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U.S. Attorney's Office
Southern District of Texas

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EIGHT SENTENCED FOR PARTICIPATING IN HOUSTON FEMA FRAUD RING

(HOUSTON, Texas) - Eight Houston residents have been sentenced for participating in a FEMA fraud conspiracy involving more than seventy applications for Katrina and Rita benefits on behalf of residents in area apartment complexes who were not victims of the hurricanes, United States Attorney Don DeGabrielle announced today.

At a hearing this morning, United States District Judge Kenneth Hoyt sentenced the leader of the group, Erica Prince, 29, to 33 months in prison, finding that she was involved in filing more than 70 fraudulent FEMA applications. He also ordered Prince to pay \$92,958 in restitution and signed a final order forfeiting to the government the Lincoln Navigator she purchased with the fraudulent funds. Tawana Chevis, 25, received 12 months and one day; Roland Dixon, 22, received 15 months; Patrick Babers, 26, received time served, which amounts to approximately six months; and Daniel Ellis, 37, received four months home confinement. The court ordered Erica Prince, Chevis, Dixon and Babers to serve three years of supervised release upon the completion of their prison terms and Ellis to serve two years of supervised release after his period of home confinement. Linda Prince, 50, Carroll Ashton, 34, and Tarrance Manning, 32, were each sentenced to three years probation. Sandra Shields, 42, has yet to be sentenced, and Rachel Carley, is still pending trial. **Carley is presumed innocent unless and until convicted through due process of law.**

According to the public record in this case, Shields, Chevis and Dixon obtained Social Security numbers and dates of birth from residents of apartment complexes in Houston and provided that information to Erica Prince. Prince then filed FEMA claims in those persons' names, listing damaged addresses in New Orleans (for the Katrina claims) or Beaumont (for the Rita claims) even though the applicants were living in Houston when the hurricanes struck. A number of the individuals listed in the claims, including Erica Prince, were living in Housing and Urban Development (HUD) Section 8 housing in Houston prior to Katrina and Rita. In announcing Erica Prince's sentence, Judge Hoyt noted the seriousness of the offense and the fact that many of the individuals involved were already obtaining government assistance through HUD when they decided to fraudulently obtain FEMA assistance.

Erica Prince had the FEMA checks mailed to her address or to the address of a mailbox at her apartment complex for which Carley had given her the key. After receiving the checks, Erica Prince, or one of her recruiters, would take the check to the individual listed in the claim and go with that individual to a business where the check could be cashed. Erica Prince then collected a portion of the cash for herself and for the person who had recruited that applicant. The investigation discovered more than 75 claims filed as part of the scheme, on which FEMA paid \$92,958. Many of the claims were filed after the deadline for receiving emergency assistance.

A total of 77 individuals have been charged in the Southern District of Texas with fraud relating

to Hurricane Katrina or Hurricane Rita. After today's sentencings, 31 of the 54 defendants sentenced thus far have received prison terms. This case was investigated by the Department of Homeland Security – Office of Inspector General (OIG), HUD - OIG and the FBI and prosecuted by Assistant United States Attorney Gregg Costa

The United States Attorney's Office for the Southern District of Texas is a member of the Department of Justice's Hurricane Katrina Fraud Task Force, created by the Attorney General to deter, detect and prosecute unscrupulous individuals who try to take advantage of the Hurricane Katrina and Hurricane Rita disasters. Headed by Acting Assistant Attorney General Matthew W. Friedrich, the Task Force is comprised of federal, state and local law enforcement investigating agencies and the United States Attorney's Offices in the Gulf Coast region and nationwide.

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 inspector general at dhsorghotline@dhs.gov or sent by surface mail, with as many details as possible, to: Department of Homeland Security; Attn: Office of Inspector General, Hotline; Washington, D.C. 20528.

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