

Acton Man Sentenced to Nearly Three Years in Prison for Using Stolen Identities to Obtain COVID Relief Funds

Thursday, August 17, 2023

For Immediate Release

U.S. Attorney's Office, District of Massachusetts

BOSTON – An Acton was sentenced today in federal court in Boston for conspiring to use stolen identities to fraudulently obtain disaster loan funds from the Small Business Administration (SBA) and to launder the funds.

Edwin Acevedo, 37, was sentenced by U.S. District Judge Nathaniel M. Gorton to 33 months in prison and three years of supervised release. Acevedo was also ordered to pay restitution of \$251,684. In January 2023, Acevedo pleaded guilty to one count of conspiracy to commit wire fraud and one count of wire fraud. Acevedo was arrested and charged along with co-conspirator Hector Garcia in August 2021.

According to charging documents, Acevedo's co-conspirators allegedly used stolen identity information of United States citizens to apply for SBA Economic Injury Disaster Loans. It is alleged that Garcia used stolen identity information of a United States citizen to open a fraudulent bank account, which was then linked to other fraudulent bank accounts set up to receive the SBA funds. Acevedo coordinated co-conspirators' receiving some of the debit cards associated with fraudulent bank accounts into which SBA funds were deposited. Acevedo and co-conspirators laundered the SBA funds by using the debit cards to purchase iPhones, which Acevedo and others then re-sold for cash. It is also alleged that Garcia and other co-conspirators wired a portion of the funds to co-conspirators in the Dominican Republic.

It is alleged that over \$452,000 in SBA funds were fraudulently obtained in connection with the scheme. Approximately \$250,000 of this money was used to purchase iPhones in Massachusetts and New Hampshire.

On Dec. 8, 2022, Garcia was indicted by a federal grand jury in Boston on one count of conspiracy to commit wire fraud; three counts of wire fraud – aiding and abetting; and two counts of aggravated identity theft. He has since pleaded not guilty is pending trial.

Acting United States Attorney Joshua S. Levy and Michael J. Krol, Acting Special Agent in Charge of Homeland Security Investigations in New England made the announcement. Valuable assistance was also provided by Homeland Security Investigations in Orlando, Fla.; the Small Business Administration, Office of the Inspector General; the Department of Housing and Urban Development, Office of the Inspector General; the Social Security Administration, Office of the Inspector General; the Department of Labor, Office of the Inspector General; the Department of State; the U.S. Postal Inspection Service; the Massachusetts State Police; the New Hampshire State Police; and the Acton, Nashua (N.H.), Manchester (N.H.) and Ocala (Fla.) Police Departments. Assistant U.S. Attorneys Elianna Nuzum and Adam Deitch of the Criminal Division are prosecuting the case.

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>.

The details contained in the charging documents are allegations. The remaining defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.

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