



Department of Justice

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FOR IMMEDIATE RELEASE
TUESDAY, MAY 26, 2006
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THREE MORE ALABAMA RESIDENTS INDICTED ON FEDERAL FEMA FRAUD CHARGES

MOBILE, AL – A federal grand jury returned indictments against three more Alabama residents on federal FEMA fraud charges, United States Attorney Deborah J. Rhodes of the Southern District of Alabama announced today.

Silas J. Jackson, 53, of Mobile, Al., Dianna Denise McMillian, 35, of Grand Bay, Al., and Penny Sue Byrd, 35, of Citronelle, Al., were each charged in multiple-count indictments with making false and fraudulent claims for disaster assistance benefits following hurricane Katrina and with mail and wire fraud. The charges resulted from investigations conducted by the U.S. Department of Homeland Security, Office of the Inspector General.

Jackson was charged in a four-count indictment with making a false and fraudulent claim to FEMA, and with three counts of wire fraud in connection with the direct deposit of disaster relief funds into his bank account. Jackson is charged with receiving \$23,529.65 through a scheme to defraud FEMA by sending an altered Fire Marshal report in support of his application for disaster assistance.

McMillian was charged in a five-count indictment with making a false and fraudulent claim to FEMA, two counts of mail fraud in connection with the receipt of two checks from FEMA, and two counts of wire fraud in connection with her telephonic application for assistance and a fax sent to FEMA in support of her application. McMillian is charged with falsely claiming to reside at a residence from which she had moved several months prior to Hurricane Katrina and defrauding FEMA of \$13,498.91.

Byrd was charged in a four-count indictment with making a false and fraudulent claim to FEMA, one count of mail fraud in connection with the receipt of a check from FEMA, and two counts of wire fraud in connection with her telephonic application for assistance and a fax sent to FEMA in support of her application. Byrd is charged with defrauding FEMA of \$2,000.00 by falsely claiming to have resided in a travel trailer and mobile home at the time of Hurricane Katrina.

The maximum penalty for making false claims to the government is five years imprisonment and a \$250,000 fine. Mail fraud and wire fraud each carry maximum penalties of twenty years imprisonment and a \$250,000 fine.

“People who take advantage of a natural disaster for personal financial gain not only cheat the government, but also cheat those who truly need assistance. Investigations are continuing, and we on the Hurricane Katrina Fraud Task Force will continue the zero tolerance policy for fraud connected with hurricane relief efforts,” United States Attorney Deborah J. Rhodes said.

These individuals bring to 4 the total number of defendants who have been charged in the Southern District of Alabama with violations related to Hurricane Katrina relief funds. These cases are being prosecuted by Assistant U.S. Attorney Sean Costello.

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 members from the FBI, the Federal Trade Commission, the Postal Inspector’s Office, and the Executive Office for United States Attorneys, among others.

Anyone with information about fraudulent activity is encouraged to report it immediately through the Department of Homeland Security Office of the Inspector General's Hurricane Relief Fraud Hotline at 1-866-720-5721.

An indictment is a determination by a grand jury that there is probable cause to believe that offenses have been committed by the defendant. The defendant, of course, is presumed innocent until and unless he or she is proven guilty at trial.

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