UNITED STATES DISTRICT COURT
DISTRICT OF RHODE ISLAND

UNITED STATES OF AMERICA v. RASHAAD SMITH MUSKELLY, Defendant.	1:21CR110MSM-LDA Cr. No. _____ In violation of 18 U.S.C. § 1343 (Wire Fraud); 18 U.S.C. § 641 (Theft of Public Money); and 18 U.S.C. § 922(g) (Possession of Firearm by Prohibited Person) Forfeiture

INDICTMENT

The Grand Jury charges that:

COUNTS ONE and TWO

(Wire Fraud – 18 U.S.C. § 1343)

Introduction

At all times relevant to this Indictment:

1. Defendant RASHAAD SMITH MUSKELLY resided in Rhode Island.

2. The Unemployment Insurance Program ("UI Program) was a joint federal-state partnership administered on behalf of the U.S. Department of Labor by agencies in each state. In Rhode Island, the UI Program is administered by the Rhode Island Department of Labor and Training (RIDLT). In California, Arizona, New York, Texas, Virginia , Nevada, and Massachusetts, the UI Programs were administered by the California Employment Development Department (CAEDD), the Arizona Department of Economic Security (AZDES), the New York State Department of Labor (NYSDOL), the Texas Workforce Commission (TXWC), the Virginia Employment Commission

(VAEC), the Nevada Department of Employment, Training and Rehabilitation (NVDETR), and the Massachusetts Department of Unemployment Assistance (MADUA), respectively.

3. In March 2020, the Families First Coronavirus Response Act (FFCRA) and Coronavirus Aid, Relief, and Economic Security (CARES) Act provided additional funding for state UI agencies to respond to the COVID-19 pandemic. The CARES Act allowed states to expand the scope of workers who were eligible to receive state UI benefits, to extend the period of time for which workers could be eligible for UI benefits, and to allow workers who may have exhausted UI benefits under traditional programs to receive benefits. The CARES Act further expanded the ability of states to provide benefits to unemployed workers by creating three new unemployment programs, namely, the Pandemic Unemployment Assistance (PUA) program, which permitted states to provide benefits to individuals who were self-employed, seeking part-time employment, or otherwise would not qualify for regular unemployment benefits, the Federal Pandemic Unemployment Compensation (FPUC) program, which provided an additional benefit, initially in the amount of $600 and later, in the amount of $300, in federal benefits to individuals collecting traditional UI program benefits or PUA benefits, and the Pandemic Emergency Unemployment Compensation (PEUC) program, which provided additional weeks of benefits for individuals who had otherwise exhausted their entitlement to regular UI benefits (collectively referred to herein as "expanded pandemic UI benefits"). PUA and FPUC benefits were 100% federally funded benefits paid through state UI agencies.

4. To receive regular UI and expanded pandemic UI benefits from a state UI agency, an applicant could file a claim, via the internet, with the state UI agency from which he was eligible to seek benefits or could file an application by downloading or requesting an application and mailing it into the state UI agency. An applicant is not permitted to seek regular UI and expanded pandemic UI benefits in more than one state at the same time.

Scheme to Defraud and to Obtain Monies

5. From at least in or about April 2020, and continuing until in or about August of 2020, in the District of Rhode Island and elsewhere, the Defendant,

RASHAAD SMITH MUSKELLY,

attempted to commit and did commit wire fraud, contrary to 18 U.S.C. § 1343, that is, did knowingly and with intent to defraud, devise and intend to devise a scheme to defraud and to obtain money from multiple state UI agencies, by means of materially false and fraudulent pretenses, representations, and promises, knowing that they were false and fraudulent when made, through the transmission in interstate commerce of wire communications.

The Object of the Scheme to Defraud and to Obtain Monies

6. The object of the scheme was for SMITH MUSKELLY to unlawfully enrich himself by filing claims for expanded pandemic UI benefits with RIDLT, and while seeking and receiving benefit payments from RIDLT, filing applications for benefits with other state UI agencies, and in those applications, falsely claiming that he had resided and worked in states other than Rhode Island and that he was eligible for

regular UI or expanded pandemic UI benefits in those states.

Manner and Means of the Scheme

7. Beginning in April 2020, SMITH MUSKELLY filed a claim for expanded pandemic UI benefits with RILDT. In his application and continued certifications, SMITH MUSKELLY claimed that he resided in Rhode Island and that he had been employed in Rhode Island as a "travel barber" from February 14, 2017 to March 20, 2020. RIDLT records indicate that SMITH MUSKELLY was paid approximately $14,658 in expanded pandemic benefits from RIDLT.

8. It was further part of the scheme and artifice to defraud that on or about May 13, 2020, SMITH MUSKELLY began filing fraudulent applications to obtain regular UI and expanded pandemic UI benefits in other states, including the following applications:

a. On or about May 13, 2020, SMITH MUSKELLY filed an online application with the MADUA, falsely claiming that he earned $30,000 in the state in 2019 and was entitled to expanded pandemic UI benefits in Massachusetts. SMITH MUSKELLY was paid approximately $17,491 in expanded pandemic UI benefits from MADUA.

b. On or about June 18, 2020, SMITH MUSKELLY filed an online application with the AZDES, and in that application, he falsely claimed that he had lived in Arizona, worked full time in Arizona during the year 2019, and that he had not worked in any other state for the past two years. AZDES

records indicate that SMITH MUSKELLY was paid approximately $8,520 in expanded pandemic UI benefits from AZDES.

c. On or about June 24, 2020, SMITH MUSKELLY filed an online application with the NVDETR. In that application, he falsely claimed that he had lived and worked in Nevada as a self-employed worker prior to the pandemic. SMITH MUSKELLY was paid approximately $13,680 in expanded pandemic UI benefits from NVDETR.

d. On or about July 22, 2020, SMITH MUSKELLY filed an online application for UI benefits with the VAEC, falsely claiming that he was entitled to benefits in Virginia and had been a self-employed worker prior to the pandemic. SMITH MUSKELLY was paid approximately $10,646 in expanded pandemic UI benefits from the VAEC.

e. On or about July 27, 2020, SMITH MUSKELLY filed an online application with the TXWC, and in that application, he falsely claimed that he was a self-employed barber in Austin, Texas from May 2016 to March 10, 2020. SMITH MUSKELLY was paid approximately $4,284 in expanded pandemic UI benefits from the TXWC.

f. On or about August 4, 2020, SMITH MUSKELLY filed an online application with the NYSDOL, falsely representing that he worked in New York from October 2018 to February 2020. SMITH MUSKELLY was paid approximately $13,712 in expanded pandemic UI benefits from the NYSDOL.

g. On or about July 21, 2020, SMITH MUSKELLY filed an online application for UI benefits with the CAEDD, falsely claiming that he was living in California and was employed by HCL Technology prior to the pandemic, and that he was entitled to benefits in California. The CAEDD did not pay this claim.

Execution of the Scheme

9. On or about the dates listed below, in the District of Rhode Island and elsewhere, the Defendant,

RASHAAD SMITH MUSKELLY,

for the purpose of executing aforesaid scheme and artifice to defraud and to obtain money, and attempting to do so, knowingly transmitted and caused to be transmitted by means of wire communication in interstate commerce to wit, using a device accessing the internet, the filing of an online application for regular UI and expanded UI pandemic benefits from the listed state UI agencies.

Count	Date of Application	State UI Agency
1	May 13, 2020	MADUA
2	August 4, 2020	NYSDOL

All in violation of 18 U.S.C. § 1343.

COUNT THREE

(Theft of Government Money – 18 U.S.C. § 641)

10. The allegations contained in paragraphs 1 through 9 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

11. From at least in or about May 2020, and continuing until in or about April 2021, in the District of Rhode Island and elsewhere, the Defendant,

RASHAAD SMITH MUSKELLY,

did willfully and knowingly attempt to and did steal and purloin money belonging to the United States, in an amount exceeding $1,000, to wit, funds paid as expanded pandemic UI benefits, specifically, PUA and FPUC benefits.

All in violation of 18 U.S.C. § 641.

COUNT FOUR

(Possession of Firearm by a Prohibited Person - 18 U.S.C. § 922(g)(1))

12. On or about April 6, 2021, in the District of Rhode Island, the Defendant,

RASHAAD MUSKELLY SMITH,

knowing that he had been previously convicted of a crime punishable by imprisonment for a term exceeding one year, did knowingly possess a firearm, a Sig Sauer P320 semi-automatic .40 caliber pistol, loaded with at least one round of live .40 caliber ammunition and capable of expelling a projectile, said firearm and ammunition having been shipped and transported in interstate commerce,

All in violation of 18 U.S.C. § 922(g)(1).

FIRST FORFEITURE ALLEGATION

Upon conviction of the Wire Fraud offenses alleged in this Indictment, Counts One and Two, Defendant RASHAAD SMITH MUSKELLY shall forfeit to the United States of America, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), all right, title, and

interest in any and all property, real or personal, which constitutes or is derived from proceeds traceable to a violation of 18 U.S.C. § 1343, including but not limited to the following:

A sum of money equal to the total amount of any property, real or personal, which constitutes or is derived from proceeds and/or traceable to a violation of 18 U.S.C. § 1343.

If any of the above-described forfeitable property, as a result of any act or omission of the Defendant, cannot be located upon the exercise of due diligence, has been transferred, sold to, or deposited with a third party, has been placed beyond the jurisdiction of the court, has been substantially diminished in value, or has been commingled with other property which cannot be divided without difficulty, it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c), to seek forfeiture of any other property of said Defendant up to the value of the forfeitable property described above.

All in accordance with 18 U.S.C. § 981(a)(1) as incorporated by 28 U.S.C. § 2461(c), and Rule 32.2(a), Federal Rules of Criminal Procedure.

SECOND FORFEITURE ALLEGATION

Upon conviction of Count 4 alleged in this Indictment, Defendant RASHAAD SMITH MUSKELLY shall forfeit to the United States, pursuant to 18 U.S.C. § 924(d) and 28 U.S.C. § 2461(c), a Sig Sauer P320 semi-automatic .40 caliber pistol, serial number G6T2K85WN70G, and live rounds of .40 caliber ammunition.

All in accordance with 18 U.S.C. § 924.

A TRUE BILL:

[redacted] 10-27-21

Grand Jury Foreperson

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Date: October 27, 2021