

PRESS RELEASE

Boston Woman Pleads Guilty to Fraudulently Obtaining COVID-Relief Funds

Wednesday, September 4, 2024

For Immediate Release

U.S. Attorney's Office, District of Massachusetts

Defendant was Boston-area gang member/associate

BOSTON – A Boston woman pleaded guilty yesterday in federal court in Boston in connection with a scheme to fraudulently obtain pandemic-related relief funds from the Paycheck Protection Program (PPP) made available under the Coronavirus Aid, Relief, and Economic Security Act.

Jameela Gross, 28, pleaded guilty to one count of wire fraud. U.S. District Court Judge William G. Young scheduled sentencing for Dec. 5, 2024. Gross, a Heath Street Gang member/associate, was arrested in February 2024 along with over 40 Heath Street Gang members/associates, who were charged with racketeering conspiracy, drug trafficking, firearms charges and financial frauds, including COVID-related fraud.

In April 2021, Gross submitted a fraudulent PPP loan application on behalf of her purported business. The application contained multiple false statements, including false representations regarding the purported business's total gross income in 2020 and the purpose of the loan. Gross also submitted false tax records in support of her loan applications. Based on the fraudulent application, Gross received approximately \$18,750, which she then spent on non-business-related expenses.

The Coronavirus Aid, Relief, and Economic Security Act created a temporary loan program directed at small businesses called the Paycheck Protection Program. PPP loans were processed by private financial institutions and fully guaranteed by the U.S. Small Business Administration. If the small business used the loan funds for approved purposes, such as payroll, the loan could be forgiven by the financial institution and paid for by the U.S. Small Business Administration.

The charge of wire fraud provides for a sentence of up to 20 years in prison, up to three years of supervised release and a fine of up to \$250,000 or twice the gross gain or loss from the offense. Sentences are imposed by a federal district court judge based upon the U.S. Sentencing Guidelines and statutes which govern the determination of a sentence in a criminal case.

Acting United States Attorney Joshua S. Levy; Michael J. Krol, Special Agent in Charge for Homeland Security Investigations in New England; James M. Ferguson, Special Agent in Charge of the Bureau of Alcohol, Tobacco, Firearms & Explosives, Boston Field Division; Boston Police Commissioner Michael Cox; Jonathan Mellone, Special Agent in Charge of Department of Labor, Office of Inspector General; and Harry T. Chavis Jr, Special Agent in Charge of the Internal Revenue Service Criminal Investigations made the announcement today. Assistant U.S. Attorneys Sarah Hoefle and Lucy Sun of the Organized Crime & Gang Unit are prosecuting the case.

This effort is part of an Organized Crime Drug Enforcement Task Forces (OCDETF) operation. OCDETF identifies, disrupts, and dismantles the highest-level criminal organizations that threaten the United States using a prosecutor-led, intelligence-driven, multi-agency approach. Additional information about the OCDETF Program can be found at <https://www.justice.gov/OCDETF>.

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>.

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>.

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