UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA :

- v. - : S2 21 Cr. 729 (LAK)

CHANETTE LEWIS,
a/k/a "Netty Hott,"

Defendant.

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THE GOVERNMENT'S SENTENCING MEMORANDUM

DAMIAN WILLIAMS
United States Attorney for the
Southern District of New York

Attorney for the United States of America

Michael D. Neff
Assistant United States Attorney
Of Counsel

In 2020 and 2021, defendant Chanette Lewis ("Lewis" or "the defendant") committed COVID-19 pandemic fraud and a separate fraud on the New York City Housing Authority ("NYCHA") and its tenants. Virtually all of Lewis's misconduct involved her abuse of others' identities, including doctors, healthcare workers, Judges, and a District Attorney. Specifically:

- *First*, Lewis defrauded New York City's COVID-19 Hotel Room Isolation Program (the "Program"), which provided hotel rooms, free of cost, for patients convalescing from COVID-19 and for healthcare workers who needed to self-isolate because of exposure to COVID-19. Lewis was hired to work at a call center ("Call Center-1") that serviced the Program. Her employment there gave her access to inside information about the Program and to the personal identifying information of healthcare workers. Lewis defrauded the Program in three ways: she sold fraudulently obtained Program hotel rooms to ineligible individuals, which caused a loss of more than $240,000; she secured free Program hotel rooms for herself by falsely claiming to be a healthcare worker; and she revealed the Program's inner workings to co-conspirators, including misappropriating healthcare workers' identifying information to book hotel rooms.

- *Second*, Lewis committed unemployment benefits fraud by fraudulently obtaining such benefits for herself and by exploiting another individual's identity to obtain unemployment benefits issued for that individual's benefit.

- *Third*, Lewis committed a fraud on NYCHA by submitting fabricated documents to NYCHA in order to obtain housing benefits for her paying customers. Lewis created fabricated documents so that her customers would appear to have a health condition or legal status (*e.g.*, a victim of violent crime) that would entitle them to housing benefits, such as an immediate transfer to a larger apartment. These fabricated documents included (1) fraudulent Orders of Protection bearing an apparent Court seal and the names of New York State Judges; (2) fraudulent letters bearing the name and purported letterhead of the Brooklyn District Attorney, attesting that an individual was a crime victim; and (3) fraudulent letters bearing doctors' names and attesting to a purported patient's medical condition. This fraud scheme enabled some of Lewis's customers to essentially "cut the line" and secure emergency transfers, which may have deprived (or at least delayed) deserving NYCHA tenants of these emergency benefits.

Lewis pled guilty to two counts pursuant to a plea agreement containing a Guidelines range of 46 to 57 months' imprisonment. To reflect the seriousness of Lewis's conduct, to promote just punishment and respect for the law, and to deter Lewis (a convicted felon who committed these offenses while under Court-ordered supervision) and others, we respectfully request that the Court impose a sentence of **36 months in prison** at her sentencing on September 19, 2023 at 3:00 p.m.

I. OFFENSE CONDUCT

Lewis conspired to commit two COVID-19 frauds and a separate fraud on NYCHA; the details of each are discussed next.

A. The COVID-19 Hotel Fraud Scheme

1. Overview

In response to the COVID-19 pandemic, New York City created the COVID-19 Hotel Room Isolation Program (the "Program"). Funded by New York City and the Federal Emergency Management Agency, the Program provided free hotel rooms for qualifying individuals throughout New York City from late March 2020 to early July 2020. The Program was open to: (1) healthcare workers who needed to isolate because of exposure to COVID-19; (2) patients who had tested positive for COVID-19; (3) individuals who believed, based on their symptoms, that they were infected with COVID-19; and (4) individuals who lived with someone who had COVID-19. As stated on the City's website describing the Program, such individuals "may qualify to self-isolate in a hotel, free of charge, for up to 14 days if you do not have a safe place to self-isolate." Those who wished to book a hotel room through the Program could either call a phone number or use an online hotel booking platform. (*See* U.S. Probation Office's ("Probation") Final Presentence Investigation Report dated April 21, 2023 (Dkt. 81 ("PSR")), ¶¶ 19, 22-25).

The conspiracy in this case sold several hundred thousand dollars' worth of fraudulently obtained hotel rooms to individuals who were ineligible for the Program. The defendants charged varying amounts depending on the duration of the customers' hotel stay (*e.g.*, $150 for one week, or $300 for two weeks). *I.e.*, the defendants charged their customers for something that was provided, free of charge by New York City, to those legitimately in need. Customers paid the defendants in cash and using electronic payment services such as CashApp. In total, the government paid more than approximately $400,000 for the hotel rooms that were fraudulently diverted as a result of this fraud scheme. In some instances, those who bought fraudulently obtained Program hotel rooms from a member of the conspiracy threw large parties or even engaged in violence. (*See* Complaint (Dkt. 1) ¶ 9).

2. Lewis's Central, Pivotal Roles

Lewis was integral to the scheme, was a leader of the scheme, and is the only known insider in the scheme. Lewis defrauded the Program in at least three respects.

First, Lewis abused her employment, which was supposed to be in service of the Program. Lewis worked at Call Center-1, which handled phone calls and certain reservations for the Program for several months in 2020. Lewis was hired specifically for the Program, and as a result of her job, she had access to healthcare workers' identifying information. Lewis exploited her position by misappropriating healthcare workers' identifying information, revealing the Program's inner workings to co-conspirators, and exploiting her inside knowledge by selling Program hotel rooms to ineligible individuals. (PSR ¶ 21). In Facebook messages, Lewis admitted that she had stolen doctors' identifying information in furtherance of the scheme (*see* Complaint ¶ 18):

- "I work for 311 oem that how I got doctors licenses and stuff . . . I work in the part that I collect they information and I do and approval the booking . . . I take doctors and stuff certificate numbers and stuff";[1]
- "I stole some doctor numbers and emails…I was writing down they employed ID number lmao";
- "we book for the doctor and health care workers . . . I be stealing they employer id number and license number and stuff"; and
- "I'm taken my job information".

[1] "OEM" is a reference to New York City's Office of Emergency Management, which administered the Program.

Lewis also sold information about the inner workings of the Program to co-defendant Tatiana Benjamin for $800. Over Facebook, Lewis told Benjamin, "I wanna teach u the ropes of it" and "I'll charge u and teach u the ropes on wat needed" (to defraud the Program). Lewis sold Benjamin personal identifying information of five healthcare professionals, as well as certain "codes" to use when booking Program hotel rooms. A few days later, Lewis shared more apparent inside information, telling Benjamin to pause her hotel bookings (*see* PSR ¶¶ 50-58):

> I'm at work right now
> We have a new update
> They caught on
> Don't do no bookings yet
> * * *
> I'm at work
> And a update is today and tomorrow oem isn't taking no reservations
> Because people been scamming the center
> So they are blocking every thing done today and tomorrow

Second, Lewis fraudulently obtained at least approximately 28 nights' worth of Program hotel rooms for herself by falsely claiming to be a healthcare worker. (Complaint ¶ 14).

Third, Lewis fraudulently sold at least approximately 1,936 nights' worth of Program hotel rooms to ineligible individuals, which caused a loss of more than $240,000. A search of Lewis's Facebook account revealed that Lewis: (i) acknowledged that the Program was meant for health care workers; (ii) advertised the sale of fraudulently obtained hotel rooms; (iii) communicated with potential purchasers of hotel rooms; (iv) informed customers that she was creating bookings in which she falsely indicated that the customer was a health care worker (*"I'm booking it as u a health care worker"*); (v) touted that she had fraudulent documents to indicate that customers of the scheme were healthcare workers; (vi) admitted that two individuals were serving as her assistants in the scheme (co-defendants Tatiana Daniel and Tatiana Benjamin); and (vii) bragged about how much money she was making and the lavish lifestyle she was leading. (*Id.* ¶¶ 18, 24).

As part of the fraud, Lewis advertised that she had fraudulent documents for her customers: *e.g.*, "IVE JOB LETTERS AND PAYSTUBS"; and "Once I get the approval on my end for the hotels than u would send me the money ill send the confirmation along with a job paystub and job letter that is now require". Indeed, in July 2020, Lewis supplied fabricated documents to a hotel customer of hers, such as a "job letter" claiming that a particular individual was employed as a Registered Nurse at a specified hospital in New York City. This fraudulent "job letter" included the hospital's logo and claimed to be written by a Human Resources Administrator. (*Id.* ¶ 18).

Even when the fraud came to light and the Program was ending, Lewis sought to extend the fraud in at least two ways. In early July 2020, emails were sent to certain Program customers with the subject line, "Fraudulent Bookings". Lewis publicly posted saying, "Anyone got a letter like this ??? Inbox me I'll relocate u ASAP". Lewis also noted, in another Facebook post, that the "System caught on [*sad face emoji*]," but then offered to "relocate" her customers:

Netty Hott
16 mins ·

PLEASE DO NOT WRITE ME ASKING ABOUT A REFUND BECAUSE IVE A NO REFUND POLICY BUT I CAN ALWAYS RELOCATE YOU TO A PRIVATE LOWKEY HOTEL , ANYONE WHO JUST HAD A COUPLE DAYS LEFT HOLD IT DOWN FOR THE TEAM . ANYONE WHO PAID FOR A MONTH CAN INBOX ME ASAP SO I CAN START THE PROCESSS , IF U HAVENT GOTTEN A EMAIL OR HOTEL LETTER AS OF YET UUUU GOODDDDDDDDDDDD

Like Share

Netty Hott
27 mins ·

Hotel Wave Is A Dubbbbbb , System caught On 😩.. ANY RESERVATION THAT IVE DONE AND IT IS PAID FOR IM NOT REFUNDING NOTHING , I CAN RELOCATE TO A DIFFERENT LOWKEY HOTEL THAT STILL ACCEPTING HOTELS BOOKING . SORRY FOR THE INCONVENIENCE

15 15 Comments 1 Share

A number of customers also sent messages to co-defendant Benjamin, in which they attached screenshots of an email from New York City informing the recipient that they were "not eligible for this program." Benjamin also received messages from an apparent customer stating, "Boys pulls up to my shit said it was fraud . . . They said 'the city called & said it was paid for fraudulently.'" Benjamin wrote to Lewis, "We goin to jail lmao." Yet Benjamin and Lewis then agreed to: (1) induce additional individuals to pay for hotel rooms even though the Program appeared to be "over"; and (2) conceal this misconduct by claiming, falsely, that they had been "hacked." This appears to have been Benjamin's idea, and Lewis promptly agreed to this proposal. (PSR ¶ 65).

As to how she was paid during this scheme, Lewis solicited and received payment via cash and CashApp for Program hotel rooms. A review of CashApp records revealed that, from April to July 2020, other individuals paid Lewis for at least approximately 1,936 nights' worth of Program hotel rooms. A number of these payments to Lewis included notations in the memo section such as: "hotel", "telly", "1 month telly", "Bronx Room Peter []", "Hotel Manhattan 2 week extension for Kenny []", "for the 2 week room", "hotel room", "telly for the month", "2 week stay in Manhattan", "3 week extension please [*heart emoji*]", and "ayo telly". (PSR ¶¶ 23-24).

Finally, as to her proceeds, Lewis bragged about her proceeds and her lavish lifestyle. On Facebook, Lewis publicly claimed to have made various lavish purchases during (or in the months following) this fraud scheme, including trips to Las Vegas and Atlantic City; a BMW 750 series car; designer shoes; a spa visit; and several elective procedures, including dental work and plastic surgery (breast augmentation and a Brazilian buttox lift). (Complaint ¶¶ 18, 22). Photographs accompanied various of her claims, including the following examples:

B. The Unemployment Benefits Fraud Scheme

1. Background

Unemployment Insurance ("UI") is a state-federal program that provides monetary benefits to eligible lawful workers. UI payments (benefits) are intended to provide temporary financial assistance to lawful workers who are unemployed through no fault of their own. In New York State, the State's Department of Labor (the "NY DOL") administers the UI program. In March 2020, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act was signed into law. Under the CARES Act, UI eligibility was expanded due to the COVID-19 pandemic. In total, under the CARES Act (and subsequent Acts of Congress), more than $875 billion in additional federal funds for UI benefits have been appropriated since in or around March 2020.

"Following the start of the pandemic in 2020, [UI] claims rose exponentially to historically unprecedented levels." (*See* United States Department of Labor, Office of Inspector General ("DOL-OIG"), "OIG Oversight of the Unemployment Insurance Program," *available at* https://www.oig.dol.gov/doloiguioversightwork.htm.) Through the CARES Act, Congress sought to help people turning to unemployment insurance ("UI") by providing a federal supplement to state UI compensation, adding hundreds of dollars per week to UI paychecks. This program "resulted in hundreds of billions of dollars in additional payments," intended for those in need. *Id.*

Unfortunately, "[t]he unprecedented infusion of federal funds into the UI program gave individuals and organized criminal groups a high-value target to exploit." *Id.* A large influx of money, coupled with "easily attainable stolen personally identifiable information" and vulnerabilities in the UI program, "allowed criminals to defraud the system." *Id.* According to the U.S. DOL, the rate of improper UI payments during the pandemic was as high as 18.71 percent, which means "at least $163 billion in pandemic UI benefits could have been paid improperly, with a significant portion attributable to fraud." *Id.*

2. Lewis's Misconduct

Lewis committed unemployment benefits fraud that involved both (1) personal UI fraud (*i.e.*, fraud in her own name), and (2) exploiting the identity of an incarcerated individual and obtaining UI benefits in his name.

Personal UI Benefits Fraud: Lewis committed UI fraud by submitting two UI benefits applications containing material misrepresentations—one in 2020, and one in 2021. In total, Lewis fraudulently obtained more than $45,000 in UI benefits by claiming falsely, among other things, that she had not been employed since February 2020 due to a lack of work because of the COVID-19 pandemic. In fact, Lewis was employed for at least some of that period at Call Center-1, and Lewis's employment there ceased not because of the COVID-19 pandemic, but because Lewis ultimately stopped showing up to work. (PSR ¶ 70; Complaint ¶ 58).

UI Benefits Fraud Involving the Abuse of An Incarcerated Man's Identity: Lewis also worked with co-defendant Tatiana Daniel to apply for and secure UI benefits in the name of an incarcerated male ("M-1"). (Incarcerated individuals are not eligible for UI benefits.) In a text message, Lewis wrote to Daniel, "If u fix my brothers I'll pay u". Daniel replied, "What's wrong with his". Lewis answered, "Same thing". As they continued to communicate, Lewis added, "He in jail so we can go half wit his shxt weekly". At one point, Daniel wrote, "Resend his info imma do it now". In total, Lewis provided Daniel with M-1's name, date of birth, Social Security Number, ID number, and an email address she had made for him. UI benefits were in fact paid out, in New York State, in M-1's name. (PSR ¶¶ 66-69).

C. Lewis's Fraud on NYCHA

Overview: Lewis perpetrated a fraud on NYCHA in which she helped her customers obtain public housing benefits based on material misrepresentations about her customers' health or safety. Lewis was not a NYCHA employee, but she figured out that NYCHA expedited housing benefits under certain urgent circumstances, including for crime victims and individuals with certain medical conditions. For instance, a NYCHA resident who was a victim of domestic violence could receive an emergency transfer to another NYCHA complex; and a NYCHA resident who had certain mental health conditions could be transferred to a larger NYCHA apartment. To help her customers obtain housing benefits fraudulently, Lewis submitted a range of fabricated documents, including: (1) 12 fraudulent Orders of Protection bearing the names of Kings County Judges; (2) fraudulent letters, bearing the name and letterhead of the Brooklyn District Attorney, which claimed that a particular individual was either a victim of violent crime or a trial witness in a case involving violence; and (3) fraudulent letters bearing particular doctors' names and attesting to an individual's (purported) medical condition. In total, Lewis submitted fraudulent materials to NYCHA on behalf of approximately 35 individuals, about nine of whom in fact received the public housing benefit they requested based on fraudulent documentation. One consequence of this scheme was that some of Lewis's customers "cut the line" for emergency benefits, which may have delayed such benefits for those who legitimately needed them. (PSR ¶ 71).

Background on NYCHA: NYCHA provides affordable housing for more than 500,000 New York City residents. There is significant demand for NYCHA housing, and it can take years for an applicant to obtain such housing. In fact, in 2020, the "turnover rate" for public housing apartments was only approximately 2.2 percent, and as of January 2021, the "vacancy rate" of available apartments was only 1.2%. If a NYCHA resident wishes to move from one NYCHA building to another (*e.g.*, due to safety concerns), they can request to be transferred within NYCHA, though this process can take considerable time, as well. (*Id.* ¶ 72).

Lewis's Fraud Scheme: Lewis exploited these long wait times by devising a scheme whereby, in exchange for payment, she helped her customers obtain larger or more desirable NYCHA housing, including by essentially "cutting the line" to secure rapid transfers.

Lewis used Facebook to advertise her scheme, explaining that she was offering various services for different prices, including: (1) the ability to secure a larger NYCHA apartment (for those already in NYCHA housing); (2) the ability to secure an emergency transfer within NYCHA (also for existing NYCHA residents); (3) the ability to secure a handicap apartment in NYCHA; and (4) the ability to gain entry into NYCHA housing (for those who were not already NYCHA residents). In one Facebook post, Lewis specified: "Must have ur login/password and money I accept cash , zelle , cashapp". In another Facebook post, Lewis explained: "everyone know you can be waiting for a interview for years [but] I can get you a interview within 3 months . & at the interview they just ask questions about the borough you want ect". If a customer paid Lewis, Lewis then prepared fabricated documents, logged into the NYCHA online portal posing as her customer, and uploaded the fabricated documents. (*Id.* ¶¶ 71, 79, 80).

In total, Lewis submitted about 35 fraudulent applications to NYCHA, twelve of which included a purported Order of Protection bearing the name of a particular Judge of the Kings County Criminal Court ("Judge-1"). These purported Orders of Protection listed the name of Lewis's customer as the alleged victim. Judge-1 advised NYCHA-OIG that the purported Orders of Protection are all invalid. Four of the purported Orders of Protection all bear the same purported case number, but in fact, that case number does not exist. Eight of the purported Orders of Protection bear the same "NYSID No."—but that NYSID number does not match the alleged defendant listed in any of the 12 purported Orders of Protection. And one of the purported Orders of Protection bears different Judges' names at the top and bottom of the one-page document. To create these bogus Orders of Protection, Lewis modified an existing Order of Protection by changing, among other things, the names of the alleged perpetrator and victim. (*Id.* ¶¶ 76, 77).

In addition, in furtherance of this scheme, Lewis abused the identities of various doctors and medical practices. For instance, approximately five of the 35 fraudulent applications included, as a supporting document, a "doctor's letter" from a particular doctor's medical practice ("Doctor-1"). In summary, these letters generally claimed that a purported patient—*i.e.*, Lewis's customer—had a medical condition for which they would benefit from having their own space. One representative letter stated, in substance and part, that the patient had Bipolar Depression, PTSD, and was therefore "required to have her own room" and should not be "in a shared room with anyone due to her medical condition." NYCHA-OIG conferred with Doctor-1, who advised that all of these "doctor's letters" are fraudulent. Among other things, Doctor-1 reported that her medical practice no longer operated at the address listed on these fraudulent letters. In addition, Doctor-1 advised that the purported medical professionals whose names appear on the bottom of these letters never worked at Doctor-1's medical practice. (*Id.* ¶ 77).

An example (from one of Lewis's 35 fraudulent applications) may be instructive. On behalf of one of her customers, Lewis submitted the following documents:

1. A fraudulent Order of Protection bearing Judge-1's name and alleging that a particular defendant was accused of raping the victim (Lewis's customer);

2. A fraudulent letter from the Brooklyn D.A., attesting to the same and alleging that the victim would be testifying against the perpetrator;

3. A fraudulent VAWA (Violence Against Women Act) certification bearing the alleged victim's name; and

4. Fraudulent letters from CityMD Urgent Care and from Safe Horizon (an organization that provides domestic violence services to victims).

Here are two of these documents:

[redacted]

CITYMD
WALK-IN URGENT CARE

On 06/13/2021 Patient [redacted] walked in to urgent care accompanied by 4 Police Officers And Emergency Truck. [redacted] had injuries to her face, Clothes ripped and swollen and busted lips. She seemed to be in shock and scare. [redacted] received a Dna Testing and Std and Hiv test All results came back Negative and Positive For [redacted] semen upon her stomach and inside her buttock. She was seen by a Dr. [redacted] who prescribed pain medication for [redacted] wombs to the head, mouth and lower back. Dr [redacted] explained to [redacted] that he will be giving lab results to NYPD. Ms. [redacted] left the facility stating she no longer wanted to receive medical attention.

ORI No: **NY023033J**
Order No: **2020-019933**
NYSID No: **00043790Y**
CJTN No: ____________
PRESENT: Honorable [redacted]

Criminal Form 1 1/2020
At a term of the Kings Criminal Court, County of Kings, at the Courthouse at 120 Schermerhorn St., Brooklyn, NY 11201, State of New York

ORDER OF PROTECTION
Family Offenses - C.P.L. 530.12

PEOPLE OF THE STATE OF NEW YORK
- against -
[redacted],
Defendant
DOB: [redacted]

☐ Youthful Offender (check if applicable)
Part:**APAR1** Case No.: CR-021774-20KN

Charges: PL 120.08 CF Aslt:Police Off/Fireman/Emt, 1 count(s) of C Fel, 2 count(s) of D Fel, 5 count(s) of A Misd, 1 count(s) of B Misd, 1 count(s) of Viol, 130.35 (1) Rape In The First Degree

Defendant Present in Court

NOTICE: YOUR FAILURE TO OBEY THIS ORDER MAY SUBJECT YOU TO MANDATORY ARREST AND CRIMINAL PROSECUTION WHICH MAY RESULT IN YOUR INCARCERATION FOR UP TO SEVEN YEARS FOR CONTEMPT OF COURT. IF THIS IS A TEMPORARY ORDER OF PROTECTION AND YOU FAIL TO APPEAR IN COURT WHEN YOU ARE REQUIRED TO DO SO, THIS ORDER MAY BE EXTENDED IN YOUR ABSENCE AND CONTINUE IN EFFECT UNTIL A NEW DATE SET BY THE COURT.

THIS ORDER OF PROTECTION WILL REMAIN IN EFFECT EVEN IF THE PROTECTED PARTY HAS, OR CONSENTS TO HAVE, CONTACT OR COMMUNICATION WITH THE PARTY AGAINST WHOM THE ORDER IS ISSUED. THIS ORDER OF PROTECTION CAN ONLY BE MODIFIED OR TERMINATED BY THE COURT. THE PROTECTED PARTY CANNOT BE HELD TO VIOLATE THIS ORDER NOR BE ARRESTED FOR VIOLATING THIS ORDER .

☒ **TEMPORARY ORDER OF PROTECTION** - Whereas good cause has been shown for the issuance of a temporary order of protection

☐ **ORDER OF PROTECTION** - Whereas defendant has been convicted of [specify crime or violation]:

And the Court having made a determination in accordance with section 530.12 of the Criminal Procedure Law,
IT IS HEREBY ORDERED that the above-named defendant [redacted] **observe the following conditions of behavior:**

[02] Refrain from assault, stalking, harassment, aggravated harassment, menacing, reckless endangerment, strangulation, criminal obstruction of breathing or circulation, disorderly conduct, criminal mischief, sexual abuse, sexual misconduct, forcible touching, intimidation, threats, identity theft, grand larceny, coercion, unlawful dissemination or publication of intimate image(s) or any criminal offense against [redacted]

[99] Observe such other conditions as are necessary to further the purposes of protection: LIMITED ORDER OF PROTECTION;

IT IS FURTHER ORDERED that this order of protection shall remain in force until and including 07/27/2024, but if you fail to appear in court on this date, the order may be extended and continue in effect until a new date set by the Court.
DATED: 06/13/2021

☒ Defendant advised in Court of issuance and contents of Order.
☒ Order to be served by other means [specify]: Other
☐ Warrant issued for Defendant
☒ Order personally served on Defendant in Court

Honorable [redacted]

(Defendant's signature)

☒ ADDITIONAL SERVICE INFORMATION: Other: virtual arraignment

The Criminal Procedure Law provides that presentation of a copy of this order of protection to any police officer or peace officer acting pursuant to his or her special duties shall authorize and in some situations may require, such officer to arrest a defendant who is alleged to have violated its terms and to bring him or her before the Court to face penalties authorized by law.
Federal law requires that this order be honored and enforced by state and tribal courts, including courts of a state, the District of Columbia, a commonwealth, territory or possession of the United States, if the person against whom the order is sought is an intimate partner of the protected party and has been or will be afforded reasonable notice and opportunity to be heard in accordance with state law sufficient to protect that person's rights (18 USC §§2265, 2266).
It is a federal crime to:
• cross state lines to violate this order or to stalk, harass or commit domestic violence against an intimate partner or family member,
• buy, possess or transfer a handgun, rifle, shotgun or other firearm or ammunition while this Order remains in effect (Note: there is a limited exception for military or law enforcement officers but only while they are on duty); and
• buy, possess or transfer a handgun, rifle, shotgun or other firearm or ammunition after a conviction of a domestic violence-related crime involving the use or attempted use of physical force or a deadly weapon against an intimate partner or family member, even after this Order has expired. (18 U.S.C. 922(g)(8), §§922(g)(9), 2261, 2261A, 2262).

The Government's review of two devices recovered from Lewis's home revealed evidence of the NYCHA fraud scheme on both devices, including (among other things) one of the 12 fraudulent Orders of Protection submitted to NYCHA bearing the name of Judge-1. (*Id.* ¶ 81).

The evidence revealed that Lewis clearly understood the consequences of her scheme, including that it affected deserving applicants when Lewis's customers cut the line. For instance, in July 2021, another Facebook user ("FB-User-1") posted publicly about Lewis's housing fraud. FB-User-1 posted that she was going to "keep putting it out" there that people were "scamming housing" and "making it bad for the people that is waiting." In response, Lewis posted, in substance and part, "[FB-User-1's name], Now ur NYCHA application getting remove[d]". In other words, Lewis appeared to retaliate—or at least to create the impression that she would retaliate against those who jeopardized her scheme. These are bully tactics.

[redacted]

In total, the fraudulent benefits obtained through this scheme were worth about $45,000.

II. PROCEDURAL HISTORY AND THE GUIDELINES RANGE

On October 5, 2021, Lewis was arrested and charged with five counts: wire fraud, wire fraud conspiracy, honest services fraud, aggravated identity theft, and theft of government funds. (Dkt. 1). On December 2, 2022, Lewis pleaded guilty, pursuant to a plea agreement (the "Plea Agreement"), to two counts, each in violation of 18 U.S.C. § 371—a conspiracy to commit pandemic fraud, and a conspiracy to defraud NYCHA. (Dkts. 49-51). In the Plea Agreement, the parties stipulated to a Guidelines calculation with an offense level of 21, a criminal history category of III, and a resulting Guidelines range of 46 to 57 months' imprisonment (the "Stipulated Guidelines Range"). The parties also agreed to restitution of **$360,916** and forfeiture of **$289,536**.

Although the Plea Agreement contains a stipulated range of 46 to 57 months, the parties agree that Lewis should be sentenced as though the applicable range is **41 to 51 months' imprisonment**, as that is the range that would apply under the proposed November 2023 version of the Guidelines, if it were in effect today. Specifically, Lewis would benefit from a proposed Guidelines amendment that would reduce her criminal history points from 5 to 3—and thus reduce her Criminal History Category from III to II. (The Plea Agreement correctly included two criminal history points, pursuant to U.S.S.G. § 4A1.1(d), because Lewis committed the instant offense while under a criminal justice sentence. However, Lewis would no longer merit those two criminal history points under the proposed amended version of this section, which will only apply if (among other things) a defendant has seven criminal history points, which Lewis does not. *See* pp. 43-44, https://www.ussc.gov/sites/default/files/pdf/amendment-process/official-text-amendments/202305_Amendments.pdf.)

On April 21, 2023, Probation issued the final PSR, which reflects the Guidelines calculation in the Plea Agreement. Probation highlights that there are both significant aggravating and mitigating factors, and ultimately recommends a sentence of 12 months' home confinement due to health and familial circumstances. However, Probation also mentions the severity of Lewis's offenses, her role in organizing the fraud on the Program, the extent of crime she engaged in, the fact that she committed these crimes while under court-ordered supervision, and the need for deterrence given the extent of COVID-19 fraud. (PSR pp. 44-47).

In explaining its sentencing recommendation, Probation fleetingly notes that this is Lewis's third conviction, but says nothing further about Lewis's criminal history or criminal timeline. This omission is striking, for Probation fails to address several facts relevant to sentencing: (1) Lewis sustained a prior felony in a violent gun case, the disturbing details of which are discussed below;

(2) Lewis was sentenced to 24 months' imprisonment on that gun case and served nearly 19 months in jail; (3) while serving that sentence, Lewis accumulated nine disciplinary infractions, including several for "Violent Conduct" and "Fighting"; and (4) Lewis was released from jail in early 2019, and began her fraud spree only about one year later. (*Id.* ¶¶ 118-23).

On June 5, 2023, the defense filed a sentencing letter which echoed Probation's non-custodial recommendation. ("Def. Mem.").

III. APPLICABLE LAW

As the Court is well aware, although the Guidelines are merely advisory, they still provide strong guidance following *United States v. Booker*, 543 U.S. 220 (2005). Because the Guidelines are "the product of careful study based on extensive empirical evidence derived from the review of thousands of individual sentencing decisions," district courts must treat the Guidelines as the "starting point" in sentencing proceedings. *Gall v. United States*, 552 U.S. 38, 46, 49 (2007). The Guidelines' relevance stems in part from the fact that "the sentencing statutes envision both the sentencing judge and the Commission as carrying out the same basic § 3553(a) objectives." *Rita v. United States*, 551 U.S. 338, 348 (2007). After making that calculation, the Court considers the factors in 18 U.S.C. § 3553(a), including the nature and circumstances of the offense, the defendant's history and characteristics, the need to deter crime and promote respect for the law, and the need to protect the public from further crimes of the defendant. *Gall*, 552 U.S. at 50 & n.6. If the judge "decides that an outside-Guidelines sentence is warranted, he must consider the extent of the deviation and ensure that the justification is sufficiently compelling to support the degree of the variance." *Id.*

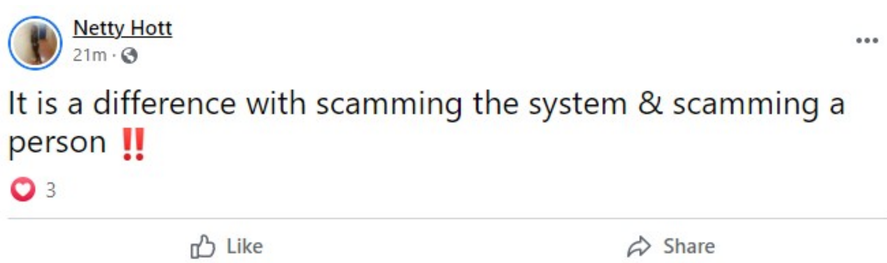
IV. DISCUSSION

The Government respectfully submits that a below-Guidelines sentence of 36 months' imprisonment is warranted in this case in light of the nature, duration, breadth, seriousness, deceptiveness, profitability, and persistence of Lewis's offenses; Lewis's role in her offenses; the need for just punishment; the importance of protecting the public; and the need for deterrence.

A. Nature and Circumstances of the Offense, and Considerations of Just Punishment

As to the nature and circumstances of Lewis's offenses, her crimes were extremely serious. Several dimensions of her misconduct stand out.

The first is the extent of her crimes. Lewis's misconduct is notable for its sheer breadth, as she committed repeated fraud on different government programs relating to emergency housing during COVID-19, unemployment insurance, and public housing. She exploited government programs—federal, state, and city—and did so brazenly. Indeed, she was unrepentant:



Her actions were also prompt, calculated, sustained, and persistent. Her fraud spree began in or around May 2020 and continued until September 2021, shortly before her arrest. And when one scheme was shut down, as the fraud on the Program was, Lewis simply pivoted to another fraud.

Second, with respect to her COVID-19 crime, Lewis saw the COVID-19 pandemic as an opportunity to enrich herself illegally in various respects. She essentially admitted as much:

Lewis stole from social safety net programs during a time of extreme need. The pandemic, it goes without saying, was a nationwide crisis that left millions of people unemployed and struggling to provide the most basic essentials for their families. Lewis repeatedly exploited the government's response to other people's misery. She caused losses to the American taxpayers. And her conduct contributed to the overall onslaught of fraud perpetrated over the course of the pandemic. That conduct has implications far beyond the identities that Lewis abused or the money she received. The cumulative effect of Lewis's actions, along with similar crimes committed by others, can make it more difficult for legitimate applicants to obtain benefits; have caused some to question the wisdom of the government's decision to enhance benefits during the pandemic; and may well hamper efforts to implement similar disaster-relief programs in the future.[2]

Third, with respect to her role, Lewis was a leader or organizer of her crime, as she admitted in her Plea Agreement. She abused her employment at Call Center-1, as she stole information about the Program, its inner workings, and healthcare professionals, and she sold that information to co-conspirators. And she had two co-defendants working with and for her.

Fourth, Lewis engaged in flagrant identity theft—indeed, she abused others' identities in each of her schemes. She abused the identities of healthcare professionals, doctors, Judges, and a District Attorney. She also misappropriated the names and apparent logos of medical practices and a Court. Such conduct is egregious. It can call into question whether legitimate Court Orders and doctor's letters are in fact, genuine; and it can cause doctors to squander precious time during a global pandemic in order to review documents and verify that they are fraudulent.

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[2] *See*, *e.g.*, N.Y. Times, "A Lifeline to the Jobless Has Problems With Fraud, and With Math," Sept. 11, 2020, *available at* https://www.nytimes.com/2020/09/11/business/economy/pandemic-unemployment-assistance-fraud.html.

Fifth, Lewis committed the majority of her misconduct while under court supervision. Remarkably, Lewis created fraudulent Court Orders while under court-ordered supervision.

Sixth, Lewis's conduct caused various harms, including: (1) at the individual level, *i.e.*, harm to those individuals whose identities she abused; (2) at the local level, as Lewis's NYCHA fraud may have delayed emergency housing benefits for deserving NYCHA applicants; (3) at the systemic level, as Lewis's conduct (along with similar conduct of other individuals) taxed government systems designed to help those in need; and (4) at the societal level, *i.e.*, harm to the taxpaying public which ultimately bears the cost of these emergency government programs.

In sum, this is extremely serious, multifaceted, and harmful conduct that warrants significant punishment. For these reasons, the nature and circumstances of Lewis's crimes and the need for just punishment warrant a sentence of 36 months' imprisonment.

B. Deterrence and Protection of the Public

Considerations of deterrence, and protecting the public, also counsel in favor of such a sentence. As to general deterrence, a significant sentence is warranted to send a message that stealing from crisis-relief programs is serious, costly, harmful, and will be punished accordingly. Unfortunately, stealing from disaster-relief programs is common, in part because of the sudden availability of largescale emergency funds, and in part because society's first priority is saving lives, homes, and livelihoods. In such situations, it is exceedingly difficult, if not impossible, to provide urgently needed relief to many, yet also thoroughly vet every claim before disbursing funds. And the financial benefits of disaster-relief-fraud can be considerable and immediate. Moreover, it can require significant resources, effort, and luck for law enforcement to detect such crimes. For these reasons, it is important to send a clear message that the long-term costs of such conduct far outweigh the potential short-term benefits. These considerations may inform why other defendants in this District (and across the country) have received significant prison sentences for conduct that bears some similarity to Lewis's, even in the absence of a prior criminal record.[3]

As to specific deterrence, several considerations are troubling and make clear that, thus far, Lewis simply hasn't gotten the message.

First, the instant case marks Lewis's fifth arrest and third conviction. (PSR ¶¶ 116-130). In particular, it is quite troubling that the defendant committed the instant frauds after sustaining a felony conviction in 2017, in New York State court, for possessing a loaded semiautomatic handgun. (*Id.* ¶ 118). The facts of that case are chilling. Shortly after midnight, a complainant received an online link to a Facebook video, which showed Lewis holding a black gun. In the video, Lewis racked the slide of the gun (*i.e.*, she loaded a bullet into the chamber), and tried to enter the complainant's residence in Brooklyn, New York. Lewis then placed the loaded gun in a black handbag. Lewis was accompanied by two co-conspirators. Moments later, police officers observed Lewis and her two co-conspirators; one of the co-conspirators then attempted to flee, ultimately resulting in the arrests of Lewis and her two co-conspirators. Officers recovered, from the black handbag, a .9-mm semiautomatic handgun loaded with one round. (*Id.* ¶¶ 118-121). One

[3] *See*, *e.g.*, *United States v. Boampong*, 22 Cr. 25 (KPF) (defendant with one criminal history point was sentenced to 41 months' imprisonment, following guilty plea, for UI fraud scheme involving nearly $2 million in attempted loss, with actual losses of approximately $525,942); *United States v. Gonzalez*, 22 Cr. 210 (S.D.N.Y.) (PAE) (defendant with no criminal history was sentenced to 40 months' imprisonment, following guilty plea, for his participation in COVID-19-related tax fraud and unemployment benefits fraud schemes that resulted in actual losses totaling over $570,000 and intended losses of over $3.3 million); *United States v. Ibrahim*, 21 Cr. 146 (NRB) (24-month sentence for defendant with no criminal history who committed UI fraud and caused actual loss of approximately $155,000; defendant used stolen personal identifying information belonging to at least 23 people to apply for UI benefits); *United States v. Mills*, 21 Cr. 730 (D.N.J) (80-month sentence for a defendant who obtained more than $450,000 by filing fraudulent UI applications); *United States v. Hooker*, 21 Cr. 77 (E.D. Va.) (24-month sentence for defendant whose UI fraud caused losses of $32,227, and whose check fraud caused loss of $7,000); *United States v. Buie*, 22 Cr. 10042 (D. Mass.) (DPW) (defendant with no prior arrests or convictions was sentenced to 18 months' imprisonment for fraudulently obtaining more than $350,000 in pandemic relief funds—to wit, over $274,000 in SBA loans and over $70,000 in UI benefits).

cannot help but wonder what could have happened that night, but for the timely intervention of law enforcement.

Lewis ultimately pleaded guilty to Attempted Criminal Possession of a Weapon and was sentenced to two years in jail and two years of post-release supervision. (*Id.* ¶ 118). Lewis was in custody for approximately 19 months (July 2017 to February 2019), during which time she accumulated nine disciplinary infractions, including three violations for "Violent Conduct" and six violations for "Refusing a Direct Order." (*Id.* ¶¶ 122-123). It is unfortunate, but clear, that 19 months in jail did nothing to deter Lewis from committing the instant offenses.

Second, Lewis committed each of her fraud schemes (at least in part) while under court-ordered supervision. From February 2019 until February 2021, Lewis was on post-release supervision (*see id.* ¶ 123), and her criminality extended from approximately May 2020 until September 2021. It is astonishing that Lewis would abuse her employment; perpetrate two fraud schemes; steal doctors', Judges', and a District Attorney's identity; and publicly brag about scamming the system—all while under the supervision of the Court. She is unrepentant.

Third, Lewis's misconduct persisted for well over a year, and during that time, there were any number of moments that should have signaled to her that it was time to stop defrauding others—the most notable of which was likely the detection of the hotel fraud. For instance, in late June 2020 and/or early July 2020, Lewis told Benjamin that the City had "caught on" (to the hotel fraud); Lewis's hotel customers received an email entitled "Fraudulent Bookings"; Benjamin told Lewis, "We goin to jail lmao"; and Lewis publicly posted on Facebook that the "Hotel Wave" was over because the "System caught on [sad face emoji]." But Lewis was undeterred. She offered to "relocate" her hotel customers to a different hotel that was still accepting bookings. And to continue the fraud, Lewis and Benjamin then agreed to pursue the "we got hacked" iteration of the scam, whereby they agreed to: (1) induce additional individuals to pay for hotel rooms even though the Program appeared to be "over"; and (2) conceal this misconduct by claiming, falsely, that they had been "hacked." And then, after the hotel Program was shut down, Lewis ultimately focused her efforts on her next scam, the NYCHA fraud. And she did all of this while on court-ordered supervision. These are the actions of an extremely determined fraudster.

Accordingly, deterrence considerations, and the need to protect the public from further crimes of the defendant, both counsel in favor of a sentence of 36 months' imprisonment. Indeed, the defense's requested sentence—home detention—would put Lewis in the precise location where she presumably committed a meaningful amount of the offense conduct.

* * *

C. The Defense's Arguments

In seeking lenience, the defense has raised a series of arguments relating to the defendant's financial motivations, her role in the offense, her familial circumstances, and her personal and medical history. These are addressed in turn.

1. Lewis's Motivations and Alleged Financial Strain: The defense asserts that Lewis committed crimes because she and her husband were "desperate for money." (*Id.* at 4). This self-serving claim is contradicted by the evidence. As noted, Lewis bragged on Facebook about her considerable proceeds and lavish lifestyle, including (a) posting photos or videos of large amounts of cash; (b) claiming that she had made $12,000 in just a three-day span; (c) claiming that she made $1,000 per hour; and (d) boasting that she had made various lavish purchases (usually accompanied by photographs), including: trips to Las Vegas and Atlantic City; flights to Hawaii; a BMW 750 series car; designer shoes; a spa visit; and plastic surgery (breasts and buttocks). Lewis's considerable proceeds are unsurprising; the government paid fully for Program hotel rooms, so Lewis essentially had no costs associated with this fraud, other than paying subordinates. Thus, to the extent that Lewis was "desperate for money," it was only because she rapidly and lavishly spent that which wasn't rightfully hers.

2. Lewis's Role in the Offense: Lewis occupied a central, leadership role in the offense, as evidenced by the role enhancement in her Plea Agreement. Nonetheless, the defense contends that Lewis's late husband "came up with the idea for the hotel room fraud." (*Id.* at 4). The defense provides zero support for this claim, and the available evidence does not support it. First, a judicially authorized search of Lewis's Facebook account

suggests that Lewis appears to have learned about the ability to defraud the Program from co-defendant Benjamin (not from Lewis's husband). Over Facebook, Lewis requested "the link" from Benjamin, telling Benjamin: "I work for 311 and still don't know about it." Benjamin supplied the link and said she did not know "if it's real". Lewis immediately said, "That the shit I provide people at my job / It for people who been expose to covid 19." Once Lewis learned about this scam from Benjamin, Lewis began defrauding the Program within approximately 24 hours. And in furtherance of the hotel fraud, Lewis used Facebook and CashApp accounts in *both* her own name *and* her husband's name. She did so openly, as Facebook posts regarding Program hotels on his account sometimes said, "via Netty," which connotes that Lewis (a/k/a "Netty Hott") was in fact posting this information. In fact, a search of Lewis's *husband's* Facebook account revealed a message in early July 2020 in which the user of that account disclaimed involvement in the hotel fraud, but admitted involvement in other criminal conduct: "I sell drugs not hotel / I dont do hotels." In sum, *Lewis* was at the center of this fraud. It was *Lewis* who sold inside information, enlisted the assistance of co-conspirators, and sold nearly 2,000 nights' worth of fraudulently obtained Program hotel rooms to ineligible customers. Accordingly, the Court should not credit the defense's unsupported, self-serving, minimizing claim.

3. Victims: The defense also contends that Lewis's crimes had "no individual victims," *id.* at 6, but that is wrong. As noted, Lewis exploited several victims' personal identifying information, including medical professionals during a pandemic. Indeed, Lewis bragged that she had taken doctors' "certificate numbers" and "employee ID" as part of her hotel fraud. In addition, through her fraud on NYCHA, Lewis may have delayed emergency housing benefits for deserving NYCHA applicants because Lewis's customers had "cut the line" based on misrepresentations.

4. Performance on Pretrial Release: The defense asserts that "Lewis' behavior while on pre-trial release strongly suggests that a non-incarceratory term will serve the goals of sentencing." *Id.* at 8. In fact, Lewis's conduct on Pretrial release is cause for concern, not comfort. *First*, as noted in the PSR, Lewis's job was driving patients to a physical therapy office, but Lewis lacks a valid New York State driver's license; thus, she cannot lawfully drive a car at all, let alone essentially operate a shuttle service. (PSR ¶ 157). *Second*, Lewis was "discharged from treatment due to non-compliance . . . after missing multiple sessions." PTS Memo. *Third*, Lewis appears to have continued engaging in improper conduct while on pretrial release. In July 2023, Lewis attempted to sublet her NYCHA apartment (*please see photos below*). *I.e.*, Lewis sought to profit further off public housing by attempting to rent out her public housing at a profit, which is strictly forbidden by NYCHA (and by Lewis's lease)—and indeed, would likely constitute a state crime if Lewis had in fact subleased her subsidized housing.[4]

[4] *E.g.*, *New York v. Dennis*, CR-028192-22QN (defendant charged with grand larceny, falsifying business records, and offering a false instrument because she failed to report that wage-earning spouse lived with her, and rent was determined in part based on representations to NYCHA about who was living in apartment and their income; defendant pled guilty to grand larceny); *New York v. Serling*, CR-01126-21NY (defendant charged with grand larceny where she obtained NYCHA housing based on false representations, but did not live in apartment; pled guilty to welfare fraud).

The Government promptly notified Pretrial about these social media posts. Pretrial then spoke with Lewis. Lewis reportedly told Pretrial that she was not the person who wrote these posts—even though the account contains her photograph and Facebook vanity name ("Netty Hott"). The Government is aware of no evidence to support Lewis's self-serving denial. The available evidence suggests continuous account usage by Lewis, including posting information about herself and her children.

5. <u>Lewis's Remaining Arguments</u>: Lewis's remaining arguments relate to her [redacted] The Government agrees that these considerations are mitigating and, for that reason, is requesting a meaningfully lower

sentence than it otherwise would have. But two points are important. *First*, the defense's claim that a custodial sentence would leave "no one" to care for Lewis's children (*see* Def. Mem. 1) is undercut by Lewis herself, who posted on Facebook on August 14, 2023 that her mother and sister "always" watch her children:

Second, the mitigating considerations cited by the defense only mitigate to a certain extent. Lewis's crimes are simply too serious, too multifaceted, too sustained, too involved, too deceptive, too harmful, too brazen, and too egregious to merit the sort of lenience requested by the defense. It would be unreasonable to impose a non-custodial or light sentence for a defendant (1) with a prior, serious felony, who had served meaningful jail time; (2) who committed two fraud schemes while under court supervision; (3) who played a significant role in the offense; (4) who personally caused several hundred thousand dollars in losses; (5) who exploited a once-in-a-century global pandemic for personal financial gain; (6) who created fraudulent court orders in furtherance of one of her frauds; (7) who demonstrates such eagerness to deceive and defraud; and (8) who clearly poses such a significant risk of recidivism.

IV. CONCLUSION

For the reasons set forth above, the Government respectfully submits that a sentence of 36 months' imprisonment is warranted in this case.

Respectfully submitted,

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