



Department of Justice

U.S. Attorney's Office
Southern District of Texas

Tim Johnson • United States Attorney

FOR IMMEDIATE RELEASE
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GALVESTON MAN CHARGED WITH FEMA FRAUD IN CONNECTION WITH HURRICANE IKE

(HOUSTON) - David F. Morgan, 51, of Galveston, has been charged with filing a fraudulent claim with FEMA for Hurricane Ike disaster assistance, United States Attorney Tim Johnson announced today. Morgan is the second person charged in the district with fraud in connection with Hurricane Ike.

Agents from the Department of Homeland Security - Office of Inspector General (DHS-OIG) arrested Morgan at his home this morning. A federal grand jury charged Morgan last Wednesday in an Indictment that was automatically unsealed upon his arrest. Morgan is expected to make his initial court appearance this morning at 10 a.m. before United States Magistrate Judge Mary Milloy.

The indictment alleges that on or about Sept. 18, 2008, five days after Hurricane Ike made landfall, Morgan filed a claim with FEMA for Ike disaster assistance using a Social Security Number one digit off of his own and listing a damaged address in Galveston that did not exist. Morgan is charged with disaster-assistance fraud in violation of Title 18, United States Code, Section 1340. This new statute was enacted in January 2008 as part of the Emergency Disaster Assistance Fraud Penalty Enhancement Act of 2007. Morgan is only the second person in the Southern District of Texas to be charged under this statute which carries a maximum sentence of 30 years imprisonment and a \$250,000 fine.

This case was investigated by DHS-OIG and the Federal Protective Service and is being prosecuted by Assistant United States Attorney Jason Varnado.

The United States Attorney's Office for the Southern District of Texas is a member of the Department of Justice's Hurricane Katrina Fraud Task Force, created to deter, detect and prosecute unscrupulous individuals who try to take advantage of the Hurricane Katrina

and Hurricane Rita disasters. The Task Force is comprised of federal, state and local law enforcement investigating agencies and the United States Attorney's Offices in the Gulf Coast region and nationwide.

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 or contacting the Disaster Fraud Fax at 1-225-334-4707 or the Disaster Fraud e-mail at disaster@leo.gov, 24 hours a day, seven days a week until further notice. Information can also be e-mailed to the inspector general at dhsou hotline@dhs.gov or sent by surface mail, with as many details as possible, to:

National Center for Disaster Fraud

Baton Rouge, LA 70821-4909

or

Department of Homeland Security

Washington, DC. 20528

Attn: Office of Inspector General, Hotline

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