

PRESS RELEASE

# Atlantic County Resident Sentenced to 30 Months in Prison for Laundering Proceeds of COVID-19 Small Business Relief Program Fraud

Tuesday, April 30, 2024

## For Immediate Release

U.S. Attorney's Office, District of New Jersey

CAMDEN, N.J. – An Atlantic County, New Jersey, man was sentenced to 30 months in prison for laundering the proceeds of fraudulently obtained Paycheck Protection Program loans, U.S. Attorney Philip R. Sellinger announced today.

Jeremy Earley, 42, of Egg Harbor Township, New Jersey, and Lilburn, Georgia, pleaded guilty on June 1, 2023, before U.S. District Judge Karen M. Williams to an information charging him with one count of engaging in a monetary transaction in criminally derived property. Judge Williams imposed the sentence on April 29, 2024, in Camden federal court.

According to documents filed in this case and statements made in court:

In 2020 and 2021, two companies owned by Earley received loans totaling more than \$1.3 million from the Paycheck Protection Program (PPP), a federal program that provided forgivable loans to small businesses for job retention and certain other expenses. The loans were approved based on fraudulent applications submitted by another individual stating that the companies had dozens of employees and monthly payrolls of \$145,000 and \$382,400, respectively. The applications also contained forged tax forms. In fact, Earley's businesses had no employees other than himself and paid minimal to no wages. After receiving the PPP loan proceeds, Earley wrote checks totaling nearly \$400,000 to the individual who submitted the loan applications to compensate her for her role in submitting the fraudulent loan applications. Earley also

wired \$85,000 of the proceeds out of a bank account he controlled after being advised by federal agents not to spend the money because it constituted proceeds of bank fraud.

In addition to the prison term, Judge Williams sentenced Earley to three years of supervised release.

Rhonda Thomas previously pleaded guilty to bank fraud conspiracy and money laundering and was sentenced to five years in prison.

U.S. Attorney Sellinger credited special agents of the Federal Deposit Insurance Corporation – Office of the Inspector General, under the direction of Patricia Tarasca, Special Agent-in-Charge, New York Regional Office; special agents of the Social Security Administration, Office of the Inspector General, Boston-New York Field Division, under the direction of Acting Special Agent in Charge Bradley Parker; special agents of the FBI's South Jersey Resident Agency, under the direction of Special Agent in Charge Wayne A. Jacobs in Philadelphia; and special agents of the U.S. Department of Labor, Office of the Inspector General, New York Region, under the direction of Special Agent in Charge Jonathan Mellone, with the investigation leading to the sentencing.

The government is represented by Assistant U.S. Attorney Daniel A. Friedman and Attorney-In-Charge Jason M. Richardson of the U.S. Attorney's Office's Criminal Division in Camden.

*Updated April 30, 2024*

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