

Department of Justice
U.S. Attorney's Office
Western District of Louisiana

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Department of Justice is Combatting COVID-19 Fraud but Reminds the Public to Remain Vigilant

SHREVEPORT, La. – The Department of Justice is reminding members of the public to be vigilant against fraudsters who are using the COVID-19 pandemic to exploit American consumers and organizations and to cheat disaster relief programs, Acting United States Attorney Alexander C. Van Hook announced. In particular, the department is warning the public about scams perpetrated through websites, social media, emails, robocalls, and other means that peddle fake COVID-19 vaccines, tests, treatments, and protective equipment, and also about criminals that fabricate businesses and steal identities in order to defraud federal relief programs and state unemployment programs.

At the direction of Attorney General William Barr on March 16, 2020, the Department of Justice mobilized to safeguard Americans from coronavirus-related fraud and other illegal activity. On March 18, Deputy Attorney General Jeffrey A. Rosen instructed the National Center for Disaster Fraud (NCDF) to take coronavirus-related complaints from the public and facilitate information sharing among law enforcement partners and regulators, like the Federal Trade Commission and the Federal Drug Administration. The Deputy Attorney General tasked U.S. Attorneys to appoint Coronavirus Fraud Coordinators in each judicial district, including the Western District of Louisiana, who has done that very thing. Our office, along with many other U.S. Attorney's Offices, have also established a regional task force to improve federal, state, and local law enforcement coordination and these members are working diligently to track down any and all complaints that are received in connection with these type of crimes. On March 24, following the President's invocation of his authorities under the Defense Production Act, the Attorney General formed the DOJ Hoarding & Price Gouging Task Force, which is a nationwide effort to deter, detect, and prosecute hoarding and profiteering in the sale of health and medical resources essential to combatting the spread of COVID-19. Memoranda from the Attorney General and Deputy Attorney General prescribing these measures may be found at www.usdoj.gov/coronavirus/DOJresponse.

To date, the NCDF has received more than 76,000 tips concerning COVID-19-related wrongdoing. Similarly, the FBI's Internet Crime Complaint Center has also received more than 20,000 tips regarding suspicious websites and media postings. These tips, as well as reports made directly to the offices of U.S. Attorneys, FBI field offices, and other law enforcement agencies, have led to federal law enforcement opening hundreds of investigations.

The department charged its first COVID-19-related fraud case on March 25, and since then, the department has filed criminal charges in 33 cases across the country involving scam vaccines, treatments, or testing or price gouging in the sale of scarce medical supplies. Additionally, the department has initiated civil actions in 11 cases to enjoin fraudulent coronavirus schemes targeting consumers, including cases against defendants marketing ozone gas, silver-ion solution, and bleach-based solution as treatments.

The department has also focused on prosecuting bad actors who have exploited federal relief programs enacted on March 27 under the CARES Act that are intended to assist hard-hit Americans and businesses. In particular, the department has charged 65 defendants in 50 separate cases to date that relate to the Paycheck Protection Program (PPP). The total intended loss to the PPP in

those cases is more than \$227 million. The defendants in these cases include those brazen enough to submit PPP loan applications for fabricated businesses named after “Game of Thrones” characters and to spend PPP loan proceeds on exotic cars, boats, and expensive jewelry.

The department has coordinated closely with the Department of Labor Office of Inspector General (DOL-OIG) and various other federal law enforcement agencies to stand up the U.S. Department of Justice National Unemployment Insurance Fraud Task Force.

(See <https://www.justice.gov/file/1319301/download>.) This task force is charged with investigating numerous fraud schemes targeting the unemployment insurance programs of state workforce agencies, which have been distributing additional Pandemic Unemployment Assistance funds provided for under the CARES Act. To date, the department has charged fraud or money laundering in 12 cases relating to unemployment insurance, and has also been supporting DOL-OIG’s efforts to mitigate the threats that transnational criminal organizations and other identity thieves continue to pose to the important benefits programs on which unemployed Americans rely. The department’s leadership has been crucial in organizing and focusing the whole of federal law enforcement on this important issue, including by leveraging the capabilities and resources of the International Organized Crime Intelligence and Operations Center and by hiring additional prosecutors to investigate and charge these schemes.

Moving forward, the department also is concerned about, and will aim to deter and prevent, attempts by wrongdoers to prey upon potential victims by leveraging news about anticipated approval of a COVID-19 vaccine or about the potential enactment of new disaster relief bills that extend or expand upon CARES Act relief.

The department encourages the public to continue to report wrongdoing relating to the pandemic to the NCDF and to remain vigilant against bad actors looking to exploit this national emergency. To report a scam relating to COVID-19, or if you have information on hoarding or price gouging of [critical supplies necessary to respond to the spread of COVID-19](#), you can report it without leaving your home by calling the NCDF Hotline at 866-720-5721 or via the [NCDF Web Complaint Form](#), available at <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>. You can also contact the local U.S. Attorney’s Office in Shreveport at 318-676-3600 or in Lafayette at 337-262-6618 to report any wrongdoing relating to the COVID-19 pandemic.

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The year 2020 marks the 150th anniversary of the Department of Justice. Learn more about the history of our agency at www.Justice.gov/Celebrating150Years.