

PRESS RELEASE

# Fourteen Defendants Indicted in \$5 Million California State Unemployment Fraud Scheme

Thursday, November 16, 2023

## For Immediate Release

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## NEWS RELEASE SUMMARY – November 16, 2023

SAN DIEGO – An indictment partially unsealed today charges 14 defendants with fraud and money laundering offenses for a scheme centered around fraudulent unemployment applications submitted to the California Employment Development Department during the pandemic. The indictment alleges the fraud netted the defendants almost \$5.2 million in funds from the state of California.

According to the indictment, David Constantin and Constantin Bobi Sandu, who was arrested and charged separately in March 2023, helped hundreds of applicants apply for EDD benefits using fraudulent documents. Constantin and Sandu recruited potential applicants through Facebook and met applicants at parks throughout Southern California to complete the application process. Applicants paid Constantin or Sandu a partial fee up front for assisting with fraudulent applications and another fee after applicants received EDD payments.

The indictment alleges that from July 2020 to August 2022, Constantin transmitted more than \$128,000 in fraud proceeds to associates in Romania. Another defendant who fraudulently obtained EDD benefits with Constantin's help, Eduard Buse, transmitted almost \$129,000 to Romania in the same period. Buse also purchased a 2020 BMW X6 with over \$105,000 in cash fraud proceeds in December 2022 and shipped the vehicle to Romania. Several other defendants also transmitted fraud proceeds to accounts in Romania.

David Constantin was arrested in Romania at the request of the United States on November 13<sup>th</sup> by Romanian authorities who also served search warrants and seized, among other things, the BMW with California license plates. The Department of Justice will seek Constantin's extradition to the United States. Buse and defendants Leonard Miclescu, Constantin Iosif Constantin and Florentina Sima were arrested in California and Texas. Nine other defendants remain at large.

This case is being prosecuted by Assistant U.S. Attorneys Jessica Adeline Schulberg and Valerie Chu with assistance from the Department of Justice's Office of International Affairs, FBI's Legal Attaché in Bucharest, and Romanian authorities including the Directorate for Combating Organized Crime (DCCO) Service for Countering of Organized Criminal Groups, Brigade for Combating Organized Crime (BCCO) – Pitești, County Service for Countering Organized Crime – Teleorman, Romanian Gendarmerie Battalion, Romanian Ministry of Justice, and Romanian Criminal Investigative Directorate - Fugitive Unit.

**DEFENDANTS**  
**LAB**

**Case Number 23CR2090-**

David Constantin Romania	Age: 27	Arges County,
aka Vlad Alexandru		
Eduard Buse Romanian	Age: 30	Transient,
Leonard Miclescu Romanian	Age: 49	Transient,
Constantin Iosif Constantin Romanian	Age: 30	Transient,
Florentina Sima Romanian	Age: 29	Transient,

\*Additional defendants are not in custody and their names are redacted

**SUMMARY OF CHARGES**

Title 18, U.S.C. § 1349 — Conspiracy to Commit Wire Fraud

Title 18, U.S.C. § 1343 — Wire Fraud

Maximum penalty: Thirty years in prison, \$1 million fine

Title 18 U.S.C. § 1956(h) — Conspiracy to Launder Monetary Instruments

Title 18 U.S.C. § 1956(a)(2)(A) — Laundering of Monetary Instruments

Title 18 U.S.C. § 1956(a)(2)(B)(i) — Laundering of Monetary Instruments

Maximum penalty: Twenty years in prison and \$500,000 fine or twice the value of the monetary instrument or funds involved in the transportation, transmission, or transfer, whichever is greater

### **AGENCY**

Federal Bureau of Investigation

San Diego Police Department Economic Crimes Unit

IRS Criminal Investigation

California Employment Development Department Investigative Division

Department of Labor Office of Inspector General

U.S. Department of Homeland Security

\*The charges and allegations contained in an indictment or complaint are merely accusations, and the defendants are considered innocent unless and until proven guilty.

### **Contact**

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*Updated November 16, 2023*

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### **Topic**

**FINANCIAL FRAUD**

### **Component**

[USAO - California, Southern](#)

Press Release Number: CAS23-1116-Constantin