

FILED

4/27/2021

JMK

THOMAS G. BRUTON
CLERK, U.S. DISTRICT COURT

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

v.

JAMES BONNER,
also known as "Jamie"

No. **1:21-CR-266**

Violations: Title 18, United States
Code, Sections 641 and 1001(a)(2)

**JUDGE DOW JR.
MAGISTRATE JUDGE HARJANI**

COUNT ONE

The SPECIAL NOVEMBER 2019 GRAND JURY charges:

1. At times material to this indictment:

Individuals and Entities Involved

a. The U.S. Railroad Retirement Board ("RRB") was an independent agency of the Executive Branch of the United States headquartered in Chicago. The RRB's primary function was to administer comprehensive retirement, disability, survivor, and unemployment/sickness benefit programs for the nation's railroad workers and their eligible family members under the Railroad Retirement Act ("RRA"), Title 45 United States Code, Sections 231, *et. seq.*, and Railroad Unemployment Insurance Acts ("RUIA"), Title 45 United States Code, Chapter 11. The RRA replaced the Social Security Act for rail employers and employees.

b. The RRB administered disability benefits to railroad employees who had an occupational disability and were permanently disabled for work in their regular railroad occupation and to railroad employees who were totally and permanently disabled and unable to work in any kind of regular job.

c. In order for a railroad employee to apply for disability benefits, he or she had to complete, among other things, RRB Form AA-1d (Application for Determination of Employee's Disability) and RRB Form AA-1 (Application for Employee Annuity). Both the RRB Forms AA-1d and AA-1 required the applicant to complete certifications.

d. On RRB Form AA-1d, applicants had to describe in detail the limitations resulting from their impairment and state when they could no longer work because of their conditions. The signature page of the RRB Form AA-1d reminded an applicant that he or she had to answer these questions truthfully and provided:

I agree to immediately notify the RRB if I work for any employer, railroad or non-railroad, or perform any self-employment work; if my condition improves

I know that if I make a false or fraudulent statement in order to receive benefits from the RRB or if I fail to disclose earnings or report employment of any kind to the RRB, I am committing a crime, which is punishable under Federal law.

e. RRB Forms AA-1d and AA-1 also included certifications that the applicant has received the RRB Booklet Forms RB-1d (Employee Disability Benefits) and RB-9 (Employee and Spouse Annuities, Events That Must Be Reported), which contained, among other things, requirements to notify the RRB if the applicant's condition improved or if the applicant performed any work, including through self-employment, regardless of how much the applicant earned. In pertinent part, the Booklet provided:

"Occupational disability" means one is "permanently disabled" for work in your "regular railroad occupation."

“Substantial gainful activity” is, in general, work which results in earnings . . . it also refers to work activity involving the performance of significant physical or mental duties, or a combination of both, which are productive in nature. If you work or are receiving an annuity based on total and permanent disability, or if you have a period of disability or early Medicare, you may be subject to a finding of substantial gainful activity.

In any case, all work and earnings by a disability annuitant must be reported promptly to the RRB in order to avoid potential overpayments and penalties. (emphasis in original).

“Disability ends if” you medically recover so that you are able to work, or if you return to work and hold a job whether or not there has been any substantial improvement in your condition.”

If in doubt, report.

f. From in or around June 1994 until on or about September 25, 2013, defendant JAMES BONNER, also known as “Jamie,” was an engineer for Burlington North Santa Fe.

g. On or about January 12, 2015, BONNER submitted an application for occupational disability benefits by submitting a RRB Form AA-1d and signed the certifications accompanying the RRB Forms AA-1d and AA-1. The DBD granted BONNER’s application on or about September 22, 2015, and began causing disability payments to be sent via wire transfer to BONNER’s bank account at Peoples Federal Credit Union in Texas.

h. In or around May 2016, the RRB converted BONNER’s disability status to disability with a freeze, which precluded him from engaging in substantial gainful activity, and entitled him to early Medicare benefits.

i. On or about May 23, 2016, the RRB in Chicago sent BONNER a RRB Form RL-210 notifying him of the change in his benefits. The notice informed

BONNER: “Notify the Railroad Retirement Board (RRB) promptly if your condition improves, if you are working for pay or you are self-employed, regardless of the amount of earnings Your case may be periodically reviewed to determine whether your condition remains severe enough to prevent any work activity to allow your disability freeze to continue.”

j. On or about November 7, 2017, BONNER filed or caused Articles of Organization for a limited liability company, Trainwreck Charters LLC (“Trainwreck Charters”), to be filed with the Florida Department of State. The Articles of Organization identified BONNER as a manager and Individual A as the registered agent of Trainwreck Charters.

k. On or about December 14, 2017, BONNER caused to be filed an application Form 719K with the U.S. Coast Guard Merchant Marines in order to obtain a medical certificate. The application did not mention any of the medical issues identified in his application for occupational disability benefits with the RRB.

l. Between in or around November 2017 and in or around January 2020, BONNER operated Trainwreck Charters, captained a boat, and took paying customers on fishing expeditions.

2. Prior to on or about March 17, 2020, the Federal Bureau of Investigation (the “FBI”) and the RRB had initiated an investigation of BONNER concerning potential violations of federal criminal law.

3. The following matters were material to the investigation: (i) whether BONNER was eligible to receive disability benefits from the RRB; (ii) whether

BONNER had worked for an employer or performed any self-employment work since he began receiving disability benefits; (iii) whether BONNER had attempted to work for an employer or performed any self-employment work since he began receiving disability benefits; (iv) whether BONNER's condition remained severe enough to prevent any work activity; and (v) whether BONNER had misrepresented his eligibility to receive disability benefits to the RRB.

4. On or about March 17, 2020, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES BONNER,
also known as "Jamie,"

defendant herein, did knowingly and willfully make a materially false, fictitious, and fraudulent statement and representation in a matter within the jurisdiction of the FBI and RRB, each an agency within the executive branch of the government of the United States, when he stated the following:

i. BONNER denied working for himself since receiving disability benefits from the RRB.

ii. BONNER denied working for an employer since receiving disability benefits from the RRB.

iii. BONNER denied that he was able to work, stating: "No, I can't do any of that."

iv. BONNER denied that he could pursue work, stating that he could not focus.

In violation of Title 18, United States Code, 1001(a)(2).

COUNT TWO

The SPECIAL NOVEMBER 2019 GRAND JURY further charges:

1. Paragraphs 1 through 3 of Count One of this indictment are incorporated here.

2. On or about January 2, 2020, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES BONNER,
also known as "Jamie,"

defendant herein, did steal, purloin, and knowingly convert to his own use money of the United States, namely, approximately \$3,393.63 in funds paid from the U.S. Treasury in the form of disability benefits, which funds defendant was not entitled to receive;

In violation of Title 18, United States Code, Section 641.

COUNT THREE

The SPECIAL NOVEMBER 2019 GRAND JURY further charges:

1. Paragraphs 1 through 3 of Count One of this indictment are incorporated here.

2. On or about February 3, 2020, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES BONNER,
also known as "Jamie,"

defendant herein, did steal, purloin, and knowingly convert to his own use money of the United States, namely, approximately \$3,393.63 in funds paid from the U.S. Treasury in the form of disability benefits, which funds defendant was not entitled to receive;

In violation of Title 18, United States Code, Section 641.

COUNT FOUR

The SPECIAL NOVEMBER 2019 GRAND JURY further charges:

1. Paragraphs 1 through 3 of Count One of this indictment are incorporated here.

2. On or about March 2, 2020, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES BONNER,
also known as "Jamie,"

defendant herein, did steal, purloin, and knowingly convert to his own use money of the United States, namely, approximately \$3,393.63 in funds paid from the U.S. Treasury in the form of disability benefits, which funds defendant was not entitled to receive;

In violation of Title 18, United States Code, Section 641.

FORFEITURE ALLEGATION

The SPECIAL NOVEMBER 2019 GRAND JURY alleges:

1. The allegations contained in Counts Two through Four of this indictment are incorporated here for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

2. As a result of his violation of Title 18, United States Code, Section 641 as set forth in the foregoing indictment,

JAMES BONNER,
also known as "Jamie,"

defendant herein, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), any and all right, title and interest in property, real and personal, which constitutes and is derived from proceeds traceable to the charged offenses.

3. The interests of the defendant subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c) include, but are not limited to, approximately \$10,180.

4. If any of the property described above, as a result of any act or omission by defendant: cannot be located upon the exercise of due diligence; has been transferred or sold to, or deposited with, a third party; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty, the United States of America shall be entitled to forfeiture or substitute property, as

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

A TRUE BILL:

FOREPERSON

Signed by Amarjeet Bhachu
on behalf of the
UNITED STATES ATTORNEY