



# Department of Justice

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## **FAYETTEVILLE, NC WOMAN PLEADS GUILTY IN FRAUD CASE INVOLVING FALSE CLAIMS TO FEMA AND THE GULF COAST CLAIMS FACILITY**

**RALEIGH** - United States Attorney George E.B. Holding, Eastern District of North Carolina and Assistant Attorney General Lanny A. Breuer of the Criminal Division today, announced that Charlette Johnson, aka Charlotte Johnson, pleaded guilty yesterday to charges related to the submission of false claims to the Federal Emergency Management Agency (FEMA) for disaster relief and false claims to the Gulf Coast Claims Fund Facility (GCCF) for compensation due to the Deepwater Horizon oil spill.

Johnson, 41, of Fayetteville, North Carolina, pleaded guilty before Senior United States District Judge W. Earl Britt to two counts of submitting false claims to a federal agency, eight counts of wire fraud, and two counts of aggravated identity theft. Johnson was the first person in the country to be charged with submitting a false claim to the GCCF.

According to a superseding indictment returned on Nov. 24, 2010, Johnson submitted false claims to FEMA for disaster relief related to Hurricane Katrina and wildfires in California. Johnson submitted one false claim to FEMA for rental assistance and property damage caused by Hurricane Katrina for a home in New Orleans that she never owned and in which she never lived. Johnson submitted another false claim to FEMA, in the name of her sister, for rental assistance and property damage caused by wildfires to a home in Malibu, Calif., that neither she, nor her sister, had ever owned, and in which neither she nor her sister had ever lived.

According to court documents, Johnson also submitted false claims to the GCCF for oil spill compensation under the name and identity of her deceased sister, falsely claiming to have worked for and been terminated by a an oyster processing company in New Orleans.

Johnson was originally charged in an indictment returned on August 26, 2010, and a criminal complaint filed on October 20, 2010.

“When someone seeks to profit from tragic disasters and attempts to trade on other peoples’ misfortune for personal gain through lies and deceit, they will be held to account for their actions,” Mr. Holding commented. “This case is a demonstration of a commitment by the Department of Justice and United States Attorneys’ Offices nationwide to ensure that taxpayer money intended to relieve our fellow citizens after disasters actually makes it to real victims and is not misused or stolen.”

“Ms. Johnson devised a criminal scheme to defraud programs intended for the victims of disasters, including the Gulf Coast oil spill,” said Assistant Attorney General Breuer. “As she and others have learned, we simply will not tolerate this kind of fraudulent activity. The Department of Justice remains firmly committed to investigating and prosecuting those who exploit tragedy for personal gain.”

Resident Agent in Charge of the United States Secret Service, and a case agent on the case, Reginald DeMatteis, stated: “The success of this case was a collaborative effort between the Secret Service, Department Homeland Security, Office of Inspector General, the Social Security Administration, Office of Inspector General, and the Department of Justice. This plea should send a strong signal, dissuading others who may attempt to commit similar fraud.”

Terry Crump, Assistant Special Agent in Charge, Department of Homeland Security, Office of Inspector General, commented: “We all suffer when federal programs are undermined by fraud. Today’s plea should send a clear message that we intend to stop these types of fraudulent practices.”

The investigation of this case was conducted by the United States Secret Service, the Department of Homeland Security, Office of Inspector General, and the Social Security Administration, Office of Inspector General. Assistant United States Attorneys Jason Cowley and Gaston Williams represented the government in this matter.

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