

Couple from New Bedford indicted on pandemic benefit fraud, conspiracy to commit wire fraud

A married couple was indicted last week by a federal grand jury in Boston on fraud charges arising from their claims for Pandemic Unemployment Assistance (PUA) funds.

Tiffany Pacheco, a/k/a Tiffany Tavery, 35, and Arthur Pacheco, 47, who, until recently, resided in New Bedford, Mass., were each indicted on one count of conspiracy to commit wire fraud. Tiffany Pacheco was also indicted on five counts of wire fraud and Arthur Pacheco on two counts. The defendants were arrested in San Antonio, Texas in December 2020 and have been detained since.

According to charging documents, Tiffany was hired by the Massachusetts Department of Unemployment Assistance (DUA) in April 2020, shortly after her release from federal prison following a conviction for aggravated identity theft. While employed by DUA, Tiffany allegedly misused her position to submit fraudulent PUA claim information on behalf of herself and her husband, Arthur, who was incarcerated in Texas until Sept. 4, 2020, and thus ineligible for PUA funds.

Specifically, it is alleged that in June 2020, PUA claims submitted for Tiffany and her husband reflected 2019 income of \$0 and no dependents. In July 2020, via her employment with DUA, Tiffany obtained access to the PUA computer system, and later changed claim information for herself and Arthur so as to increase the amount of PUA funds they would receive. For example, Tiffany allegedly increased the amount of 2019 income for her and Arthur to more than \$240,000, and increased the

number of their dependents to seven. Tiffany further used her access to the PUA system to verify the increased reported 2019 income on both claims without the required income verification documents.

It is further alleged that the PUA claim for Arthur was fraudulent because he was incarcerated in Texas until Sept. 4, 2020, and thus ineligible for PUA funds. In November 2020, Arthur called DUA and falsely denied that he had been incarcerated during the timeframe leading up to September 2020, and that he was only incarcerated for approximately a month. Tiffany also spoke with DUA and misrepresented the period of time for which Arthur had been incarcerated.

A search of the New Bedford apartment where Tiffany and Arthur resided uncovered various tools of identity fraud, including an ID laminator, 100 blank ID cards, 68 hologram overlays, 150 card lamination sheets and 649 sheets of blank checks. Law enforcement also seized approximately \$17,000 cash and a notebook that appeared to contain the personal identifying information of various individuals. On Sept. 23, 2020, DUA terminated Tiffany's employment.

The charges of conspiracy to commit wire fraud and wire fraud provide for a sentence of up to 20 years in prison, up to three years of supervised release and a fine of up to \$250,000. Sentences are imposed by a federal district court judge based upon the U.S. Sentencing Guidelines and other statutory factors.

The investigation was conducted by Homeland Security's Investigation's Document and Benefit Fraud Task Force (DBFTF), a specialized field investigative group comprised of personnel from various local, state, and federal agencies with expertise in detecting, deterring, and disrupting organizations and individuals involved in various types of document, identity, and benefit fraud schemes.

United States Attorney Andrew E. Lelling; William S. Walker, Acting Special Agent in Charge of Homeland Security Investigations in Boston; and Michael Mikulka, Special Agent in Charge of the U.S. Department of Labor, Office of Inspector General, Labor Racketeering and Fraud Investigation made the announcement. The New Bedford Police Department, Massachusetts Parole Board and Massachusetts Department of Unemployment Assistance, Program Integrity Unit provided valuable assistance with the investigation. Assistant U.S. Attorneys Bill Abely and Dustin Chao of Lelling's Criminal Division are prosecuting the case.