

PRESS RELEASE

# Middlesex County Women Charged with COVID-19 Fraud Scheme

Thursday, November 16, 2023

## For Immediate Release

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

NEWARK N.J. – A Middlesex County, New Jersey, woman was arrested on charges that she fraudulently obtained Economic Injury Disaster Loans (EIDL) and Paycheck Protection Program (PPP) funds and unemployment insurance benefits totaling \$694,212, U.S. Attorney Philip R. Sellinger announced today.

Damaris Valerio, 41, of Perth Amboy, New Jersey, is charged by complaint with one count of wire fraud and one count of money laundering. She made her initial appearance on Nov. 15, 2023, before U.S. Magistrate Judge André M. Espinosa in Newark federal court and was released on \$100,000 unsecured bond.

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

From April 2020 through December 2021, Valerio fraudulently obtained \$694,212 in COVID-19 emergency relief funds, which included loans and cash advances meant for distressed small businesses under the EIDL program and PPP and unemployment insurance benefits meant for unemployed workers, by submitting false and fraudulent applications inflating her business' revenue, payroll expenses, and number of employees. After receiving the fraudulent funds, she diverted virtually all of the proceeds for her personal gain.

The wire fraud charge carries a maximum penalty of 20 years in prison, and the money laundering charge carries a maximum penalty of 10 years in prison. Each charge also carries a maximum fine of \$250,000, or twice the gross gain to the defendants or gross loss to the victim, whichever is greatest.

U.S. Attorney Sellinger credited special agents of the of the Department of Homeland Security Investigations, under the direction of Acting Special Agent in Charge Michael Alfonso, special agents of U.S. Department of Labor, Office of Inspector General, Northeast Region under the direction of Special Agent in Charge Jonathan Mellone, and special agents of the Social Security Administration, Office of the Inspector General, under the direction of Special Agent in Charge Sharon MacDermott, with the investigation leading to the charges.

The government is represented by Assistant U.S. Attorney Fatime Meka Cano of the Economic Crimes Unit in Newark.

The District of New Jersey COVID-19 Fraud Enforcement Strike Force is one of five strike forces established throughout the United States by the U.S. Department of Justice to investigate and prosecute COVID-19 fraud. The strike forces focus on large-scale, multi-state pandemic relief fraud perpetrated by criminal organizations and transnational actors. The strike forces are interagency law enforcement efforts, using prosecutor-led and data analyst-driven teams designed to identify and bring to justice those who stole pandemic relief funds.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice's National Center for Disaster Fraud Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

The charges and allegations contained in the complaint are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

[valerio.complaint.pdf](#) (145.62 KB)

*Updated November 16, 2023*

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**Topic**

**CORONAVIRUS**

**Component**

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