PRESS RELEASE

Wayne County Man Sentenced To 149 Months' Imprisonment For Committing $2 Million In Covid-19 Pandemic Fraud

Monday, July 1, 2024

For Immediate Release
U.S. Attorney's Office, Middle District of Pennsylvania

SCRANTON - The United States Attorney's Office for the Middle District of Pennsylvania announced today that Christopher J. Miller, age 36, formerly of Newfoundland, Pennsylvania, was sentenced on June 28, 2024, by United States District Judge Julia K. Munley to 149 months of imprisonment, following his convictions of bank fraud, aggravated identity theft, and unlawful monetary transactions.

According to United States Attorney Gerard M. Karam, Miller filed approximately 50 fraudulent applications for pandemic stimulus funds, including under the Payment Protection Program (PPP), for Economic Injury and Disaster Loans (EIDLs), and for Pandemic Unemployment Assistance (PUA) benefits. Some of the applications submitted by Miller were filed on behalf of corporate entities under his control that did not, in fact, have actual business operations, and that bore false addresses, false IRS-issued Employee Identification Numbers, false dates of business establishment and operation, false employee headcount information, and fabricated gross income, gross receipts and payroll obligation information. The applications also included forged IRS income tax returns, and federal employment tax documents. Miller failed to disclose in the applications that he was previously convicted of a felony.

Miller also filed fraudulent applications on behalf of himself and numerous family members, friends and associates. In exchange, he received cash kickbacks from those individuals. Through his scheme, Miller and his associates secured over $2.1 million in pandemic stimulus funds. Instead of using his funds on business expenses, as intended, Miller used them to purchase automobiles, vacations, and real estate, among other personal expenses.

In pronouncing the sentence, Judge Munley labeled Miller's criminal activities a "devious, extensive, and elaborate scheme to swindle the United States government," and highlighted how, after the FBI executed a search warrant at his residence, Miller and his wife fled to South Carolina, where he lived under an assumed name until being apprehended. In addition to the sentence of imprisonment, Judge Munley also sentenced Miller to five years of supervised release, following his term of imprisonment, and to pay full restitution.

The PPP and EIDL programs, both funded by the March 2020 CARES Act, were designed to help small businesses facing financial difficulties during the COVID-19 pandemic. PPP funds were offered in forgivable loans, provided that certain criteria are met, including use of the funds for employee payroll, mortgage interest, lease, and utilities expenses. EIDL funds are offered in low-interest rate loans, designated for specific business expenses, such as fixed debts, payroll, and business obligation. The PUA program was created by the CARES Act, as part of the United States government's efforts to mitigate the impact of the COVID-19 pandemic on the public's health and economic well-being. The PUA program was designed to provide unemployment benefits to individuals not eligible for regular unemployment compensation or extended unemployment benefits.

In addition to Miller, the United States prosecuted Robert Reynolds, also of Newfoundland, Pennsylvania, for obtaining fraudulent PUA benefits with Miller. Reynolds pleaded guilty to wire fraud and awaits sentencing.

The case was investigated by the Federal Bureau of Investigation, and by the Department of Labor, Office of the Inspector General. Assistant U.S. Attorney Phillip J. Caraballo is prosecuting the case.

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Topic

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