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FORMER LAW FIRM EMPLOYEE CHARGED WITH
\$18,951 SECTION 8 HOUSING FRAUD

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, and ROSE GILL HEARN, the Commissioner of the New York City Department of Investigation ("DOI"), announced that SANDRA LOPEZ, a former law firm paralegal, was charged today in Manhattan federal court for failing to state her employment income in order to obtain Section 8 housing subsidies to which she was not entitled. LOPEZ surrendered earlier this morning to federal authorities. According to the Complaint filed in Manhattan federal court:

Section 8 is funded by the U.S. Department of Housing and Urban Development ("HUD") and administered by the New York City Housing Authority ("NYCHA"). Under the Program, low-income individuals who meet certain eligibility requirements obtain rental assistance payments to make up the difference between what the tenant can afford and the rent charged by the Section 8 landlord. Persons accepted in the Program must certify annually their income, assets, household composition, and income of household members. Once a tenant is accepted, NYCHA sends the assistance payments directly to the Section 8 landlord.

LOPEZ resided in two different Section 8 subsidized apartments in the Bronx and reported in late December 2004 and mid-September 2005 that she was not employed. In fact, however, LOPEZ was working during that time period as a Secretary/Paralegal for a law firm and her annual income was approximately \$55,000. Based on LOPEZ's failure to report to NYCHA her income from employment, she collected approximately \$18,951 in Section 8 benefits to which she was not entitled for

the period January 2005 to October 2006.

LOPEZ, 35, of Rahway, New Jersey, has been charged with one count of theft of government funds, which carries a maximum sentence of ten years in prison.

Mr. GARCIA praised the investigative work of the New York City Department of Investigation.

Assistant United States Attorney CARRIE H. COHEN is in charge of the prosecution.

The charge and allegations contained in the Complaint are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

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