

Department of Justice

U.S. Attorney's Office

Western District of Wisconsin

FOR IMMEDIATE RELEASE

Wednesday, November 9, 2022

Grand Jury Returns Indictments

MADISON, WIS. - A federal grand jury in the Western District of Wisconsin, sitting in Madison, returned the following indictments today. You are advised that a charge is merely an accusation and that a defendant is presumed innocent until and unless proven guilty.

Janesville Woman Charged with CARES Act Fraud Scheme

Olivia Spellman, 35, Janesville, Wisconsin, is charged with seven counts of mail fraud. The indictment alleges that from August 2020 to April 2021, Spellman engaged in a fraud scheme to collect unemployment insurance (UI) benefits authorized by the Coronavirus Aid, Relief, and Economic Security Act. The indictment alleges that Spellman used the names of other individuals, as well as her own name, to obtain UI benefits from multiple state workforce agencies in Alabama, California, Colorado, Illinois, Indiana, Massachusetts, Nevada, Ohio, Texas, and Wisconsin. The indictment alleges that she attempted to cause a fraud loss amount of \$1,026,508 and caused an actual fraud loss amount of \$506,097 in requests and payments for unauthorized UI benefits from the aforementioned states.

If convicted, Spellman faces a maximum penalty of 20 years in federal prison on each count. The charges against her are the result of an investigation by the U.S. Postal Inspection Service and the U.S. Department of Labor - Office of Inspector General. Assistant U.S. Attorney Daniel Graber is handling the prosecution.

Madison Woman Charged with Wire Fraud & Money Laundering Related to CARES Act Loans

Sharon Johnson, 54, Madison, Wisconsin, is charged with two counts of wire fraud and one count of money laundering related to applications for Payroll Protection Program (PPP) loans available to small businesses for job retention and other expenses, and for an Economic Injury Disaster Loan (EIDL) for small businesses that experienced substantial financial hardship due to the COVID-19 pandemic, both authorized by the Coronavirus Aid, Relief, and Economic Security Act.

The indictment alleges that Johnson applied for and received two PPP loans and an EIDL for Gray Enterprises, LLC, a company incorporated by Johnson in 2018. The indictment alleges that Johnson provided fraudulent information in the applications concerning the number of people employed by Gray Enterprises and the company's payroll and other expenses. The indictment alleges that the Internal Revenue Service has no records showing Gray Enterprises reported business income or employed any people in the tax years 2018 through 2020. The indictment alleges that Johnson received approximately \$109,773 as a result of the fraudulent applications and that she used some of these proceeds for personal expenses.

If convicted, Johnson faces a maximum penalty of 20 years in federal prison on each wire fraud count and 10 years on the money laundering count. The charges against her are the result of an investigation by IRS Criminal Investigation, the Small Business Administration – Office of Inspector

General, and the Federal Bureau of Investigation. Assistant U.S. Attorney Chadwick Elgersma is handling the prosecution.

Sun Prairie Man Charged with Producing Child Pornography

Robert D. Sutton, Jr., 51, Sun Prairie, Wisconsin, is charged with four counts of producing child pornography and four counts of committing these felony offenses involving a minor while he was an individual required by federal or other law to register as a sex offender. The indictment alleges that on four occasions between March 2019 and May 2021, Sutton used a minor to engage in sexually explicit conduct for the purpose of producing a visual depiction of the conduct. Specifically, the indictment alleges that Sutton used a cellular telephone to produce videos of a minor engaged in sexually explicit conduct.

If convicted, Sutton faces a mandatory minimum of 15 years and a maximum of 30 years in federal prison on each production charge, and a mandatory penalty of 10 years on each charge of committing a felony offense involving a minor while he was an individual required to register as a sex offender.

The charges against Sutton are the result of an investigation by the Sun Prairie Police Department and the Wisconsin Department of Justice Division of Criminal Investigation, with assistance from the Dane County District Attorney's office. Assistant U.S. Attorney Elizabeth Altman is handling the prosecution.

Trempealeau County Man Charged with Producing Child Pornography

Stephen Hans Jenkins, 37, Trempealeau, Wisconsin, is charged with three counts of producing child pornography and two counts of committing a felony offense involving a minor while he was an individual required by federal or other law to register as a sex offender. The indictment alleges that on December 31, 2020, Jenkins used a minor to engage in sexually explicit conduct for the purpose of producing two visual depictions of the conduct and that the visual depictions were transferred in interstate commerce from Nevada or Utah to Wisconsin. The indictment also alleges that on July 4, 2017, he used a minor to engage in sexually explicit conduct for the purpose of producing a visual depiction of the conduct and that the visual depiction was transferred in interstate commerce from Utah to Wisconsin.

If convicted, Jenkins faces a mandatory minimum of 15 years and a maximum of 30 years in federal prison on each production charge, and a mandatory penalty of 10 years on each charge of committing a felony offense involving a minor while he was an individual required to register as a sex offender.

The charges against Jenkins are the result of an investigation by the Federal Bureau of Investigation, Village of Trempealeau Police Department, Trempealeau County Sheriff's Office, Wisconsin Department of Justice Division of Criminal Investigation, and the Ogden City (Utah) Police Department. Assistant U.S. Attorney Elizabeth Altman is handling the prosecution.

Madison Man Charged with Distributing Methamphetamine

Matthew J. Yancey, 32, Madison, Wisconsin, is charged with five counts of distributing methamphetamine. The indictment alleges that Yancey distributed methamphetamine on five occasions in June and July 2022, and that one of the distributions involved 50 grams or more of methamphetamine.

If convicted, Yancey faces a mandatory minimum penalty of 5 years and a maximum of 40 years in federal prison on the count alleging the distribution of 50 grams or more of methamphetamine, and a maximum of 20 years on each of the other four distribution counts. The charges against him are

the result of an investigation by the Madison Police Department. Assistant U.S. Attorney Kathryn Ginsberg is handling the prosecution.

California Woman Charged with Attempting to Possess Methamphetamine for Distribution

Heather Carter, 49, Santa Monica, California, is charged with attempting to possess 50 grams or more of methamphetamine with intent to distribute. The indictment alleges that she attempted to possess the methamphetamine on September 23, 2022.

If convicted, Carter faces a mandatory minimum penalty of 5 years and a maximum of 40 years in federal prison. The charge against her is the result of an investigation by the Crawford and Vernon County Sheriffs' Offices, West Central Metropolitan Enforcement Group, Wisconsin Department of Justice Division of Criminal Investigation, U.S. Postal Inspection Service, and Drug Enforcement Administration. Assistant U.S. Attorney Chadwick Elgersma is handling the prosecution.

Mexican Citizen Charged with Illegally Reentering U.S.

Obed Sargento-Cruz, 30, a citizen of Mexico found in Portage County, Wisconsin, is charged with reentering the United States after previously being deported and removed. The indictment alleges that he was found in the United States on November 4, 2022.

If convicted, Sargento-Cruz faces a maximum penalty of 20 years in federal prison. The charge against him is the result of an investigation by U.S. Immigration and Customs Enforcement. Assistant U.S. Attorney Aaron Wegner is handling the prosecution.

Topic(s):

Coronavirus
Project Safe Childhood
Drug Trafficking
Immigration

Component(s):

[USAO - Wisconsin, Western](#)

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