Department of Justice

U.S. Attorney's Office

Northern District of New York

FOR IMMEDIATE RELEASE

Tuesday, August 9, 2022

Albany Man Pleads Guilty to Unemployment Insurance Fraud

Albany, New York – Kahleke Taylor, age 21, of Albany, pled guilty today to mail fraud, wire fraud and aggravated identity theft charges related to a scheme to obtain COVID-19 pandemic-related unemployment insurance benefits using the personal information of other people. Taylor admitted his fraud scheme resulted in a loss of \$207,004 to the New York State Department of Labor (NYSDOL).

The announcement was made by United States Attorney Carla B. Freedman; Matthew Scarpino, Acting Special Agent in Charge of the Buffalo Field Office of Homeland Security Investigations (HSI); New York State Inspector General Lucy Lang; Jonathan Mellone, Special Agent in Charge, New York Region, United States Department of Labor, Office of Inspector General (USDOL-OIG); and Ketty Larco-Ward, Inspector in Charge of the Boston Division of the United States Postal Inspection Service (USPIS).

In his plea, Taylor admitted to soliciting personal information from other people on social media. He used the information to make false unemployment insurance applications on NYSDOL's website. On one application he filed in August 2020, for example, Taylor certified that a person had lost work at a hotel in Latham, New York in March 2020 due to "Lack of Work – COVID," all of which was false. From September 2020 through June 2021, the applications Taylor admitted to filing as part of the fraud scheme resulted in benefits payments of \$207,004. Taylor has agreed to pay full restitution to NYSDOL.

Taylor's mail fraud and wire fraud convictions each carry maximum terms of 20 years in prison, fines of up to \$250,000, and terms of supervised release of up to 3 years. The aggravated identity theft conviction carries a mandatory term of 2 years in prison, to be imposed consecutively to any other term of imprisonment. Taylor is scheduled to be sentenced on December 8, 2022, by United States District Judge Mae A. D'Agostino. A defendant's sentence is imposed by a judge based on the particular statutes the defendant is charged with violating, the U.S. Sentencing Guidelines, and other factors.

This case is being investigated by HSI, the New York State Inspector General's Office, USDOL-OIG, and USPIS, with assistance from the NYSDOL Office of Special Investigations and the Schenectady County Department of Social Services, and is being prosecuted by Assistant U.S. Attorney John T. Chisholm.

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) Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <u>https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form</u>.

Topic(s):

Coronavirus Financial Fraud Identity Theft

Component(s):

USAO - New York, Northern

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