



Department of Justice

U.S. Attorney's Office
Southern District of Texas

Tim Johnson • Acting United States Attorney

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HOUSTON RESIDENT PLEADS GUILTY TO FEMA FRAUD SCHEME

(HOUSTON) - Phyllis Ann Taylor, 28, of Houston, has pleaded guilty to mail fraud and aggravated identity theft in connection with her operation of a scheme to file fraudulent claims with FEMA for Hurricanes Katrina and Rita disaster assistance, Acting United States Attorney Tim Johnson announced today. Taylor is the 80th person convicted in the Southern District with fraud relating to Hurricanes Katrina and Rita. A total of 89 persons have been charged in this district with FEMA fraud related charges.

At a hearing this morning before United States District Judge David Hittner, Taylor pleaded guilty to one count of mail fraud and one count of aggravated identity theft. Taylor faces up to 20 years in prison and a fine of up to \$250,000 for the mail fraud conviction. The aggravated identity theft conviction results in a mandatory two-year sentence that must be served consecutive to the mail fraud sentence. The court can also order Taylor to pay up to \$92,000 in restitution. Judge Hittner has set sentencing for Feb. 13, 2009, at 9:45 a.m. In custody since her September 2008 arrest, Taylor will remain in federal custody pending sentencing.

Today, Taylor admitted filing a dozen claims with FEMA for Katrina and Rita assistance using slight variations of her name. After the first claim in which she listed her actual residence at the time of Katrina in Marrero, La., Taylor began using false damaged residences in New Orleans for the Katrina claims and Lake Charles for the Rita claims. While her first claim included her actual Social Security number, claims filed thereafter

included Social Security numbers belonging to other individuals. Taylor had the FEMA disaster assistance checks mailed to her in Houston.

This case was investigated by the Department of Homeland Security Office of Inspector General and is being prosecuted by Assistant United States Attorney Gregg Costa.

The United States Attorney's Office for the Southern District of Texas (SDTX) is a member of the Department of Justice's Hurricane Katrina Fraud Task Force, created to deter, detect and prosecute unscrupulous individuals who try to take advantage of the Hurricane Katrina and Hurricane Rita disasters. The Task Force is comprised of federal, state and local law enforcement investigating agencies and the United States Attorney's Offices in the Gulf Coast region and nationwide.

Taylor was also the first person charged in the SDTX with fraud for filing a false emergency disaster assistance claim as a result of Hurricane Ike. Her false claim was discovered before the claim was paid.

Anyone suspecting criminal activity involving disaster assistance programs can make an anonymous report by calling the toll-free Hurricane Relief Fraud Hotline, 1-866-720-5721 or contacting the Disaster Fraud Fax at 1-225-334-4707 or the Disaster Fraud e-mail at disaster@leo.gov, 24 hours a day, seven days a week until further notice. Information can also be e-mailed to the inspector general at dhsou hotline@dhs.gov or sent by surface mail, with as many details as possible, to:

National Center for Disaster Fraud

Baton Rouge, LA 70821-4909

or

Department of Homeland Security
Washington, DC. 20528
Attn: Office of Inspector General, Hotline

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