



U.S. Department of Justice

Breon Peace

United States Attorney

Eastern District of New York

*271 Cadman Plaza East
Brooklyn, New York 11201*

FOR IMMEDIATE RELEASE

July 15, 2024

Contact:

John Marzulli

Danielle Blustein Hass

United States Attorney's Office

(718) 254-6323

PRESS RELEASE

**Fraud Investigator and Co-Conspirator Stole Information From New York City
Department of Homeless Services Databases**

Earlier today, in federal court in Brooklyn, Olabanji Otufale and Marc Lazarre pleaded guilty without a plea agreement to conspiracy to commit wire fraud and aggravated identity theft. The proceeding was held before United States District Judge Kiyoo A. Matsumoto. The defendants pleaded guilty as jury selection and trial was set to begin this morning. When sentenced, the defendants each face a maximum sentence of 32 years' imprisonment and a mandatory minimum sentence of 2 years' imprisonment.

Breon Peace, United States Attorney for the Eastern District of New York, Christie M. Curtis, Acting Assistant Director in Charge, Federal Bureau of Investigation, New York Field Office (FBI), and Jocelyn Strauber, Commissioner, New York City Department of Investigation (DOI), announced the guilty pleas.

"The defendants shamefully stole vulnerable homeless victims' personal identifying information for their own personal gain," stated United States Attorney Breon Peace. "Instead of investigating fraud, as the City of New York trusted Otufale to do, the defendants abused Otufale's position and access to sensitive data to commit fraud. That the defendants face a mandatory prison sentence of two years should serve as a deterrent message to others who think about corruptly stealing identities and taxpayer funds."

"Leveraging his position within the New York City Department of Homeless Services, Olbanji Otufale stole homeless individuals' personal information and enlisted a co-conspirator to use these sensitive details for his own financial benefit. The defendants' actions exemplify the harmful abuses of power the FBI is dedicated to preventing, and we applaud the efforts of our office and the Department of Investigation in bringing about this verdict," stated FBI Acting Assistant Director in Charge Curtis.

more

DOI Commissioner Jocelyn E. Strauber said, “These two defendants exploited the intended beneficiaries of public funds to steal those funds for their own gain. Unacceptable under any circumstances, this conduct is particularly troubling because one defendant, a City fraud investigator, had a duty to identify and prevent the very crimes in which he engaged, abusing his access and position of trust and authority. I thank the United States Attorney’s Office for the Eastern District of New York and the FBI for their continued partnership in protecting public funds and holding accountable those who drain these precious resources for personal profit.”

As alleged in the indictment, court filings and statements made in court, in the fall of 2020, the defendants conspired to steal the personal identifying information of homeless individuals and use that stolen information to fraudulently apply for unemployment insurance benefits in the names of those homeless individuals without their knowledge or consent.

At the time of the scheme, Otufale was a fraud investigator with the New York City Department of Homeless Services. In that role, Otufale was responsible for ensuring individuals who applied for homeless services—such as housing in homeless shelters—were qualified to receive New York City Department of Homeless services.

Otufale, however, used his access to a Department of Homeless Services database to steal the personal identifying information—names, social security numbers, dates of birth—of vulnerable victims who had given that personal information to the Department of Homeless Services when they applied for social services. Otufale then texted this victim information to Lazarre who applied online for unemployment benefits in the names of the homeless victims. Otufale and Lazarre conspired to split the fraudulent benefits they received.

The government’s case is being handled by the Office’s Public Integrity Section. Assistant United States Attorneys Sara K. Winik, Laura Zuckerwise and Katherine P. Onyshko are in charge of the prosecution, with assistance from Paralegal Specialist Nadya Osman.

The Defendants:

Olabanji Otufale
Age: 41
Brooklyn, New York

Marc Lazarre
Age: 39
Secaucus, New Jersey

E.D.N.Y. Docket No. 23-CR-170 (KAM)