



Department of Justice

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FOR IMMEDIATE RELEASE
THURSDAY, APRIL 20, 2006
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**TWO PLEAD GUILTY TO FILING FALSE CLAIMS WITH FEMA
FOR HURRICANE KATRINA DISASTER FUNDS**

HOUSTON, TX – Ebonee Lagard, 22, and Wardell Reddish, 30, both of Houston, Texas, have each been convicted of filing a false claim with the Federal Emergency Management Agency (FEMA) for Hurricane Katrina disaster funds, United States Attorney Don DeGabrielle announced today. At sentencing, each defendant faces a maximum punishment of five years imprisonment and a maximum fine of \$250,000.

At a hearing held before United States District Judge Nancy Atlas late April 19, 2006, Lagard pleaded guilty to filing a false claim with FEMA. The investigation that led to the charges was initiated by the Department of Homeland Security Office of Inspector General (DHS OIG) following their receiving an anonymous tip that Lagard had fraudulently obtained Hurricane Katrina disaster assistance. The investigation determined that on September 17, 2005, a claim was submitted via telephone for FEMA disaster assistance on Lagard's behalf. The claim listed Lagard's primary residence as 5855 Walnut Creek Rd., New Orleans, LA 70123 and asserted the residence and personal property had been damaged as a result of Hurricane Katrina. The following day, September 18, 2005, the United States Treasury mailed a \$2,000 check to Lagard, which Lagard subsequently cashed.

DHS OIG agents determined that Lagard had actually been living in Houston at the time Hurricane Katrina struck and she had never resided in Louisiana. DHS OIG also learned that Lagard had provided her full name, social security number and a mailing address to a friend with the knowledge that her friend would submit a claim for FEMA disaster assistance on her behalf. Judge Atlas scheduled Lagard's sentencing for July 7, 2006.

Reddish pleaded guilty to the false claim charge in his indictment at a hearing before United States District Judge Keith P. Ellison today, April 20, 2006. The Reddish investigation was also initiated upon an anonymous tip that Reddish had fraudulently obtained disaster assistance. The DHS OIG investigation determined that on September 16, 2005, Reddish filed a claim via telephone with FEMA for Hurricane Katrina disaster assistance. Reddish's claim, which listed 639 1/2 Richard St., Gretna, LA 70053 as his primary residence, claimed Hurricane Katrina had damaged the residence and further claimed Reddish had lost work as a result of the storm. Reddish received \$2,000 and \$2,358 from the United States Treasury via electronic funds transfer (EFT) on September 19, 2005, and October 5, 2005, respectively. Reddish also submitted additional requests to FEMA for rental assistance in December 2005 and received another EFT from the United States Treasury in the amount of \$1,836 on January 10, 2006.

Investigating agents gathered evidence that proved Reddish did not reside at 639 ½ Richard St., Gretna, LA 70053 during Hurricane Katrina and that he had never paid rent at that address. They also determined that Reddish had not lost work as a result of Hurricane Katrina, but instead had last been employed in August 2004 in Houston, Texas. Judge Ellison scheduled Reddish's sentencing for July 14, 2006.

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 by Attorney General Alberto R. Gonzales to deter, detect and prosecute unscrupulous individuals who try to take advantage of the Hurricane Katrina and Hurricane Rita disasters. Headed by Assistant Attorney General Alice S. Fisher, 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.

These cases were investigated by the Department of Homeland Security's Office of Inspector General and prosecuted by Special Assistant United States Attorney Jason Varnado.

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 inspector general at dhsoighotline@dhs.gov or sent by surface mail, with as many details as possible, to:

Department of Homeland Security
Washington, DC. 20528
Attn: Office of Inspector General, Hotline

The Department of Justice Hurricane Katrina Fraud Task Force and Federal Trade Commission Consumer Response Center will also accept disaster fraud information. To provide information to the Justice Department, access the FBI's Internet Crime Complaint Center at www.ic3.gov. The Federal Trade Commission accepts disaster fraud information on its toll-free line, 1-877-382-4357, or TTY 202-326-2502 for persons with speech or hearing impairment.

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