Department of Justice

U.S. Attorney's Office Eastern District of Pennsylvania

FOR IMMEDIATE RELEASE

Thursday, December 2, 2021

Chester County Man Sentenced to 1 ¹/₂ Years in Prison for Stealing Pandemic Unemployment Assistance Funds

PHILADELPHIA – United States Attorney Jennifer Arbittier Williams announced that Jacob Fulton, 33, of Coatesville, PA, was sentenced to one year and six months in prison, five years of supervised release, and ordered to pay full restitution by United States District Judge Eduardo C. Robreno for falsely claiming and taking approximately \$32,000 in pandemic unemployment compensation authorized by the CARES Act.

On March 27, 2020, the CARES ACT was enacted and created the Pandemic Unemployment Assistance ("PUA") program, to provide unemployment benefits to workers who lost their jobs because of the COVID-19 pandemic and who were ineligible for other unemployment compensation. The defendant took advantage of the program by unlawfully submitting fraudulent PUA claims for himself and for inmates of Chester County Prison, knowing that neither he nor these inmates were entitled to these benefits.

In May 2020, the defendant filed a PUA claim for himself knowing that he was not eligible for such benefits because he was not unemployed as a result of the COVID-19 pandemic. After Fulton was arrested and sent to Chester County Prison in July 2020, he continued to submit weekly certifications that he was eligible for these benefits (with the aid of his co-defendant), all while knowing that he was not eligible for these benefits because he was in prison. At the same time, Fulton conspired to file PUA claims on behalf of at least two other inmates and take a cut of the claim payments for himself. In August 2021, the defendant pleaded guilty to charges of mail fraud and conspiracy to commit mail fraud stemming from the scheme to file false PUA claims for himself and others.

"Pandemic Unemployment Assistance funds are intended to help working Americans continue to pay their bills and make ends meet, even when hours and wages have dropped dramatically due to the pandemic," said U.S. Attorney Williams. "Thieves who attempt to take these funds are taking advantage of others' misfortune – ripping them off while also ripping off all taxpayers who fund the program. Fulton fraudulently obtained thousands of dollars in funds that could have helped struggling individuals."

"The CARES ACT was designed to provide assistance to hard working Americans and their families suffering from financial hardships. Today's sentence sends the message that the FBI is committed to protecting tax payer funded programs and will aggressively investigate fraudsters like Fulton and his fellow inmates who seek to abuse such programs," said Jacqueline Maguire, Special Agent in Charge of the FBI's Philadelphia Division.

"Fulton thought he could get rich at the expense of Americans who desperately needed the Pandemic Unemployment Assistance," said IRS Criminal Investigation Special Agent in Charge Yury Kruty. "His sentence today shows just how much such criminal conduct will not be tolerated. Those contemplating similar conduct should take notice"

"Jacob Fulton engaged in a scheme with his co-defendant to defraud the Pennsylvania Pandemic Unemployment Assistance (PUA) program by obtaining personal information from inmates in Chester County Jail and submitting fraudulent claims for PUA benefits on behalf of those inmates even though they were incarcerated and not able and available to work. The U.S. Department of Labor Office of Inspector General is grateful for our partnerships with the Pennsylvania Department of Labor and our many law enforcement partners. We also want to thank the U.S. Attorney's Office for their continued efforts to prosecute those who violate public benefit programs and commit fraud," stated Syreeta Scott, Special Agent-in-Charge of the Philadelphia Region, U.S. Department of Labor Office of Inspector General.

The case was investigated by the Federal Bureau of Investigation, the Internal Revenue Service, Criminal Investigations, and the U.S. Department of Labor Office of the Inspector General, and is being prosecuted by Assistant United States Attorney J. Jeanette Kang.

Topic(s): Financial Fraud

Component(s): <u>USAO - Pennsylvania, Eastern</u>

Contact:

UNITED STATES ATTORNEY'S OFFICE EASTERN DISTRICT OF PENNSYLVANIA 615 Chestnut Street, Suite 1250 Philadelphia, PA 19106

JENNIFER CRANDALL Media Contact 215-861-8300

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