

UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA	:	
	:	No. 3:15-CR- 016
v.	:	
	:	
DARLENE LOVELESS	:	(Judge )
Defendant	:	

**FILED  
SCRANTON**

**FEB 03 2015**

PER  **DEPUTY CLERK**

**INDICTMENT**

**THE GRAND JURY CHARGES:**

**INTRODUCTION**

1. The defendant, Darlene Loveless, is a “representative payee” who received benefits from the Social Security Administration (“SSA”) on behalf of her adopted daughter, “T.L.,” from on or about February 12, 2010 to on or about December 11, 2012.

2. The benefits received by the defendant were Supplemental Security Income (“SSI”), intended for low-income families.

3. In fact, however, defendant, Darlene Loveless, and her husband had received a substantial inheritance in 2007, and still possessed the majority of the inheritance at the time she was receiving SSI.

4. On or about February 12, 2010, defendant, Darlene Loveless, met with a representative of the SSA, Jennifer Kwashnik, for the

purpose of conducting a Redetermination Interview, used by the SSA to assess familial, financial resources in order to determine the defendant's eligibility, as a representative payee, for SSI benefits on behalf of her adopted daughter.

5. At the Redetermination Interview, defendant, Darlene Loveless, claimed not to have any significant, familial, financial resources, despite the fact that she and her husband had substantial financial resources at that time.

6. The resources that the defendant failed to disclose to the SSA representative resulted from a substantial inheritance received by the defendant and her husband in 2007. At the time of the Redetermination Interview, the defendant and her husband still possessed the majority of the inheritance, but the defendant failed to disclose the fact of the inheritance to the SSA representative.

7. The defendant further failed to disclose the fact of the inheritance and the existence of the resources resulting therefrom to the SSA until on or about December 11, 2012, in violation of the continuing duty to provide accurate financial information to the SSA in connection with the ongoing receipt of SSA benefits.

COUNT 1

**(42 U.S.C. § 1383a(a)(2) and (3)—Fraudulent Acts)**

The Introduction to this Indictment is hereby incorporated by reference as though fully set forth herein.

On or about February 12, 2010, in the Middle District of Pennsylvania, defendant,

**DARLENE LOVELESS,**

in a matter within the jurisdiction of the Social Security Administration (“SSA”), knowingly and willfully made and caused to be made, a false statement and representation of a material fact for use in determining rights to SSA benefits; and, on or about February 12, 2010, continuing through on or about December 11, 2012, in the Middle District of Pennsylvania, defendant, Darlene Loveless, having knowledge of the occurrence of an event affecting the initial and continued right to payment of SSA benefits, knowingly concealed and failed to disclose such event to the SSA, with the intent fraudulently to secure benefits in an amount greater than was due her and when no payment was authorized.

All in violation of 42 U.S.C. § 1383a(a)(2) and (3).

**COUNT 2**

**(18 U.S.C. § 641—Theft of Government Property)**

The Introduction of this Indictment is hereby incorporated by reference as though fully set forth herein.

From on or about February 12, 2010, and continuing through on or about December 11, 2012, in the Middle District of Pennsylvania, defendant,

**DARLENE LOVELESS,**

did knowingly embezzle, steal, and purloin money belonging to the SSA, a department or agency of the United States, namely, Supplemental Security Income payments in excess of \$1000, obtained from the SSA, to which she knew she was not entitled.

All in violation of 18 U.S.C. § 641.

**FORFEITURE ALLEGATION**

1. The Introduction of this Indictment is hereby incorporated by reference as though fully set forth herein, and the allegations contained in Counts 1 and 2 of this Indictment are hereby re-alleged and incorporated by reference, for the purpose of alleging forfeitures pursuant

to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461.

2. Upon conviction of the offense in violation of Title 18, United States Code, Section 641, set forth in Count 2 of this Indictment, defendant,

**DARLENE LOVELESS,**

shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, any property, real or personal, which constitutes, or is derived from proceeds traceable to the offenses. The property to be forfeited includes, but is not limited to, the following:

- a. Approximately \$23,068.00 in United States Currency, Asset Forfeiture Money Judgment.

3. If any of the property described above, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be

divided without difficulty,  
the United States of America shall be entitled to forfeiture of substitute  
property pursuant to Title 21, United States Code, Section 853(p), as  
incorporated by Title 28, United States Code, Section 2461(c).

A TRUE BILL

A large, dark, scribbled-out signature that has been redacted from the document.

Peter J. Smith  
PETER J. SMITH  
UNITED STATES ATTORNEY

Date: 2-3-15