

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

FILED
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UNITED STATES OF AMERICA

v.

Case No. 3:24-cr-192-TJC-LLL
18 U.S.C. § 1349
18 U.S.C. § 371

EDUARDO ANIBAL ESCOBAR
CARLOS ALBERTO RODRIGUEZ
ADELMY TEJADA

INDICTMENT

The Grand Jury charges:

COUNT ONE
(Wire Fraud Conspiracy)

A. Introduction

At all times material to this Indictment:

1. T. Escobar Construction, LLC (“TEC”), was a corporation registered with the Florida Department of State. TEC was first registered on or about November 21, 2013. Records of the Florida Department of State reflected that TEC’s principal place of business was at 10431 Rocking A Run in Orlando, in the Middle District of Florida, and that the defendant ADELMY TEJADA was a manager and registered agent of the corporation. The records reflected that on March 28, 2017, the address of TEC’s principal place of business was changed to 10261 Cody Lane in Orlando. Records for the period of March 10, 2015, through

February 9, 2022, reflected that the defendant EDUARDO ANIBAL ESCOBAR was an owner and manager of the corporation.

2. C. Escobar Construction, LLC (“CEC”), was a corporation registered with the Florida Department of State. CEC was first registered on or about January 14, 2015. Records of the Florida Department of State reflected that CEC’s principal place of business was at 7591 University Boulevard in Winter Park, in the Middle District of Florida, and that the defendant CARLOS ALBERTO RODRIGUEZ was a manager and registered agent of the corporation. The records reflected that on February 8, 2017, the address of CEC’s principal place of business was changed to 10261 Cody Lane in Orlando, in the Middle District of Florida. Records for the period of January 14, 2015, through February 28, 2017, reflected that the defendant EDUARDO ANIBAL ESCOBAR was a manager of the corporation and records for the period of February 7, 2018, through March 6, 2020, reflected that the defendant ADELMY TEJADA was a manager of the corporation.

3. Under Florida law, any contractor or subcontractor who engages in any public or private construction must secure and maintain workers’ compensation insurance. See Fla. Stat. §§ 440.10(1)(a) & 440.38(1). A contractor must require a subcontractor to provide it with evidence that it has workers’ compensation insurance for its workers. Fla. Stat. § 440.10(c). Failure to maintain workers’ compensation insurance is a felony. Fla. Stat. § 440.105(4)(a) & (f).

4. Proof of workers' compensation insurance is generally provided in the form of a Certificate of Liability Insurance ("COI") declaring that the contractor or subcontractor has the insurance coverage. The certificate states only that the contractor or subcontractor has workers' compensation insurance and does not include the number of workers or the amount of payroll covered by the insurance policy.

B. Charge

From in or about January 2015 through in or about August 2024, in the Middle District of Florida, and elsewhere, the defendants,

EDUARDO ANIBAL ESCOBAR,
CARLOS ALBERTO RODRIGUEZ,
ADELMY TEJADA,

did knowingly and intentionally, combine, conspire, confederate, and agree with each other and with other persons, known and unknown, to transmit and cause to be transmitted by wire in interstate commerce writings, signs, signals, pictures, sounds, and communications, having devised and intended to devise a scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent representations concerning workers' compensation insurance, as more fully described herein, for the purpose of executing such scheme and artifice and attempting to do so, in violation of 18 U.S.C. § 1343.

C. Manner and Means

The manner and means by which the conspirators carried out the conspiracy and the scheme and artifice to defraud included, but were not limited to, the following:

1. On or about December 8, 2014, TEJADA, on behalf of TEC, caused to be submitted a Florida Workers Compensation Application to Frank Winston Crum Insurance (“Crum Insurance”). The application represented that the workers’ compensation insurance would cover an estimated total annual payroll of \$50,000.

2. The submission of the workers’ compensation insurance application caused Crum Insurance to issue a workers’ compensation insurance policy to TEC. The policy covered the period of December 20, 2014, to December 20, 2015. The estimated annual premium for the policy was approximately \$4,285, which was based on the information provided in the application, including the estimated payroll to be covered.

3. On or about November 12, 2015, ESCOBAR, on behalf of TEC, caused to be submitted a Florida Workers Compensation Application to Crum Insurance. The application represented that the workers’ compensation insurance would cover an estimated total annual payroll of \$100,000.

4. The submission of the workers’ compensation insurance application caused Crum Insurance to issue a workers’ compensation insurance policy to TEC. The policy covered the period of December 20, 2015, to December 20, 2016. The

estimated annual premium for the policy was approximately \$10,284, which was based on the information provided in the application, including the estimated payroll to be covered.

5. On or about June 8, 2016, ESCOBAR, on behalf of TEC, caused to be submitted, by electronic transmission in interstate commerce, a Florida Workers Compensation Application to Summit Consulting, LLC. The application represented that the workers' compensation insurance would cover an estimated total annual payroll of \$100,000.

6. The submission of the workers' compensation insurance application caused BusinessFirst Insurance Company ("BusinessFirst") to issue a workers' compensation insurance policy to TEC. The policy covered the period of June 3, 2016, to June 3, 2017. The estimated annual premium for the policy was approximately \$12,064, which was based on the information provided in the application, including the estimated payroll to be covered.

7. In or about May 2017, ESCOBAR caused the workers' compensation insurance policy with BusinessFirst to be renewed. The renewed policy covered the period of June 3, 2017, to June 3, 2018. The estimated annual premium for the policy was approximately \$11,292, which was based on the information provided in the May 2016 application, including the estimated payroll of \$100,000.

8. On or about February 23, 2018, ESCOBAR, on behalf of TEC, caused to be submitted, by electronic transmission in interstate commerce, a Florida

Workers Compensation Application to Ohio Security Insurance Company (“Ohio Security”). The application represented that the workers’ compensation insurance would cover an estimated annual payroll of \$125,000.

9. The submission of the workers’ compensation insurance application caused Ohio Security to issue a workers’ compensation insurance policy to TEC. The policy covered the period of February 22, 2018, to February 22, 2019. The estimated annual premium for the policy was approximately \$11,575, which was based on the information provided in the application, including the estimated payroll to be covered.

10. On or about February 21, 2018, ESCOBAR engaged, and caused to be engaged, Paychex, Inc., to provide payroll services for TEC. These services included issuing payroll checks to employees, deducting from the employees’ wages their share of payroll taxes owed, such as for Medicare and Social Security, and making quarterly payments to the Internal Revenue Service that included both the employees’ share and the employer’s share of the payroll taxes owed.

11. When TEC engaged Paychex, Inc., to provide payroll services, it entered into a Paychex Workers’ Compensation Agreement by which TEC paid a weekly premium for workers’ compensation insurance that was based on the amount of payroll TEC reported to Paychex for that week.

12. In or about February 2019, ESCOBAR caused the workers’ compensation insurance policy with Ohio Security to be renewed. The renewed

policy covered the period of February 22, 2019, to February 22, 2020. The estimated annual premium for the policy was approximately \$11,575, which was based on the information provided in the February 2018 application, including the estimated payroll of \$125,000.

13. On or about August 15, 2019, RODRIGUEZ, on behalf of CEC, caused to be submitted, by electronic transmission in interstate commerce, a Florida Workers Compensation Application to Liberty Mutual Group (“Liberty Mutual”). The application represented that the workers’ compensation insurance would cover an estimated annual payroll of \$150,000.

14. The submission of the workers’ compensation insurance application caused Liberty Mutual to issue a workers’ compensation insurance policy to CEC. The policy covered the period of August 7, 2019, to August 7, 2020. The estimated annual premium for the policy was approximately \$15,780, which was based on the information provided in the application, including the estimated payroll to be covered.

15. On or about August 8, 2019, RODRIGUEZ engaged, and caused to be engaged, ADP, LLC (“ADP”), to provide payroll services for CEC. These services included issuing payroll checks to employees, deducting from the employees’ wages their share of payroll taxes owed, such as for Medicare and Social Security, and making quarterly payments to the Internal Revenue Service that included both the employees’ share and the employer’s share of the payroll taxes owed.

16. When CEC engaged ADP to provide payroll services, it utilized a “Pay-by-Pay Premium” program, through which CEC paid a weekly premium for workers’ compensation insurance that was based on the amount of payroll CEC reported to ADP for that week.

17. On or about August 11, 2022, RODRIGUEZ, on behalf of CEC, caused to be submitted, by electronic transmission in interstate commerce, a Florida Workers Compensation Application to Cornerstone Underwriting Partners, LLC. The application represented that the workers’ compensation insurance would cover an estimated annual payroll of \$143,000.

18. The submission of the workers’ compensation insurance application caused Accredited Surety and Casualty Company, Inc., to issue a workers’ compensation insurance policy to CEC. The policy covered the period of August 12, 2022, to August 12, 2023. The estimated annual premium for the policy was approximately \$9,770, which was based on the information provided in the application, including the estimated payroll to be covered.

19. In or about August 2023, RODRIGUEZ caused the workers’ compensation insurance policy with Accredited to be renewed. The renewed policy covered the period of August 12, 2023, to August 12, 2024. The estimated annual premium for the policy was approximately \$13,750, which was based on the information provided in the August 2022 application, including the estimated payroll of \$143,000.

20. Although the workers' compensation insurance premiums charged by the insurance companies were based on the limited payroll reflected in the workers' compensation insurance applications and reported by TEC and CEC, the defendants "rented" TEC's and CEC's workers' compensation insurance to numerous construction subcontractors located in the Middle District of Florida.

21. During the period of the conspiracy, the defendants provided, and caused to be provided, hundreds of COIs to construction contractors in the Middle District of Florida. Some of the COIs were provided by electronic transmission in interstate commerce. The purpose of providing the COIs to the contractors was to help carry out the scheme to defraud by falsely representing that the subcontractors worked for TEC and CEC and therefore had workers' compensation insurance as required by Florida law. This false representation allowed the subcontractors to whom the defendants "rented" their workers' compensation insurance to obtain contracts with the construction contractors.

22. The contractors wrote payroll checks to TEC and CEC for work performed by the subcontractors. The defendants deposited the payroll checks, or caused them to be deposited, into accounts at federally insured financial institutions.

23. During the period of the conspiracy, the defendants deposited and caused to be deposited more than 22,700 payroll checks totaling more than \$146,600,000, of which the defendants retained approximately 6% to 8%, or a total of approximately \$8,796,000 to \$11,728,000, as a fee.

24. The defendants distributed the payroll remaining after deduction of the fee, and caused it to be distributed, to construction workers, usually through work crew leaders. Many of the workers were undocumented aliens working illegally in the United States.

25. Although the insurance companies believed they were providing coverage for the limited payroll reflected in the workers' compensation insurance applications and reported by TEC and CEC, the defendants' actions caused the insurance companies to unknowingly provide coverage for approximately \$146,600,000 in payroll during the period of the conspiracy. If the insurance companies had known the amount of payroll they were in fact covering, they would have charged additional annual premiums totaling at least approximately \$12,992,908.

26. Neither TEC nor CEC nor the contractors nor the subcontractors provided adequate workers' compensation insurance for the workers.

27. The defendants' fraudulent scheme facilitated the concealment of the employment of undocumented aliens working illegally in the United States.

28. By funneling payroll through TEC and CEC, the contractors and subcontractors could disclaim responsibility for ensuring (1) that adequate workers' compensation insurance was provided, (2) that required federal payroll taxes were paid, and (3) that the workers were legally authorized to work in the United States.

All in violation of 18 U.S.C. § 1349.

COUNT TWO
(Tax Fraud Conspiracy)

A. Introduction

Part A of Count One of this Indictment is realleged and incorporated herein.

B. Charge

From in or about January 2015 through in or about August 2024, in the Middle District of Florida, and elsewhere, the defendants,

EDUARDO ANIBAL ESCOBAR,
CARLOS ALBERTO RODRIGUEZ,
ADELMY TEJADA,

did knowingly and willfully conspire, combine, confederate, and agree with other persons, known and unknown, to defraud the United States for the purpose of impeding, impairing, obstructing, and defeating the lawful government functions of the Internal Revenue Service (“IRS”) in the ascertainment, computation, assessment, and collection of federal payroll taxes, specifically Federal Insurance Contributions Act (“FICA”) taxes (Social Security tax and Medicare tax) and federal income tax.

C. Manner and Means

Part C of Count One of this Indictment is realleged and incorporated herein.

D. Overt Acts

In furtherance of the conspiracy, and to effect the objects thereof, the following overt acts, among others, were committed in the Middle District of Florida, and elsewhere:

1. On or about February 21, 2018, ESCOBAR engaged, and caused to be engaged, Paychex, Inc., to provide payroll services for TEC.

2. On or about August 8, 2019, RODRIGUEZ engaged, and caused to be engaged, ADP to provide payroll services for CEC.

3. In or about April 2015, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in March 2015, which reported that TEC had two employees with total wages, tips, and other compensation of \$5,200.

4. In or about July 2015, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in June 2015, which reported that TEC had two employees with total wages, tips, and other compensation of \$6,000.

5. In or about October 2015, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in September 2015, which reported that TEC had four employees with total wages, tips, and other compensation of \$9,600.

6. In or about January 2016, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in December 2015, which reported that TEC had three employees with total wages, tips, and other compensation of \$7,800.

7. In or about April 2016, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in March 2016, which reported that TEC had four employees with total wages, tips, and other compensation of \$9,000.

8. In or about July 2016, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in June 2016, which reported that TEC had zero employees with total wages, tips, and other compensation of \$8,000.

9. In or about October 2016, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in September 2016, which reported that TEC had four employees with total wages, tips, and other compensation of \$13,000.

10. In or about January 2017, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in December 2016, which reported that TEC had three employees with total wages, tips, and other compensation of \$10,400.

11. In or about April 2017, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in March 2017, which reported that TEC had four employees with total wages, tips, and other compensation of \$10,400.

12. In or about July 2017, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in June 2017, which reported that TEC had four employees with total wages, tips, and other compensation of \$10,400.

13. In or about October 2017, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in September 2017, which reported that TEC had four employees with total wages, tips, and other compensation of \$10,400.

14. In or about January 2018, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in December 2017, which reported that TEC had five employees with total wages, tips, and other compensation of \$19,400.

15. In or about April 2018, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in March 2018, which reported that TEC had five employees with total wages, tips, and other compensation of \$22,000.

16. In or about April 2018, the defendants filed and caused to be filed with the IRS, on behalf of CEC, a Form 941 for the quarter ending in March 2018, which reported that CEC had two employees with total wages, tips, and other compensation of \$4,800.

17. In or about July 2018, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in June 2018, which reported that TEC had six employees with total wages, tips, and other compensation of \$28,400.

18. In or about July 2018, the defendants filed and caused to be filed with the IRS, on behalf of CEC, a Form 941 for the quarter ending in June 2018, which reported that CEC had zero employees with total wages, tips, and other compensation of \$1,600.

19. In or about October 2018, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in September 2018, which reported that TEC had eight employees with total wages, tips, and other compensation of \$37,000.

20. In or about January 2019, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in December 2018, which reported that TEC had eight employees with total wages, tips, and other compensation of \$5,200.

21. In or about April 2019, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in March 2019, which reported that TEC had eight employees with total wages, tips, and other compensation of \$37,800.

22. In or about July 2019, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in June 2019, which reported that TEC had nine employees with total wages, tips, and other compensation of \$39,000.

23. In or about October 2019, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in September 2019, which reported that TEC had two employees with total wages, tips, and other compensation of \$23,200.

24. In or about October 2019, the defendants filed and caused to be filed with the IRS, on behalf of CEC, a Form 941 for the quarter ending in September 2019, which reported that CEC had four employees with total wages, tips, and other compensation of \$11,200.

25. In or about January 2020, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in December 2019, which reported that TEC had two employees with total wages, tips, and other compensation of \$5,200.

26. In or about January 2020, the defendants filed and caused to be filed with the IRS, on behalf of CEC, a Form 941 for the quarter ending in December 2019, which reported that CEC had eight employees with total wages, tips, and other compensation of \$34,600.

27. In or about April 2020, the defendants filed and caused to be filed with the IRS, on behalf of TEC, a Form 941 for the quarter ending in March 2020, which reported that TEC had zero employees with total wages, tips, and other compensation of \$4,200.

28. In or about April 2020, the defendants filed and caused to be filed with the IRS, on behalf of CEC, a Form 941 for the quarter ending in March 2020, which reported that CEC had eight employees with total wages, tips, and other compensation of \$38,700.

29. In or about July 2020, the defendants filed and caused to be filed with the IRS, on behalf of CEC, a Form 941 for the quarter ending in June 2020, which reported that CEC had eleven employees with total wages, tips, and other compensation of \$42,850.

30. In or about October 2020, the defendants filed and caused to be filed with the IRS, on behalf of CEC, a Form 941 for the quarter ending in September 2020, which reported that CEC had eleven employees with total wages, tips, and other compensation of \$44,675.

31. In or about January 2021, the defendants filed and caused to be filed with the IRS, on behalf of CEC, a Form 941 for the quarter ending in December 2020, which reported that CEC had seven employees with total wages, tips, and other compensation of \$39,575.

32. In or about April 2021, the defendants filed and caused to be filed with the IRS, on behalf of CEC, a Form 941 for the quarter ending in March 2021, which reported that CEC had seven employees with total wages, tips, and other compensation of \$40,950.

33. In or about July 2021, the defendants filed and caused to be filed with the IRS, on behalf of CEC, a Form 941 for the quarter ending in June 2021, which reported that CEC had eight employees with total wages, tips, and other compensation of \$42,950.

34. For the period of January 2015 through July 2021, TEC and CEC reported to the IRS a total of approximately \$632,500 in wages, tips, and other compensation to employees, from which approximately \$138,980 in federal payroll taxes was deducted and paid to the IRS.

35. During the period of the conspiracy, the defendants deposited and caused to be deposited more than 22,700 payroll checks totaling more than \$146,600,000.

36. Other than the tax payments made to the IRS on behalf of TEC and CEC reflected in the Forms 941, neither TEC nor CEC nor the contractors nor the subcontractors paid either the workers' portion or the employers' portion of federal payroll taxes, such as for Medicare and Social Security, to the appropriate government authorities on the approximately \$146,600,000 in payroll funneled through TEC and CEC.

37. For the period of January 2015 through July 2021, the defendants caused a tax loss to the IRS in the total amount of at least approximately \$26,565,976.

All in violation of 18 U.S.C. § 371.

FORFEITURE

1. The allegations contained in Count One are incorporated by reference for the purpose of alleging forfeiture pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).

2. Upon conviction of a conspiracy to violate 18 U.S.C. § 1343, in violation of 18 U.S.C. § 1349, the defendants shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the violation.

3. The property to be forfeited includes, but is not limited to, the following:

- a. an order of forfeiture for at least \$8,796,000, which represents the proceeds the defendants obtained as a result of the conspiracy and scheme to defraud alleged in Count One;
- b. Real property, including all improvements thereon and appurtenances thereto, located at 130 Balsam Drive, Orlando, Florida 32807, the legal description for which is:
Lot 3, Block H, Azalea Park Section Three, according to the plat thereof as recorded in Plat Book S, Pages 118 and 119, Public Records of Orange County, Florida

Parcel Identification Number: 27-22-30-0384-08-030

Record Owners: Nelson A. Escobar and Eduardo A. Escobar Pineda; and

- c. Real property, including all improvements thereon and appurtenances thereto, located at 1325 Park Manor Drive, Orlando, Florida 32815, the legal description for which is:

Lot 19, Block C, Park Manor Estates, Section 1, according to the plat thereof, recorded in Plat Book X, Page 79, Public Records of Orange County Florida

Parcel Identification Number: 21-22-31-6686-03-190

Record Owners: Eduardo Escobar and Carlos Rodriguez.

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

- 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 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c).

A TRUE BILL,



ROGER B. HANDBERG
United States Attorney

By:

A blue ink signature of Arnold B. Corsmeier.

ARNOLD B. CORSMEIER
Assistant United States Attorney

By:

A blue ink signature of Michael J. Coolican.

MICHAEL J. COOLICAN
Assistant United States Attorney
Deputy Chief, Jacksonville Division

No.

UNITED STATES DISTRICT COURT
Middle District of Florida
Jacksonville Division

THE UNITED STATES OF AMERICA

vs.

EDUARDO ANIBAL ESCOBAR
CARLOS ALBERTO RODRIGUEZ
ADELMY TEJADA

INDICTMENT

Violations: 18 U.S.C. §§ 371 and 1349

A true bill,

Fo

Filed in open court this 28th day

of August, 2024.

Angel Juncher
Clerk

Bail \$ _____