

For Immediate Release
May 20, 2011

**PERALTA MAN PLEADS GUILTY TO FEDERAL SOCIAL
SECURITY FRAUD AND AGGRAVATED IDENTITY THEFT CHARGES**

ALBUQUERQUE – This morning, **OLLIE FAYN SMITH**, 66, of Peralta, New Mexico, pleaded guilty to a five-count criminal information charging him with: (1) social security fraud; (2) theft of government property; (3) forging endorsements on U.S. Treasury checks; (4) making a false statement; and (5) aggravated identity theft. Smith entered his guilty plea under a plea agreement with the United States Attorney's Office in federal court in Albuquerque. Under the terms of the plea agreement, Smith is required to pay restitution in the amount of \$46,543.60 to the Social Security Administration (SSA).

Smith recently was transferred from state custody, where he has been serving a prison sentence for a food stamp and Medicaid fraud conviction, into federal custody so that he could enter his guilty plea this morning. Smith will remain in federal custody pending his sentencing hearing, which has yet to be scheduled. At sentencing, on each of Counts 1 and 4, Smith faces a maximum penalty of five-years' imprisonment, a \$250,000 fine and three-years of supervised release. On each of Counts 2 and 3, Smith faces a maximum penalty of ten-years' imprisonment, a \$250,000 fine and three-years of supervised release. Smith faces a mandatory two-year term of imprisonment on Count 5.

Count 1 of the criminal information alleges that, from April 6, 2004 through February 3, 2009, in Valencia County, Smith fraudulently applied for and received \$46,543.60 in Social Security Disability Benefits under the identity of another person by using that person's name, social security number and date of birth. Count 2 alleges that, during that same period, Smith stole \$26,911 in Social Security Disability Benefits and Social Security Retirement Insurance

Benefits payments from the SSA. Count 3 alleges that, from May 3, 2006 through February 3, 2009, Smith fraudulently endorsed 33 U.S. Treasury checks by writing the name of another person without that person's permission. Count 4 alleges that, on January 28, 2009, Smith falsely represented, both verbally and in writing, that he was another person to SSA officials. Finally, Count 5 alleges that, from May 2006 through February 2009, Smith fraudulently used the identification of another person in order to obtain 33 U.S. Treasury checks to which he was not entitled.

In his plea agreement, Smith admitted that he began using another person's identity in 1991 after obtaining the person's name and social security number from the person's ex-wife. After obtaining a duplicate of the person's birth certificate in Pennsylvania, Smith obtained a New Mexico driver's license in the person's name using the person's date of birth but his own photograph. Thereafter, Smith obtained replacement driver's licenses in the person's name, most recently in 2007.

Smith also admitted that, in 1992, he used the other person's name on an application for a replacement Social Security card and thus obtained a Social Security card in the person's name and with his Social Security Number. In 2002 and 2003, Smith applied for benefits from the SSA using the person's name, date of birth and social security number. As a result of those SSA applications, Smith received SSA disability benefits in the amount of \$46,543.60 between 2004 and 2009. Smith admitted receiving SSA checks addressed to the other person in the mail; endorsing the checks in the other person's name; and negotiating the checks.

Smith's plea agreement states that, on May 8, 2008, Smith applied for SSA retirement benefits using his own name, Social Security number and date of birth, and using an address in Pennsylvania even though he lived in New Mexico. Based on that application, Smith received

\$4,760 in SSA retirement benefits from May to August 2008. Smith admitted that, in order to receive those benefits under his own name, he lied on his application by falsely stating that he had no outstanding warrants even though he knew that there were outstanding warrants for his arrest.

Finally, Smith admitted that on January 28, 2009, he met with a SSA and signed a statement in which he falsely represented that he was the person whose identity he had fraudulently used since 1991. Smith admitted that he used the other person's identity in order to evade outstanding warrants for his arrest.

The case was investigated by the SSA Office of Inspector General, and is being prosecuted by Assistant United States Attorney Cynthia L. Weisman.

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