



PRESS RELEASE

## Former Union President Admits Filing False Report to Hide Embezzlement; Agrees to Repay Union \$36,000

Thursday, June 15, 2023

### For Immediate Release

U.S. Attorney's Office, Southern District of California

SAN DIEGO - Felix Luciano, the former President of Local 2805 chapter of the American Federation of Government Employees and former Department of Homeland Security officer, pleaded guilty in federal court today, admitting he filed a false report to conceal his embezzlement of thousands of dollars in union dues.

Local 2805 is a labor union which represents Department of Homeland Security, Immigration and Customs Enforcement employees in San Diego and Imperial Counties. Additionally, Luciano agreed to pay a \$10,000 fine and repay Local 2805 \$36,000 as money that he embezzled.

According to court records, Luciano was president of Local 2805. From January of 2016 to December of 2018, Luciano used some of Local 2805's money for a variety of personal expenses, including shopping, travel reimbursements, groceries, dining, dry cleaning, and paying for non-union accounts. He did this by writing checks from Local 2805's checking account and using Local 2805's debit and credit cards to directly pay personal expenses. As a result of Luciano's actions, he caused a total loss of \$36,000 to Local 2805.

As Local 2805's president, Luciano was required to file an annual Form LM-3 financial report with the United States Department of Labor, Office of Labor-Management Standards. A Form LM-3 is a report containing information about the organization over the prior year, including assets, liabilities, and disbursements to officers. A Form LM-3 is sworn under penalty of perjury. In the LM-3 report he filed in 2018, Luciano underreported the amount of money that he received from Local 2805 and Local 2805's cash balance. In doing so, Luciano attempted to hide his embezzlement from the Department of Labor, his fellow union officers, as well as the union membership whose dues were the source of the embezzled funds.

"When workers, who are the backbone of our community, devote their hard-earned money to labor unions, they rightly expect the officers to be honest stewards of their dues," said U.S. Attorney Randy Grossman. "Felix Luciano abused the trust of the ICE government employees represented by Local 2805 by using the union's money for his own personal benefit and enrichment, and then filed a false financial report that concealed the misappropriation of those funds." Grossman thanked the prosecution team and investigation agencies for their work on this case.

"While the vast majority of union officials do their work diligently and without incident, unfortunately criminal violations do occur. When they do, it is the union and its members that are the victims. Felix Luciano embezzled over \$36,000 from AFGE Local 2805 that should have been used for its members' benefit," said Ed Oquendo, District Director, U.S. Department of Labor, Office of Labor-Management Standards. "OLMS is committed to hold accountable anyone who unlawfully exploits their position for financial gain at the expense of their fellow union members."

Carroll Harris, Postal Inspector in Charge of the Los Angeles Division stated, “This investigation was an excellent example of a partnership between federal law enforcement agencies, working together in the pursuit of justice. I fully commend the hard work and countless hours put forth by all the law enforcement agencies involved.”

Luciano is scheduled to be sentenced on September 15, 2023 at 9:00 a.m. before U.S. District Judge Jinsook Ohta.

DEFENDANT                      Case No. 22CR2201-JO

Felix Luciano                      Age: 61                      San Diego, California

#### SUMMARY OF CHARGE

False Statement, a felony, in violation of Title 18, United States Code, Section 1001.

Maximum Penalty: Five years in custody; a fine of \$250,000

#### INVESTIGATING AGENCIES

Department of Labor, Office of Labor Management Standards

Department of Labor, Office of Inspector General

Department of Homeland Security, Office of Inspector General

United States Postal Inspection Service

#### Contact

Assistant U.S. Attorney Christopher M. Alexander (619-546-6665)