UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 21-CR-20011-DPG

UNITED STATES OF AMERICA,
Plaintiff,

v.

DAVID TYLER HINES,
Defendant.
_________________________________/

DEFENDANT'S MOTION FOR EARLY TERMINATION OF SUPERVISED RELEASE

Defendant David Tyler Hines, through undersigned counsel, respectfully moves this Court pursuant to 18 U.S.C. § 3583(e)(1) and U.S.S.G. § 5D1.4(b) to terminate the remaining term of his supervised release. Mr. Hines has completed over one year of supervision without a violation. He is employed full-time as a marketing data analyst, supports his wife and two young children, and is current on his court-ordered restitution payments. The United States Probation Office does not oppose this motion. The Government opposes it.

I. BACKGROUND

Mr. Hines pled guilty in 2021 to one count of wire fraud, 18 U.S.C. § 1343, arising from fraudulent Paycheck Protection Program applications submitted during the early months of the COVID-19 pandemic. The Court imposed a custodial sentence followed by three years of supervised release, a Preliminary Order of Forfeiture in the amount of $3,984,557, and a Restitution Order in the amount of $4,809,057. Approximately $3.7 million was seized from Mr. Hines' bank accounts and applied in its entirety to the forfeiture judgment. None of the seized funds was credited against restitution. Mr. Hines is on a court-ordered restitution payment plan of $287.00 per month and has not missed a payment. Mr. Hines began his supervised-release term in April 2025; the scheduled termination date is April 2028.

II. LEGAL STANDARD

After one year of supervised release, the Court may terminate the balance of the term "if it is satisfied that such action is warranted by the conduct of the defendant released and the interest of justice," after considering the applicable factors in 18 U.S.C. § 3553(a). 18 U.S.C. § 3583(e)(1).

Effective November 1, 2025, the United States Sentencing Commission promulgated a new policy statement directly addressing early termination of supervised release. *See* U.S.S.G. § 5D1.4(b) (Policy Statement); U.S.S.G. App. C, Amend. 835 (Nov. 1, 2025). Section 5D1.4(b) provides:

> Any time after the expiration of one year of supervised release and after an individualized assessment of the need for ongoing supervision, the court may terminate the remaining term of supervision and discharge the defendant if the court determines, following consultation with the government and the probation officer, that the termination is warranted by the conduct of the defendant and in the interest of justice.

U.S.S.G. § 5D1.4(b). Application Note 1(B) sets forth a non-exhaustive list of factors the court "may wish to consider" when determining whether to terminate:

> (i) any history of court-reported violations over the term of supervision; (ii) the ability of the defendant to lawfully self-manage (e.g., the ability to problem-solve and avoid situations that may result in a violation of a condition of supervised release or new criminal charges); (iii) the defendant's substantial compliance with all conditions of supervision; (iv) the defendant's engagement in appropriate prosocial activities and the existence or lack of prosocial support to remain lawful beyond the period of supervision; (v) a

> demonstrated reduction in risk level or maintenance of the lowest category of risk over the period of supervision; and (vi) whether termination will jeopardize public safety, as evidenced by the nature of the defendant's offense, the defendant's criminal history, the defendant's record while incarcerated, the defendant's efforts to reintegrate into the community and avoid recidivism, any statements or information provided by the victims of the offense, and other factors the court finds relevant.

U.S.S.G. § 5D1.4 cmt. n.1(B). The Commission adopted § 5D1.4(b) specifically to "encourage appropriate use of early termination" and to "help ensure that resources are allocated to the individuals most in need of continued supervision and that the term is 'sufficient, but not greater than necessary' to fulfill the purposes of imposing supervision." U.S.S.G. App. C, Amend. 835, Reason for Amendment.

III. ARGUMENT

A. Mr. Hines' Conduct Since 2020 Demonstrates Sustained Rehabilitation

Since his arrest in July 2020, Mr. Hines has had no new criminal conduct of any kind, and his compliance record at every stage of this case has been complete.

During his term of imprisonment, Mr. Hines did not receive a single incident report. He completed more than a dozen educational and rehabilitative programs, completed every drug treatment program made available to him, and passed every urinalysis administered while in custody. He successfully completed his halfway house placement and the period of electronic monitoring that followed. He has now completed more than one year of supervised release, again without any violation, and has remained fully compliant with all reporting requirements, drug testing, and restitution payments. He works full-time as a marketing data analyst for a moving company. He lives with his wife and their two young children, and the family depends on his continued stability.

The substance use issues that contributed to the offense conduct are no longer present in Mr. Hines' life. He has remained sober throughout his custody, his halfway house placement, and his supervised release — nearly six years in total. The rehabilitative goals reflected in the Court's special conditions of supervision — substance abuse treatment, financial disclosure, restrictions on new debt, restrictions on self-employment — have been met. The Probation Office, which has had direct and continuous contact with Mr. Hines, does not oppose early termination.

B. Mr. Hines Satisfies Each of the Factors Identified in U.S.S.G. § 5D1.4 cmt. n.1(B).

Each of the six factors identified by the Sentencing Commission supports termination.

1. Court-reported violations (factor (i)).

There are none. Mr. Hines has incurred no violations of supervised release of any kind. He likewise received no incident reports during his term of imprisonment.

2. Ability to lawfully self-manage (factor (ii)).

Mr. Hines has demonstrated this ability across every stage of post-arrest supervision. He complied with pretrial release conditions in the months leading to his sentencing, completed his BOP sentence without incident, completed the structured transition through halfway house placement and electronic monitoring, and has now completed more than a year of unstructured supervised release without any reported difficulty. He maintains lawful, full-time employment; he manages a household; he has built routines that avoid the situations and influences that previously produced the offense conduct.

3. Substantial compliance with conditions (factor (iii)).

Mr. Hines is in complete compliance with every condition of supervision: reporting, drug testing, restitution payments, financial disclosure, debt restrictions, self-employment restrictions, and substance-abuse treatment. The Probation Office's non-opposition reflects that compliance.

4. Engagement in prosocial activities and prosocial support (factor (iv)).

Mr. Hines is a husband and a father of two young children. He works full-time at a moving company in a structured, lawful role. His family life and his employment are the primary sources of stability in his life today — exactly the prosocial supports the Sentencing Commission identified as relevant. Those supports are durable; they will continue beyond the period of supervision and are the structure of his daily life rather than artifacts of court supervision.

5. Reduction in risk level or maintenance of low risk (factor (v)).

The substance use disorder that drove the offense conduct has been in sustained remission for nearly six years. Mr. Hines completed every drug treatment program available to him in BOP and has continued to comply with treatment-related conditions on supervised release. Continuous lawful employment, household stability, and an unbroken record of compliance are themselves indicia of low and reducing risk.

6. Whether termination will jeopardize public safety (factor (vi)).

It will not. The offense was a non-violent financial fraud, and there is no indication — in his record while incarcerated, his halfway house placement, his electronic monitoring period, or his supervised release — of any inclination toward further criminal conduct. Mr. Hines has affirmatively reintegrated into the community: lawful employment, stable housing, family responsibilities, sobriety. The victims of the offense, financial institutions, remain fully protected because termination of supervision does not affect the restitution judgment, the Government's lien, or the Government's ability to enforce collection.

Taken together, these factors describe precisely the case in which the Sentencing Commission envisioned early termination being granted: a defendant who has done the work of supervision, who has internalized its rehabilitative purposes, and for whom continued supervision serves no remaining function that termination would defeat.

C. Early Termination Does not Affect Restitution

The concern raised by the Government — the outstanding restitution balance — does not justify continued supervision. Termination of supervised release would not alter the restitution judgment, reduce the amount owed, extinguish the lien, modify the payment obligation, or impair the Government's collection authority. *See* 18 U.S.C. § 3613(b), (f). Mr. Hines will remain obligated to pay restitution whether supervision ends now or in April 2028. Continued supervision therefore adds nothing to the victims' ability to recover.

Moreover, the Government's restitution concern should not be confused with any suggestion that Mr. Hines retained millions of dollars in unrecovered proceeds. He did not. Out of the $3,984,557 he obtained, the Government was able to seize approximately $3.7 million from him. Those funds were not credited against restitution, but they were recovered by the Government. The vehicle seizure further underscores the point: although the Government valued the vehicle at approximately $220,000, Mr. Hines had paid approximately $318,000 for it shortly before his arrest. The precise valuation does not change the restitution judgment, and Mr. Hines does not ask the Court to recalculate it. The point is narrower: early termination will not permit Mr. Hines to retain a hidden windfall or avoid repayment. The restitution order, lien, payment obligation, and collection remedies remain fully intact regardless of whether supervision continues.

D. Denying Termination Would Produce an Unwarranted Disparity with Mr. Hines' Coconspirator.

Section 3553(a)(6) directs the Court to consider "the need to avoid unwarranted sentence disparities among defendants with similar records who have been found guilty of similar conduct." That factor is directly implicated here. Mr. Hines' coconspirator, Ioannis Kralievits, was charged in Case No. 21-CR-20157-Altonaga with conspiracy to commit wire fraud arising from the same scheme. Kralievits later moved for early termination of his supervised release. The Government did not oppose. The motion was granted.

The Government's objection here turns primarily on Mr. Hines' outstanding restitution balance, but the comparison to Kralievits underscores why that objection should not control. Kralievits was ordered to pay $453,623 in restitution — a figure calculated by reducing the loss amount attributable to him by the $371,126 recovered from his bank accounts. Because the Government did not separately pursue forfeiture against Kralievits, the seized funds were credited directly against his restitution at the front end. A subsequent administrative crediting issue resulted in the same seized amount being applied a second time against his already-reduced balance. Kralievits then paid off the balance and the Government raised no objection to his early termination.

Mr. Hines' situation went the other way at sentencing. He was ordered to pay $4,809,057, a figure that included the loan amount attributable to Kralievits, and the approximately $3.7 million seized from his accounts was applied entirely to forfeiture rather than restitution. The disparity between the two defendants' remaining balances therefore reflects how the seized funds were allocated at sentencing, not any difference in their respective conduct on supervision. Mr. Hines does not ask the Court to revisit that allocation. He asks only that the same restitution-balance concern that the Government did not raise against Kralievits not be deployed against him.

IV. CONCLUSION

Mr. Hines has done what this Court asked of him. He has served his custodial sentence without incident, completed every program offered to him, transitioned successfully through halfway house placement and electronic monitoring, and built a stable, lawful life around work, family, and sobriety. Each of the factors the Sentencing Commission has identified for early-termination analysis under U.S.S.G. § 5D1.4(b) is met. The Probation Office does not oppose. His coconspirator was released from supervision without objection under materially similar — and in important respects more favorable — circumstances. Mr. Hines respectfully requests that the Court grant this motion and terminate his term of supervised release.

CERTIFICATE OF CONFERRAL

Pursuant to Local Rule 88.0, undersigned counsel conferred with AUSA Michael Berger regarding the relief sought in this motion. The Government opposes.

CERTIFICATE OF SERVICE

I hereby certify that on May 14, 2026, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will serve notice on all counsel of record.

Respectfully submitted,

/s/Erick Cruz

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