

Everett Man Pleads Guilty to Scheme to Defraud Massachusetts Unemployment Assistance of \$1.8 million

An Everett man pleaded guilty yesterday in federal court in Boston in connection with a scheme to defraud the Massachusetts Department of Unemployment Assistance of more than \$1.8 million.

Edison Delarosa, 53, pleaded guilty to one count of mail fraud and one count of wire fraud. U.S. Senior District Court Judge George A. O'Toole Jr. scheduled sentencing for Jan. 24, 2019. In February 2017, Delarosa was arrested and charged and subsequently released on conditions.

From approximately January 5 through November 24, 2016, Delarosa engaged in a scheme to defraud the Commonwealth of Massachusetts by exploiting the Department of Unemployment Assistance's (DUA) online system, which allows claimants to manage their unemployment insurance accounts over the internet. On multiple occasions, Delarosa, who did not actually owe DUA any money, submitted bogus "repayments" online, which triggered the release of "refund" checks payable to him in varying amounts. During the course of the scheme, Delarosa submitted a total of 136 fraudulent "repayments," amounting to \$1,813,170, for which DUA issued him 15 paper "refund" checks, totaling \$1,251,283. DUA uncovered the scheme after six of those checks, totaling \$27,227, were mailed to Delarosa and deposited into his account.

The charges of wire fraud and mail fraud provide for a sentence of no greater than 20 years in prison, three years of supervised release, and a fine of \$250,000. Sentences are

imposed by a federal district court judge based upon the U.S. Sentencing Guidelines and other statutory factors.

United States Attorney Andrew E. Lelling; Michael Mikulka, Special Agent in Charge of the U.S. Department of Labor, Office of Inspector General, Office of Investigations, New York Region; Peter C. Fitzhugh, Special Agent in Charge of Homeland Security Investigations in Boston; and Joseph W. Cronin, Inspector in Charge of the U.S. Postal Inspection Service, made the announcement today. The Commonwealth of Massachusetts' Department of Unemployment Assistance cooperated with the investigation. Assistant U.S. Attorney Anne Paruti of Lelling's Major Crimes Unit is prosecuting the case.