

Department of Justice
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Southern District of New York

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Former NYPD Sergeant Charged With 9/11 Benefits Fraud

Audrey Strauss, the Acting United States Attorney for the Southern District of New York, Dermot Shea, Police Commissioner of the City of New York ("NYPD"), and Russell W. Cunningham, Special Agent in Charge of the Department of Justice Office of the Inspector General Washington Field Office ("DOJ-OIG"), announced today that SALLY SPINOSA was charged in Manhattan federal court with two counts of making false claims for monetary awards and medical benefits by falsely and materially overstating the amount of time she spent on recovery efforts after the September 11, 2001, attack on New York, as well as one count of aggravated identity theft for submitting a fraudulent affidavit in connection with her benefits application. SPINOSA surrendered this morning and will be presented before Magistrate Judge Kevin Nathaniel Fox in Manhattan this afternoon.

Acting U.S. Attorney Audrey Strauss said: "After the September 11 attacks on New York City, the brave men and women of the NYPD risked their lives and safety to rebuild the City. As alleged, former NYPD sergeant Sally Spinosa exploited her position by brazenly – and falsely – claiming to have worked hundreds of hours in the recovery effort. When law enforcement officers break the laws they are sworn to uphold, they do a disservice to their fellow officers, to the departments that employ them, and to the public they serve. My Office will work tirelessly with our law enforcement partners to uncover and prosecute such conduct."

NYPD Commissioner Dermot Shea said: "There is no place in the NYPD for criminal behavior. I commend Deputy Commissioner Joseph Reznick and Internal Affairs officers for their thorough investigation, in partnership with the U.S. Attorney's Office, Southern District, and the Department of Justice Office of the Inspector General."

DOJ-OIG Special Agent in Charge Russell W. Cunningham said: "The victim compensation funds are meant to provide some relief for victims of the 9/11 terrorist attacks. Spinosa allegedly tried to defraud the government and take benefits from the fund that she did not deserve. The charges brought today show that the DOJ OIG will thoroughly investigate allegations of fraud of these funds."

According to the allegations in the Complaint filed yesterday in Manhattan federal court¹:

Following the attacks on New York and Washington, D.C., on September 11, 2001, Congress created certain programs to provide monetary compensation and medical treatment for victims of the attacks. Specifically, Congress created the September 11th Victim Compensation Fund (the "VCF") to provide compensation for any individual who suffered physical harm or was killed as a result of either the September 11th attacks or the debris removal and recovery efforts that took place in the immediate aftermath of the attacks. Congress also created the World Trade Center Health Program ("WTCHP") to provide, among other things, monitoring and medical treatment benefits for individuals who have or may develop health conditions due to exposure at disaster or recovery sites tied to the September 11th attacks. Both the VCF and the WTCHP are funded by Congress. An individual can be deemed eligible for a VCF award either by submitting medical documents and proof-of-presence documents directly to the VCF, or by going through the WTCHP's process for having a medical condition certified.

SALLY SPINOSA served as an NYPD officer from in or about July 1986 until July 2019, and was a sergeant in the investigations unit of the NYPD's Patrol Services Bureau of Staten Island (the "Staten Island Investigations Unit") on September 11, 2001. In 2010, SPINOSA participated in a screening interview with the WTCHP in which she falsely stated that she worked for hundreds of hours at the Fresh Kills Landfill in Staten Island, New York (the "Landfill"), from September 2001 to June 2002. Similarly, in 2014, SPINOSA applied for a monetary award from the VCF, falsely claiming that she was at the Landfill for two hours each day for 62 straight days from September 20, 2001, to November 20, 2001. In support of her application, SPINOSA submitted proof-of-presence documents, including an affidavit purportedly signed by one of her supervisors at the Staten Island Investigations Unit ("Officer-1") stating that Officer-1 frequently visited the Landfill with SPINOSA to supervise subordinates (the "Officer-1 Affidavit").

However, contrary to SPINOSA's representations to the WTCHP and the VCF, in fact SPINOSA spent little to no time at the Landfill. Indeed, during much of the time SPINOSA claimed to be working at the Landfill, SPINOSA was pregnant and doing limited work outside the Staten Island Investigations Unit's offices, or was out of the office entirely on parental leave. Moreover, the Officer-1 Affidavit that SPINOSA submitted in support of her VCF application was fraudulent and was never signed by Officer-1.

Nevertheless, and based on her false and fraudulent misrepresentations, in or around 2017 the WTCHP granted her benefits. The WTCHP has since paid for certain medical visits and prescription drugs for SPINOSA. While SPINOSA's original fraudulent application to the VCF was denied in 2014, she reapplied in 2017 and 2018 relying on the same false and fraudulent information. SPINOSA's VCF claim remains pending.

* * *

SPINOSA, 55, of Freehold, New Jersey, has been charged with one count of submitting false claims, which carries a maximum penalty of five years in prison, one count of wire fraud, which carries a maximum penalty of 20 years in prison, and one count of aggravated identity theft, which carries a mandatory penalty of two years in prison. The maximum potential sentences are prescribed by Congress and are provided here for informational purposes only, as any sentencing of the defendant will be determined by the judge.

Ms. Strauss praised the investigative work of the NYPD's Internal Affairs Bureau and DOJ-OIG.

This case is being handled by the Office's Public Corruption Unit. Assistant United States Attorneys Kedar S. Bhatia and Catherine E. Ghosh are in charge of the prosecution.

The charges contained in the Complaint are merely accusations and the defendant is presumed innocent unless and until proven guilty.

[1] As the introductory phrase signifies, the entirety of the text of the Complaint and the description of the Complaint set forth herein constitute only allegations, and every fact described should be treated as an allegation.