

Real life Frank Gallagher tries to defraud Mass. Unemployment for \$1.7 million

An Everett man was sentenced today in federal court in Boston in connection with a scheme to defraud the Massachusetts Department of Unemployment Assistance (DUA) of more than \$1.7 million.

Edison Delarosa, 53, was sentenced by U.S. Senior District Court Judge George A. O'Toole Jr. to two years in prison, three years of supervised release, and ordered to pay restitution in the amount of \$27,227. In October 2018, Delarosa pleaded guilty to three counts of mail fraud and three counts of wire fraud. 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 DUA's 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 \$1,763,418, 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.

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 provided valuable assistance to the investigation. Assistant U.S. Attorney Anne Paruti of Lelling's Major Crimes Unit prosecuted the case.