

Department of Justice

U.S. Attorney's Office

Middle District of Pennsylvania

FOR IMMEDIATE RELEASE

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Social Security Employee Charged With Pandemic Fraud Scheme

SCRANTON - The United States Attorney's Office for the Middle District of Pennsylvania announced that Takiyah Gordon Austin, age 46, of Wilkes Barre, Pennsylvania, was charged in a 29-count Indictment on July 20, 2021, with conducting a scheme to fraudulently obtain unemployment benefits related to COVID-19 emergency relief funds. The case was unsealed on August 12, 2021, following Austin's initial appearance.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law. The CARES Act created the Pandemic Unemployment Assistance (PUA) program, which provides unemployment benefits to individuals not eligible for regular unemployment compensation or extended unemployment benefits, including individuals, families, and businesses affected by the COVID-19 pandemic. Eligibility to receive weekly PUA benefits was predicated on the applicant's unemployment for reasons related to the pandemic; however, the applicant must also have been able to work each day and, if offered a job, the applicant must have been able to accept it. Once the applicant was approved to receive benefits, the applicant was required to submit weekly certifications that indicated that he or she: was ready, willing and able to work each day; was seeking full time employment; did not refuse any job offers or referrals; and, had reported any employment during the week and the gross pay or other payments received.

According to Acting U.S. Attorney Bruce D. Brandler, the indictment charges Austin with 21 counts of wire fraud, four counts of aggravated identity theft, and four counts of theft of government funds. The Indictment alleges that from in or about May 2020 to in or about May 2021, Austin, a claims specialist with the Social Security Administration, filed PUA claims for ineligible recipients. As part of the scheme, Austin filed PUA claims for ineligible individuals in exchange for payment from the individuals. Additionally, Austin filed claims after accessing SSA databases to obtain the personal identifying information from unsuspecting individuals and then diverted the unemployment funds to addresses she controlled in order to use the funds for her own personal expenses. Through the scheme, Austin is alleged to have defrauded the government of over \$288,000.

"Fighting pandemic fraud is a high priority for our office and the Department of Justice," stated Acting U.S. Attorney Bruce D. Brandler. "When public officials are engaged in the fraud it is particularly disappointing because public officials know all too well how much these diverted funds are needed by those truly affected by the pandemic. I want to thank all the law enforcement agents and prosecutors who investigated this matter for their diligence and hard work in bringing this fraud to light."

"An important mission of the Office of Inspector General is to investigate allegations of fraud related to Unemployment Insurance Programs," stated Syreeta Scott, Acting Special Agent-in-Charge of the Philadelphia Region, U.S. Department of Labor Office of Inspector General. "We will continue to

work with the Pennsylvania Department of Labor and Industry and our law enforcement partners to protect the integrity of programs intended for unemployed American workers.”

“The public trusts Social Security employees to handle their sensitive information and records appropriately. Mrs. Gordon violated that trust to perpetrate a fraud scheme to take advantage of COVID-related assistance at a time when so many others have a legitimate need for those funds,” said Gail S. Ennis, Inspector General of the Social Security Administration. “I am grateful for our partnerships with the U.S. Department of Labor Office of Inspector General and the United States Postal Inspection Service, and I thank the U.S. Attorney’s Office for their continued efforts to prosecute those who violate public trust and commit fraud.”

The case was investigated by the Social Security Administration, Office of Inspector General, the Department of Labor, Office of Inspector General, and the United States Postal Inspection Service. Special Assistant United States Attorney Megan Curran and Assistant United States Attorney Alisan V. Martin are prosecuting the case.

Indictments are only allegations. All persons charged are presumed to be innocent unless and until found guilty in court.

A sentence following a finding of guilt is imposed by the Judge after consideration of the applicable federal sentencing statutes and the Federal Sentencing Guidelines.

The maximum penalty under federal law for wire fraud is 20 years’ imprisonment. Aggravated identity theft carries a mandatory two-year sentence consecutive to sentences imposed for other offenses. Theft of government funds has a maximum penalty of 10 years’ imprisonment. All three charges may also carry a fine and a term of supervised release following imprisonment. Under the Federal Sentencing Guidelines, the Judge is also required to consider and weigh a number of factors, including the nature, circumstances and seriousness of the offense; the history and characteristics of the defendant; and the need to punish the defendant, protect the public and provide for the defendant’s educational, vocational and medical needs. For these reasons, the statutory maximum penalty for the offense is not an accurate indicator of the potential sentence for a specific defendant.

On May 17, 2021, the Attorney General established the COVID-19 Fraud Enforcement Task Force to marshal the resources of the Department of Justice in partnership with agencies across government to enhance efforts to combat and prevent pandemic-related fraud. The Task Force bolsters efforts to investigate and prosecute the most culpable domestic and international criminal actors and assists agencies tasked with administering relief programs to prevent fraud by, among other methods, augmenting and incorporating existing coordination mechanisms, identifying resources and techniques to uncover fraudulent actors and their schemes, and sharing and harnessing information and insights gained from prior enforcement efforts. For more information on the Department’s response to the pandemic, please visit <https://www.justice.gov/coronavirus>.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice’s National Center for Disaster Fraud (NCDF) Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

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