



Department of Justice

United States Attorney David R. Dugas
Middle District of Louisiana

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CONTACT: DAVID R. DUGAS
(225) 389-0443
FAX: (225) 389-0561

ANOTHER PLEADS GUILTY IN BATON ROUGE, LOUISIANA, TO FEDERAL FRAUD CHARGE

BATON ROUGE, LA – Another Louisiana resident pled guilty in federal court on a charge of fraud related to hurricane disaster relief programs, United States Attorney David R. Dugas announced today.

MICHAEL D. REED, age 57, of Loranger, Louisiana, pled guilty today before U.S. District Court Judge Frank J. Polozola to a bill of information charging him with access device fraud in connection with his obtaining disaster unemployment benefits for alleged losses resulting from Hurricane Katrina. The bill of information charges that from on or about September 20, 2005, to on or about May 10, 2006, REED defrauded the Louisiana Department of Labor (LDOL) and the Federal Emergency Management Administration (FEMA) by applying for benefits to which he was not entitled under the disaster unemployment assistance program. The case was investigated by the U.S. Department of Labor, Office of Inspector General. As a result of his guilty plea, REED faces a maximum sentence of ten (10) years imprisonment, a \$250,000 fine, or both.

The number of individuals who have been charged in the Middle District of Louisiana with violations related to hurricane disaster relief funds stands at eighty-eight.

In September 2005, Attorney General Alberto R. Gonzales created the Hurricane Katrina Fraud Task Force, designed to deter, investigate and prosecute disaster-related federal crimes such as charity fraud, identity theft, procurement fraud and insurance fraud. The Hurricane Katrina Fraud Task Force – chaired by Assistant Attorney General Alice S. Fisher of the Criminal Division – includes the FBI, the U.S. Inspectors General community, the U.S. Secret Service, the U.S. Postal Inspection Service, the Executive Office for United States Attorneys and others.

For further information, contact David R. Dugas, U.S. Attorney for the Middle District of Louisiana, or Lyman Thornton, First Assistant U.S. Attorney, at (225) 389-0443. Anyone suspecting criminal activity involving disaster assistance programs can make an anonymous report by calling the toll-free Hurricane Relief Fraud Hotline, 1-866-720-5721, 24 hours a day, seven days a week, until further notice. Information can also be emailed to the Hurricane Katrina Fraud Task Force at HKFTF@leo.gov or sent by surface mail, with as many details as possible, to Hurricane Katrina Fraud Task Force, Baton Rouge, LA 70821-4909.

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