

Department of Justice

U.S. Attorney's Office

Southern District of New York

FOR IMMEDIATE RELEASE

Tuesday, December 14, 2021

Three Defendants Charged In \$1.3 Million Covid Fraud Scheme

Mariluz Fermin, Bellanilda Fermin, and Juan Nolasco Arrested for Submitting Fraudulent COVID-19 Unemployment Benefits Applications

Damian Williams, the United States Attorney for the Southern District of New York, Jonathan Mellone, Special Agent in Charge of the New York Regional Office of the U.S. Department of Labor Office of Inspector General ("DOL-OIG"), Ricky Patel, Acting Special Agent in Charge of the New York Field Office of Homeland Security Investigations ("HSI"), and Damon Wood, Inspector in Charge, Philadelphia Division of the United States Postal Inspection Service ("USPIS"), announced today the unsealing of a complaint charging MARILUZ FERMIN, BELLANILDA FERMIN, and JUAN NOLASCO with conspiracy to commit wire fraud, theft of government benefits, and aggravated identity theft in connection with a COVID-19 unemployment benefit scheme that attempted to steal more than \$1.3 million from the New York Department of Labor ("NY DOL"). MARILUZ FERMIN, BELLANILDA FERMIN, and NOLASCO were arrested this morning in Yonkers, New York, and will be presented this afternoon before United States Magistrate Judge Gabriel W. Gorenstein.

U.S. Attorney Damian Williams said: "As alleged, the defendants, working in concert, fraudulently filed claims for COVID-19 unemployment benefits under the names and social security numbers of at least 75 other people, making off with nearly \$700,000 and attempting to steal more than \$1.3 million. Now all three are in custody and facing serious federal charges."

DOL-OIG Special Agent in Charge Jonathan Mellone said: "The Unemployment Insurance Program exists to provide needed assistance to qualified individuals who are unemployed due to no fault of their own. Fraud against the Unemployment Insurance Program distracts state workforce agencies from ensuring that benefits go to individuals who are eligible to receive them. The Office of Inspector General will continue to work closely with our law enforcement partners, to investigate those who allegedly exploit the Unemployment Insurance Program."

HSI Acting Special Agent in Charge Ricky Patel said: "As alleged in the Complaint, these individuals attempted to manipulate a program designed to help Americans and U.S. businesses pay their bills, retain employees, and keep afloat on the heels of a global pandemic that took the lives of millions throughout the world. Each defendant allegedly used the personal information of more than 70 people in this attempt, and succeeded in stealing at least \$687,000 in COVID unemployment benefits – stealing not just from the government, but from everyday Americans who need it most. HSI and our partners will use all of our resources to seek out and bring to justice those that attempt to steal benefits meant to help those struggling to get back on their feet from COVID-19."

USPIS Inspector in Charge Damon Wood said: "These individuals allegedly took advantage of the pandemic and those truly in need of assistance when they developed a scheme to lie and steal from the government and the American public. Today, they have been brought to justice for their alleged

crimes by Postal Inspectors and their law enforcement partners whose mission is to keep the public safe from criminal activity.”

As alleged in the Complaint^[1]:

From May 2020 through October 2020, MARILUZ FERMIN, BELLANILDA FERMIN, and JUAN NOLASCO engaged in a scheme to obtain COVID-19 unemployment benefits by fraudulently filing and verifying applications using the names and social security numbers of at least 75 other people. The NY DOL was alerted to the suspicious activity based on metadata associated with the applications (the “Fraudulent Applications”), which indicated that the Fraudulent Applications were submitted from the same internet protocol (“IP”) address. During that same time, the IP Address was used to log into unemployment benefits claims – including the Fraudulent Applications – at least approximately 900 times. Further, MARILUZ FERMIN, BELLANILDA FERMIN, and JUAN NOLASCO exchanged text messages that included, among other things, personal identifying information – such as names, email accounts, and dates of birth – used in the Fraudulent Applications. In addition, between in or about June 2020 and in or about August 2020, NOLASCO visited several ATM machines in the Bronx, New York, for the purpose of withdrawing funds issued as a result of the Fraudulent Applications. The scheme filed claims for more than \$1.3 million and succeeded in stealing at least \$687,000 in COVID-19 unemployment benefits before the fraud was detected.

* * *

MARILUZ FERMIN, 46, BELLANILDA FERMIN, 41, and JUAN NOLASCO, 37, are each charged with (1) conspiracy to commit wire fraud, which carries a maximum sentence of 20 years in prison, (2) theft of government benefits, which carries a maximum sentence of 10 years in prison, and (3) aggravated identity theft, which carries a mandatory two-year consecutive sentence. The maximum potential sentences in this case are prescribed by Congress and are provided here for informational purposes only, as any sentencing of the defendants would be determined by a judge.

Mr. Williams praised the outstanding investigative work of the DOL-OIG, the Internal Revenue Service - Criminal Investigation, HSI, USPIS, the Social Security Administration - Office of the Inspector General, and the NY DOL.

The case is being handled by the Office’s General Crimes Unit. Assistant United States Attorney Mitzi S. Steiner is in charge of the prosecution.

[1] As the introductory phrase signifies, the entirety of the text of the Complaint, and the description of the Complaint set forth herein, constitute only allegations, and every fact described herein should be treated as an allegation as to the defendants charged in the Complaint.

Attachment(s):

[Download Mariluz Fermin, Bellanilda Fermin, and Juan Nolasco complaint \(21 mag 11899\)](#)

Topic(s):

Coronavirus
Financial Fraud

Component(s):

[USAO - New York, Southern](#)

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Press Release Number:
21-354

Updated December 14, 2021