



Department of Justice

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PORT ARTHUR MAN ARRESTED FOR HURRICANE IKE FRAUD

(BEAUMONT, TX) U.S. Attorney John M. Bales announced today that a 62-year-old Port Arthur, Texas man has been arrested for hurricane-related fraud in the Eastern District of Texas.

ISAAC MILLS, JR. was arrested on May 26th and appeared today before U.S. Magistrate Judge Earl S. Hines for arraignment on charges of making a false statement, making a false claim, theft of public money, fraud in connection with a major disaster, mail fraud and wire fraud.

According to information from prosecutors, Mills previously owned a lot on Pleasure Island, but no longer owned the lot and had never built a home on the property. After Hurricane Ike made landfall on the Texas coast on Sep. 13, 2008, Mills filed claims with FEMA stating his primary residence was the lot located at 3694 Martin Luther King Drive in Port Arthur and that it had been destroyed during Hurricane Ike. However, Mills did not reside at this location before or during Hurricane Ike and was not entitled to receive disaster assistance based on his claims. As a result of these fraudulent claims, Mills received \$28,800.00 in federal disaster assistance and use of a FEMA trailer. A federal grand jury returned a six-count indictment on May 21, 2009 charging Mills with making a false statement, making a false claim, theft of public money, fraud in connection with a major disaster, mail fraud and wire fraud. This is the first indictment in the Eastern District of Texas of an individual for hurricane-related fraud resulting from Hurricane Ike. If convicted, Mills faces up to 30 years in federal prison.

In September 2005, the U.S. Department of Justice 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 includes members of the FBI, the Federal Trade Commission, the U.S. Postal Inspection Service, and the Executive Office for United States Attorneys, among others.

This case is being investigated by the Department of Homeland Security, Office of Inspector General and the Federal Emergency Management Agency and is being prosecuted by Assistant U.S. Attorney James E. Peacock.

It is important to note that an indictment should not be considered as evidence of guilt and that all persons charged with a crime are presumed innocent until proven guilty beyond a reasonable doubt.

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