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U.S. Law Enforcement Targets Fraud Facilitators, Doubling Last Year's Enforcement

Agencies Increase Awareness About How Fraudsters Use and Recruit Money Mules

The Department of Justice, FBI, U.S. Postal Inspection Service and five other federal law enforcement agencies announced the completion of the fourth annual [Money Mule Initiative](#), which targeted networks of individuals through which international fraudsters obtain proceeds of fraud schemes. These individuals, sometimes referred to as money mules, receive money from fraud victims and forward the illicit funds, often to overseas perpetrators.

By receiving and transferring illicit funds, money mules facilitate a wide range of fraud schemes, including those that often predominately impact older Americans — like romance scams and lottery fraud — and those that target companies through business e-mail compromise schemes. Money mules also assist the theft of funds earmarked for pandemic relief, including unemployment insurance and small business loan funds. Some money mules are aware that their actions facilitate international fraud schemes. Others, however, first interact with fraud schemes as victims and may be unaware that their actions are furthering criminal activity.

U.S. law enforcement took action to address 4,750 money mules over the last 10 weeks; enforcement actions occurred in every state in the country. These actions more than doubled the number of actions taken during [last year's effort](#). Agencies are also conducting outreach to educate the public about how fraudsters use money mules and how to avoid unknowingly assisting fraud by receiving and transferring money.

“Without money mules, many foreign fraudsters targeting American consumers, businesses and pandemic relief funds could not reap the proceeds of their schemes,” said Associate Attorney General Vanita Gupta. “The department and its partners will use every tool at our disposal — consumer education, disruption and prosecution — to cripple foreign fraudsters’ ability to get money from victims’ pockets to perpetrators’ bank accounts.”

Law Enforcement Actions

The department’s Consumer Protection Branch and the FBI led the initiative with the U.S. Postal Inspection Service. Other participating agencies were the Department of Labor Office of Inspector General, U.S. Immigration and Customs Enforcement’s Homeland Security Investigations (HSI), Small Business Administration Office of Inspector General, U.S. Secret Service and U.S. Treasury Inspector General for Tax Administration. The campaign was conducted simultaneously with a [Europol initiative](#), the European Money Mule Action (EMMA). Additionally, in several districts, including the District of Arizona and the Northern District of Georgia, federal law enforcement have been working closely with their state and local law enforcement counterparts.

“This year’s Money Mule Initiative successfully halted the activity of hundreds of money mules worldwide thanks to the persistence and partnership of the FBI and our federal, state, local and international partners,” said Executive Assistant Director Brian Turner of the FBI’s Criminal, Cyber, Response and Services Branch. “Money mules make it easier for criminals to hide their activity, and harder for law enforcement to follow their tracks. Today’s announcement is an unmistakable warning for those who

move money for criminal enterprises: even if you don't know you're committing a crime, acting as a money mule is illegal and punishable, and the FBI and our partners will use all available tools to disrupt the flow of funds to criminal networks.”

“The U.S. Postal Inspection Service takes great pride in our history of protecting the public from being deceived by scammers,” said Chief Postal Inspector Gary Barksdale for the U.S. Postal Inspection Service. “We work hard to safeguard vulnerable consumers through aggressive criminal investigations, as well as proactive consumer outreach, as part of our mission to protect those who might fall victim to cleverly designed deceptive offers. The Money Mule Initiative is another example of our law enforcement commitment, and that of our law enforcement partners, to vigorously pursue individuals who knowingly or unknowingly participate in criminal activity of this nature; bring them to justice and stop them in their tracks from victimizing the American public.”

The thousands of actions taken by law enforcement ranged from warning letters to civil and administrative actions, to criminal prosecutions. Law enforcement served approximately 4,670 letters warning individuals that their actions were facilitating fraud schemes. These letters outlined the potential consequences for transferring money acquired illegally. Civil or administrative actions were filed against 11 individuals, and through seizures and voluntary return of funds, law enforcement obtained nearly \$3.7 million in fraud proceeds.

Additionally, more than 30 individuals were criminally charged for their roles in receiving and forwarding victim payments or otherwise laundering fraud proceeds. These cases included:

- The Consumer Protection Branch and U.S. Attorney's Office for the Central District of California charged four individuals who laundered gift cards purchased by fraud victims.
- Two U.S. Attorney's Offices, the District of Rhode Island and the Western District of Pennsylvania, indicted individuals who, among other conduct, personally collected money from grandparent scam victims.
- The U.S. Attorney's Office for the Western District of Tennessee charged an individual who facilitated the theft of unemployment insurance funds.
- The U.S. Attorney's Office for the Southern District of New York indicted a ring of individuals who laundered money for romance scams and business email compromise fraud schemes.

The charges also consisted of cases brought against individuals who facilitated business email compromise schemes, including charges brought by the U.S. Attorney's Offices for the Eastern District of Virginia, the Eastern District of Wisconsin and the Western District of Kentucky. Additional charges were brought against money mules by U.S. Attorney's Offices for the Northern District of Georgia, the Eastern District of Louisiana, and the District of Nebraska.

Criminal charges are merely allegations. Defendants are presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.

Community Outreach and Prevention

Agencies also turned their attention to educating the public about how fraudsters recruit individuals to serve as money mules, signs of money mule activity and steps that should be taken if someone has unknowingly facilitated fraud by moving money.

These efforts included:

- U.S. Postal Inspection Service created fliers that were displayed in post offices across the country during the Money Mule Initiative.
- FBI's Internet Crime Complaint Center (IC3) released a [money mule public service announcement](#).

- The Department of Labor Office of Inspector General provided information about money mule activity to state work force agencies.
- The Department’s Elder Justice Coordinators educated their communities about money mule’s activity.
- Members of the Attorney General’s Coronavirus Fraud Enforcement Task Force used outreach materials created by the Pandemic Response Accountability Committee (PRAC) to educate the public about the use of money mules to steal pandemic relief funds.

Other government agencies joining the public awareness effort included the Consumer Financial Protection Bureau, which created new [money mule scam awareness materials](#), as well as the Department of Health and Human Services’ Administration for Community Living and AmeriCorps Seniors. By increasing awareness of money mule activity, these efforts and others sought to prevent individuals from becoming involved in money mule activity.

For more information on money mules, please visit <https://www.justice.gov/civil/consumer-protection-branch/money-mule-initiative>.

Information about the Department of Justice’s Elder Fraud Initiative is available at www.justice.gov/elderjustice. Additional information about the Consumer Protection Branch and its elder fraud enforcement efforts may be found at www.justice.gov/civil/consumer-protection-branch. If you or someone you know is age 60 or older and has been a victim of financial fraud, help is available at the National Elder Fraud Hotline: 1-833-FRAUD-11 (1-833-372-8311).

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. 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):
Elder Justice

Component(s):
[Civil Division](#)
[Federal Bureau of Investigation \(FBI\)](#)
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