



Department of Justice

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Southern District of Mississippi

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CALIFORNIA COUPLE PLEADS GUILTY TO KATRINA FRAUD

GULFPORT, Miss. – A California couple, formerly of Ocean Springs, Mississippi, pled guilty in U.S. District Court today to charges of submitting false claims for Hurricane Katrina disaster assistance funds, U.S. Attorney Dunn Lampton announced.

WILLIAM DENTON BATES and ISABEL MARIE BATES pled guilty to making a false statement to The Mississippi Development Authority to obtain a Home Grant, and stealing government funds from the Federal Emergency Management Agency. The Bates owned a home in Ocean Springs that they rented out while living in California at the time of Hurricane Katrina.

The defendants face a maximum penalty of 10 years in prison and fines up to \$500,000.00. They will be sentenced on August 18, 2008 in U.S. District Court in Gulfport.

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, Alice S. Fisher, includes members from the Department of Homeland Security, Office of Inspector General, FBI, 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. The Mississippi Office of the State Auditor, Homeland Security and Small Business Administration Office of the Inspector General participated in investigation of this case.

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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