



Department of Justice

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GULFPORT WOMAN ARRAIGNED ON KATRINA FRAUD

Gulfport, Miss. – Julietta Labounty, 66, of Gulfport, MS, appeared before U.S. Magistrate Judge Robert H. Walker in Federal Court today for arraignment on fraud charges related to Hurricane Katrina, U.S. Attorney Donald R. Burkhalter today. Labounty was indicted by a federal grand jury on charges of stealing government money, filing false claims, and making false statements.

The indictment alleges that Labounty filed for and received assistance from FEMA by claiming she was displaced from a house in Long Beach at which she did not reside at the time of Hurricane Katrina. Labounty received \$4,358.00 from FEMA. She faces a maximum penalty of 10 years in prison and fines of up to \$250,000.00. She is scheduled for trial before U.S. Senior District Judge Walter Gex on June 7, 2010.

This case was investigated by the U.S. Department of Homeland Security's Office of Inspector General.

In September, 2005, former Attorney General Alberto R. Gonzales created the national Hurricane Katrina Fraud Task Force, designed to deter, investigate and prosecute disaster-related federal crimes such as charity fraud, identity theft, procurement fraud and insurance fraud. The Hurricane Katrina Fraud Task Force - chaired by Assistant Attorney General for the Criminal Division, Lanny A. Breuer, includes members from the FBI, Department of Homeland Security Office of Inspector General, the Federal Trade Commission, the Department of Labor Office of Inspector General, the Postal Inspector's Office and the Executive Office of United States Attorneys, among others.

Pursuant to the Justice Department initiative, a local Katrina Fraud Task Force, consisting of over 20 Federal and State law enforcement agencies, was formed in the Southern District of Mississippi to pursue and prosecute individuals who engage in fraud associated with the hurricanes.

If anyone has information concerning possible fraud being committed during the post-Katrina recovery effort, please call either the DHS-OIG Fraud Hotline at 1-866-720-5721 or the FBI Fraud Hotline at 1-800-225-5324.

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