IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF FLORIDA TALLAHASSEE DIVISION

UNITED STATES OF AMERICA

v.

INDICTMENT

4:22CR31-MW/MAF

LOUIS PAIVA, JR.

_______________________________/

THE GRAND JURY CHARGES:

COUNT ONE

A. INTRODUCTION

At all times material to this Indictment:

Unemployment Insurance

1. Unemployment Insurance ("UI") was a state-federal program that provided monetary benefits to eligible lawful workers. Although state workforce agencies ("SWAs") administered their respective UI programs, they did so in accordance with federal laws and regulations. UI payments (benefits) were intended to provide temporary financial assistance to lawful workers who were unemployed through no fault of their own. Each state set its own additional requirements for eligibility, benefit amounts, and length of time that benefits were paid. Generally, UI weekly benefit amounts were based on a percentage of a one's earnings over a base period.

2. UI benefits were generally funded by state employer taxes with administrative costs funded by the federal government. The UI program required states to make weekly benefit payments while ensuring claimants met eligibility requirements.

3. In the State of Florida, the Department of Economic Opportunity ("DEO") was the SWA that administered the UI program. DEO was headquartered in Tallahassee, Florida. All UI applications, certifications, and recertifications were received by DEO at its Tallahassee headquarters, and all UI payment transactions were initiated from there once approved.

Federally-Enacted COVID-19 Pandemic Relief

4. In March 2020, the President signed the Families First Coronavirus Response Act ("FFCRA") into law. The FFCRA provided additional flexibility for state UI agencies and additional administrative funding to respond to the COVID-19 pandemic.

5. The Coronavirus Aid, Relief, and Economic Security ("CARES") Act was also signed into law in March 2020. It expanded states' ability to provide UI for many workers impacted by COVID-19, including for workers who were not ordinarily eligible for UI benefits. The CARES Act provided for three new UI programs: Pandemic Unemployment Assistance ("PUA"); Federal Pandemic

Unemployment Compensation ("FPUC"); and Pandemic Emergency Unemployment Compensation ("PEUC").

6. To further offset the pandemic impact on American workers, on August 8, 2020, the President authorized the Federal Emergency Management Agency (FEMA) to expend up to $44 billion dollars from the Disaster Relief Funds for lost wage payments. The President authorized the FEMA Administrator to provide grants to participating states, territories, and the District of Columbia to administer delivery of Lost Wages Assistance ("LWA") to those receiving unemployment insurance.

7. Thus, extensions and expansions of UI coverage and benefits, such as those provided by the CARES Act and subsequent legislation, such as FFCRA, were normally funded by the federal government.

Financial Institutions

8. The Automated Clearing House (hereinafter "ACH") was a network that coordinated electronic payments and automated money transfers. ACH transactions were a way to move money between banks without using paper checks, wire transfers, credit card networks, or cash. Examples of ACH transactions included direct deposits of employment wages, automatic payments of recurring bills, and payments from businesses to is vendors and suppliers.

9. Once benefit payments were approved to be issued by DEO, UI benefit payments were paid to UI claimants electronically via direct deposit (ACH) from DEO's financial institution, JP Morgan Chase Bank, which was headquartered in New York, New York.

10. Navy Federal Credit Union was a financial institution that was headquartered in Vienna, Virginia.

11. JP Morgan Chase Bank and Navy Federal Credit Union both processed ACH transactions through computer servers located outside of the State of Florida.

False UI Benefits Applications

12. The Defendant, **LOUIS PAIVA, JR.**, was employed by the United States Department of Homeland Security's Transportation Security Administration ("TSA") between on or about March 3, 2019, and on or about May 22, 2021.

13. The Defendant, **LOUIS PAIVA, JR.**, made various materially false and fraudulent representations and promises in his UI benefits applications that he submitted to DEO in Tallahassee, Florida. Specifically, **PAIVA** made false responses and omissions in response to questions on the applications about his federal employment status with TSA and to questions on the applications about receiving income from sources that were not reported to DEO. **PAIVA** also falsely denied in his UI benefits applications that he was a federal employee.

14. The Defendant, **LOUIS PAIVA, JR.**, directed that fraudulently-obtained UI payments, which include PEUC, FPUC, and LWA benefits, be sent electronically to his bank accounts at Navy Federal Credit Union.

B. THE CHARGE

Between on or about March 15, 2020, and on or about March 8, 2021, in the Northern District of Florida and elsewhere, the defendant,

LOUIS PAIVA, JR.,

did knowingly and willfully embezzle, steal, and convert to his use and to the use of another, and without authority did convey and dispose of money of the United States of a value of more than $1,000, namely, UI benefits, including PEUC, FPUC, and LWA benefits, in excess of $16,000.

In violation of Title 18, United States Code, Sections 641 and 2.

CRIMINAL FORFEITURE

The allegations in Count One of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeiture. From the defendant's engagement in the violations alleged in Count One of this Indictment, the defendant,

LOUIS PAIVA, JR.,

shall forfeit to the United States of America pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), upon conviction of an offense in violation of Title 18, United States Code, Section 641, any and all of the defendant's right, title, and interest in any property, real and personal, constituting and derived from proceeds traceable to such offenses.

The United States will also seek a forfeiture money judgment for a sum of money equal to the value of any property, real or personal, which constitutes or is derived from proceeds traceable to these offenses.

If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendant:

i. cannot be located upon the exercise of due diligence;

ii. has been transferred or sold to, or deposited with, a third person;

iii. has been placed beyond the jurisdiction of this Court;

iv. has been substantially diminished in value; or

v. has been commingled with other property that cannot be divided without difficulty, it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by reference in Title 18, United States Code, Section 982(b)(1), and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of said defendant up to the value of the forfeitable property.

A TRUE BILL:

[redacted]

FOREPERSON

June 7, 2022

DATE

JASON R. COODY
United States Attorney

JUSTIN M. KEEN
Assistant United States Attorney