



Department of Justice

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ANOTHER CHARGED WITH DISASTER RELIEF FRAUD IN BATON ROUGE, LOUISIANA

BATON ROUGE, LA – United States Attorney David R. Dugas announced that another Louisiana resident was charged Monday in federal court with fraud in connection with a claim filed in a federal hurricane disaster relief program.

ANDREW J. EALY, III, age 40, of Gonzales, Louisiana, was charged in a bill of information in federal court on November 3, 2008, with wire fraud in connection with the filing of applications for loans from the Small Business Association (SBA). The SBA provided assistance to the victims of disasters through low interest loans to fund the repair and restoration of storm damaged homes and businesses.

The bill of information alleges that on or about October 21, 2005, EALY caused an application for a home repair loan to be submitted to the SBA, and that on or about April 18, 2008, EALY caused an application for a business loan to be submitted to the SBA. The bill of information alleges that EALY caused false and fraudulent receipts and invoices to be sent via facsimile to the SBA to allegedly support the claims of repairs being performed, when in fact no such work had been done. The submission of the fraudulent receipts and invoices caused the SBA to approve and issue a home repair loan totaling approximately \$94,000 and a business loan totaling approximately \$125,500.

The charges resulted from an investigation conducted by the U.S. Small Business Administration's Office of Inspector General, the U.S. Department of Housing and Urban Development's Office of Inspector General, and the U.S. Department of Homeland Security's Office of Inspector General. If convicted, EALY faces a maximum sentence of twenty years imprisonment, a \$250,000 fine, or both.

Monday's charge brings the total number of individuals who have been charged in the Middle District of Louisiana with violations related to hurricane disaster relief funds to one hundred fifty-seven.

In September 2005, Attorney General Alberto R. Gonzales created the 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 Alice S. Fisher of the Criminal Division – includes the FBI, the U.S. Inspectors General community, the U.S. Secret

Service, the U.S. Postal Inspection Service, the Executive Office for United States Attorneys and others.

For further information, contact David R. Dugas, U.S. Attorney for the Middle District of Louisiana, or Lyman Thornton, First Assistant U.S. Attorney, at (225) 389-0443. Anyone suspecting criminal activity involving disaster assistance programs can make an anonymous report by calling the toll-free Hurricane Relief Fraud Hotline, 1-866-720-5721, 24 hours a day, seven days a week, until further notice. Information can also be emailed to the Hurricane Katrina Fraud Task Force at HKFTF@leo.gov or sent by surface mail, with as many details as possible, to Hurricane Katrina Fraud Task Force, Baton Rouge, LA 70821-4909.

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