

Richland Man Indicted for Stealing More than \$339,000 in COVID-19 Unemployment Insurance Fraud Scheme

Wednesday, August 28, 2024

For Immediate Release

U.S. Attorney's Office, Eastern District of Washington

Richland, Washington - On August 21, 2024, a federal grand jury for the Eastern District of Washington returned an Indictment charging Gilbert Orosco, of Richland, Washington, with ten counts of conspiracy, fraud, and aggravated identify theft. Orosco made his first appearance in Federal Court on August 27, 2024.

The Indictment alleges that, beginning in July 2020, Orosco took part in a scheme in which he defrauded the United States government and the governments of California, Nevada, and Arizona to obtain money from the states' COVID relief programs in the form of unemployment insurance proceeds funded, in part, by the United States government. Specifically, Orosco conspired with co-conspirators who acquired personal information from others and used it to fraudulently make mass online applications for money earmarked by the states to provide unemployment insurance relief for those who lost their jobs due to the COVID pandemic. The indictment alleges Orosco's co-conspirators created and submitted false and fraudulent applications for unemployment insurance on behalf of individuals who were not seeking or eligible for the benefits, and did not know that their identities were being used to obtain benefits. Acting on the fraudulent applications, the states then mailed debit cards to Orosco's home in Richland, Washington. According to the indictment, Orosco used the debit cards to withdraw cash from ATMs. After withdrawing the cash, Orosco would convert the money into cryptocurrency or money orders. Orosco would then allegedly use those assets himself or transfer them to co-conspirators.

The indictment alleges, between July 2020 and December 2021, unemployment insurance claims on behalf of approximately 70 different individuals were filed with state work force agencies, including in California, Nevada, and Arizona, that listed Orosco's residence in Richland, Washington. Debit cards were then mailed to Orosco's residence in the names of these individuals.

According to the indictment, during this period, Orosco used the debit cards in other people's names to make 347 ATM withdrawals totaling approximately \$282,814. Orosco also made another

approximately 30 transactions using the debit cards at Winco, Albertson's, and USPS locations in the Eastern District of Washington totaling approximately \$57,095.

"Many people who lost their jobs during the pandemic were dependent on COVID-19 relief programs for financial support during an unprecedented time of uncertainty," said U.S. Attorney Waldref. "We created the COVID-19 Fraud Strike force to protect everyone who relied on those critical funds and to combat pandemic-related fraud."

This case was investigated by the Department of Labor, Office of Inspector General, and the Department of Homeland Security, Office of Inspector General COVID Fraud Unit. It is being prosecuted by Assistant United States Attorney Jeremy J. Kelley.

An indictment is merely an allegation, and all defendants are presumed innocent until proven guilty beyond a reasonable doubt in a court of law.

Contact

Robert Curry

Public Affairs Specialist

USAWAE.Media@usdoj.gov

Updated August 28, 2024