take advantage of federal financial assistance programs created during times of widespread financial need."

"Charged with investigating allegations of fraud against the U.S. Department of Labor's unemployment insurance programs, including the Pandemic Unemployment Assistance program, the DOL-OIG is committed to working relentlessly to protect the integrity of these vital benefits," said Quentin Heiden, Special Agent-in-Charge, Western Region, U.S. Department of Labor, Office of Inspector General. "We are grateful to the U.S. Attorney's Office in the District of Hawaii, the Hawaii Department of Labor and Industrial Relations, the Hawaii Attorney General's Office, the FBI, and our other federal partners for their strong partnership and collaboration on these types of investigations."

"This defendant took advantage of those families who came to her for assistance and instead diverted funds for her own personal gain," said FBI Special Agent in Charge Steven Merrill. "The FBI will ensure that cases like these will be investigated to the fullest extent of the law."

Vakameilalo is charged with ten counts of wire fraud and two counts of aggravated identity theft. Each of the wire fraud counts carries a maximum penalty of 30 years in prison and a fine of up to \$1,000,000. Each of the aggravated identity theft counts carries a sentence of two years in prison.

An indictment is merely an accusation, and the defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.

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) at 866-720-5721 or online at www.justice.gov/DisasterComplaintForm.

This case is being investigated by the U.S. Department of Labor, Office of Inspector General and the Federal Bureau of Investigation. It is being prosecuted by Assistant U.S. Attorney Gregg Paris Yates.

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