

Department of Justice

U.S. Attorney's Office

Eastern District of Louisiana

FOR IMMEDIATE RELEASE

Monday, March 7, 2022

Amtrak Employee Charged with Cares Act Fraud and Theft of Government Funds

NEW ORLEANS – U.S. Attorney Duane A. Evans announced that **STACEY V. SANTEMORE, SR.**, age 46, formerly of New Orleans but now a resident of Houston, Texas, was charged on March 3, 2022 in a two-count bill of information with making false statements and theft of government funds related to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

The CARES Act is a federal law enacted on March 29, 2020, to provide emergency financial assistance in connection with economic effects of the COVID-19 pandemic. One source of relief provided by the CARES Act was the authorization of up to \$349 billion in forgivable loans to small businesses for job retention and certain other expenses, through the PPP. The PPP allows qualifying small businesses and other organizations to receive loans with a maturity of two years and an interest rate of 1%. PPP loan proceeds must be used by businesses on payroll costs, interest on mortgages, rent, and utilities. The PPP allows the interest and principal on the PPP loan to be forgiven if the business spends the loan proceeds on these expense items within a designated period of time after receiving the proceeds and uses at least a certain percentage of the PPP loan proceeds on payroll expenses. In April 2020, Congress authorized over \$300 billion in additional PPP funding.

In addition, the CARES Act created a temporary federal unemployment insurance program called Pandemic Unemployment Assistance (PUA) after a major disaster declaration for this funding. PUA, administered by the Louisiana Workforce Commission (LWC), provided unemployment insurance benefits for individuals who are not eligible for other types of unemployment benefits (e.g., the self-employed, independent contractors, or gig economy workers).

According to the charging documents, **SANTEMORE**, in July 2020, made false statements to the U.S. Small Business Administration (SBA) for the purpose of fraudulently obtaining pandemic-related relief loans funded by the federal government, including PPP funds, which he received in the amount of approximately \$89,000.

SANTEMORE also applied for Louisiana unemployment benefits through the LWC with PUA funding despite at all times being fully employed by Amtrak, the national passenger railcar company. He obtained more than \$1,000 from April 2020 through March 2021, and this amounts to a theft of government funds.

SANTEMORE faces a sentence of up to five years in prison, up to \$250,000 in fines, and up to three years of supervised release for the false statements count. He faces up to ten years in prison, up to \$250,000 in fines, and up to three years of supervised release for the theft count. There is also a \$100 mandatory special assessment fee due after conviction. U.S. Attorney Evans reiterated that a bill of information is merely a charge and that the guilt of the defendant must be proven beyond a reasonable doubt.

On May 17, 2021, the Attorney General established the COVID-19 Fraud Enforcement Task Force to marshal the resources of the Department of Justice in partnership with agencies across government to enhance efforts to combat and prevent pandemic-related fraud. The Task Force bolsters efforts to investigate and prosecute the most culpable domestic and international criminal actors and assists agencies tasked with administering relief programs to prevent fraud by, among other methods, augmenting and incorporating existing coordination mechanisms, identifying resources and techniques to uncover fraudulent actors and their schemes, and sharing and harnessing information and insights gained from prior enforcement efforts. For more information on the Department's response to the pandemic, please visit <https://www.justice.gov/coronavirus>.

For more information on the Department of Justice's response to the pandemic, please visit <https://www.justice.gov/coronavirus>. 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 (NCDF) Hotline at 866-720-5721 or via the NCDF Web Complaint Form at <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

U.S. Attorney Evans praised the work of the Amtrak Office of Inspector General – Criminal Investigations and the Department of Labor – Office of the Inspector General, in investigating this matter. Assistant U.S. Attorney Edward J. Rivera is in charge of the prosecution.

* * *

Attachment(s):

[Download santemore stacy v. sr. rev boi.pdf](#)

Topic(s):

Coronavirus

Financial Fraud

Component(s):

[USAO - Louisiana, Eastern](#)

Updated March 7, 2022