



U.S. Department of Justice

*United States Attorney
District of Maine*

*Margaret Chase Smith Federal Building (207) 945-0373
202 Harlow Street, Room 111 Fax No. (207) 945-0319
Bangor, ME 04401 TTY No. (207) 945-0307
www.usdoj.gov/usao/me*

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Contact: F. Todd Lowell
Supervisory Asst. United States Attorney
Tel: (207) 945-0373

Florida Woman Sentenced for VA Pension Benefits Fraud and HUD Fraud

Bangor, Maine: United States Attorney Paula D. Silsby announced that **Lorraine M. Rich**, age 58 years, of Florida, was sentenced on June 8, 2009, in U.S. District Court in Bangor, Maine, to 4 months of imprisonment, restitution to the Department of Veterans Affairs and the Department of Housing and Urban Development, a \$200 special assessment, and 3 years supervised release, for the federal crimes of false statements to HUD and theft of government property.

Court records reveal that in 1999, Rich became the fiduciary federal payee to receive VA benefits for her aunt, the surviving spouse of a deceased veteran. Rich agreed in writing to use the money from the VA for the benefit of her aunt, and she agreed to immediately notify the VA of the death of her aunt. However, following the death of her aunt in April 2004, Rich did not notify the VA. Between April 2004 and September 2006, Rich continued to receive the VA benefits (for the benefit of her aunt) and used the money for her own personal expenses. Also, beginning in 2004, Rich lived in housing subsidized by HUD. When claiming eligibility to receive that subsidized housing, Rich did not report the income from the VA to HUD. Had she done so, she would have been ineligible to live in the housing subsidized by HUD. Rich fraudulently received \$32,875.00 from the VA and HUD.

United States Attorney Silsby praised the investigation conducted by the Department of Veterans Affairs and the Department of Housing and Urban Development.

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