



DEPARTMENT OF THE ATTORNEY GENERAL

News Release

LINDA LINGLE
GOVERNOR

Mark J. Bennett, Attorney General
Phone: (808) 586-1282
Fax: (808) 586-1239

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JAIL FOR WELFARE & TAX FRAUD

HONOLULU-Attorney General Mark Bennett announced today that: On November 3, 2003, First Circuit Court Judge Karen S. S. Ahn, denied requests by Alaska residents Felise Fainuu, 34, and Julieta Fainuu, 32, to defer their pleas of no contest to one count of theft in the first degree, two counts of theft in the second degree and two counts of filing fraudulent state income tax returns and sentenced them for those offenses.

Mr. and Mrs. Fainuu are the parents of five young children. They are expecting their sixth child in January. Judge Ahn sentenced the defendants to five years probation with the special conditions that they pay restitution to the State of Hawaii in the total amount of \$144,483.00, spend thirty days in jail, and perform 100 hours of community service.

Investigation by the Department of Human Services revealed that between 1995 and 2002, Mr. and Mrs. Fainuu, who were then living in Waipahu, concealed from welfare and housing authorities that Mr. Fainuu was living in the home and employed. A review of their tax records showed that they were also filing fraudulent state income tax returns in order to obtain tax refunds that they were not entitled to receive.

On November 3, 2003, Waimanalo resident Holly Billups, 27, pled guilty to one count of theft in the first degree before First Circuit Court Judge Michael A. Town. Investigation by the Department of Human Services revealed that between 1994 and 2001, Ms. Billups fraudulently received more than \$58,000 in welfare benefits by concealing from authorities that the father of her minor children was in the home and employed. Sentencing is set for January 12, 2003.

On October 29, 2003, First Circuit Court Judge Michael D. Wilson denied a request by Kalihi resident Salote Mu, 31, to defer her plea of no contest to one count of theft in the first degree and sentenced her for that offense. Ms. Mu, the mother of four minor children, was placed on probation for a period of five years. She was also ordered to pay restitution to the State of Hawaii in the amount of \$96,668 and to perform 150 hours of community service.

Investigation by the Department of Human Services revealed that between 1995 and 2002, Ms. Mu fraudulently received financial assistance, food stamp benefits, childcare benefits and medical benefits by concealing from the government that the biological father of her minor children was in the home and employed.

Theft in the first degree is a class "B" felony punishable by up to ten years in prison and a fine of \$25,000 or twice the pecuniary gain from the crime whichever is greater.

Theft in the second degree is a class "C" felony punishable by up to five years in prison and a fine of \$10,000 or twice the pecuniary gain from the crime whichever is greater.

Filing a fraudulent state income tax return is a class "C" felony punishable by up to three years in prison and a fine of \$100,000.

Anyone having information concerning welfare fraud should call the Welfare Fraud Hotline at (808) 587-8444.

Anyone having information concerning tax crimes should call tax investigators (808) 587-1795.

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For more information, contact:
Office of the Attorney General
Phone: (808) 586-1500

For detailed information, contact:
Ricky R. Damerville
Deputy Attorney General,
Criminal Justice Division
Telephone: (808) 586-1160

Email: hawaiiag@hawaii.gov
