



Department of Justice

United States Attorney Bill Leone
District of Colorado

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CONTACT: JEFFREY DORSCHNER
TEL: (303) 454-0100
FAX: (303) 454-0400

COLORADO RESIDENTS ARRESTED FOR FRAUD
RELATED TO HURRICANE KATRINA

DENVER – Bill Leone, United States Attorney for the District of Colorado, Lon Garner, Special Agent in Charge of the United States Secret Service, Denver Office, and Thomas E. Meyer, Special Agent in Charge of the San Francisco Field Office of the Department of Homeland Security's Office of the Inspector General, announced today that 4 Colorado residents were arrested for defrauding the government and others related to Hurricane Katrina. The defendants were arrested without incident this morning. Hurricane Katrina struck New Orleans, Louisiana and adjacent areas on August 29, 2005.

According to the indictments returned by a federal grand jury in Denver on March 1, 2006, the defendants knowingly devised a scheme to defraud the United States, namely the Federal Emergency Management Agency (FEMA), the State of Colorado, namely the Department of Local Affairs, and Catholic Charities, by holding themselves out to be evacuees of Hurricane Katrina. As part of the scheme, the defendants misrepresented themselves as evacuees in various applications, forms, and statements in an effort to obtain relief assistance, including money, furniture, and housing, which they were not otherwise qualified to receive.

In these applications, the defendants made false representations that access to their homes in New Orleans was restricted due to being evacuated, that their personal property was damaged by disaster, and that they had disaster-related essential needs for food, clothing, or shelter.

ANTOINETTE ALLEN, age 44, of Denver, Colorado, faces one count of wire fraud and four counts of mail fraud. The wire fraud charges stems from a telephone call the defendant allegedly made from Colorado to Maryland to apply for FEMA disaster assistance. The mail fraud charges stem from four checks, each for \$537, allegedly mailed on her behalf from Catholic Charities to Fox Crossing Apartments for rent.

LINETTA BREWER, age 47, of Denver, Colorado, faces two counts of wire fraud, four counts of mail fraud, and one count of theft of public money. The first wire fraud charge relates to a telephone call the defendant allegedly made from Colorado to Texas to apply for disaster assistance. The second wire fraud charge involves the wire transfer of \$2,000 in funds from Texas into BREWER's bank account in Colorado. The mail fraud charges involve four check Catholic Charities mailed on the defendant's behalf, totaling \$3,121, for rent. The theft from the government count stems from the \$2,000 in wired funds the defendant received from FEMA.

RHODA GRAY, age 45, of Denver, Colorado, faces two counts of wire fraud, three counts of mail fraud, and one count of theft of public money. The first wire fraud charge relates to a wire transmission of a FEMA internet application for disaster assistance from Colorado to Virginia. The second wire fraud charge involves the subsequent wire transfer of \$2,000 in funds from Texas into GRAY's bank account in Colorado. The mail fraud charges involve three checks mailed by Catholic Charities on the defendant's behalf, totaling \$4,300, for housing. The theft from government count stems from the \$2,000 in wired funds the defendant received from FEMA.

ROOSEVELT GRAY, age 48, of Aurora, Colorado, faces one count of theft of public money, and two counts of wire fraud. The theft of public money charge relates to taking \$2,000 in FEMA disaster assistance which the defendant was not eligible to receive. The first wire fraud charge relates to a wire transmission of a FEMA internet application for disaster assistance from Colorado to Virginia. The second wire fraud charge involves the subsequent wire transfer of \$2,000 in funds from Texas into GRAY's bank account in Colorado.

"People who take advantage of a natural disaster for personal financial gain not only hurt the government, but also take away from those who truly are in need of assistance," United States Attorney Bill Leone said.

If convicted, the penalties for wire fraud and mail fraud are not more than 20 years in federal prison, and/or a \$250,000 fine, per count. The penalty for theft of public money is not more than 10 years in federal prison, and/or a \$250,000 fine.

These cases were investigated by the United States Secret Service, and the Department of Homeland Security's Office of the Inspector General. The case is being prosecuted by Assistant United States Attorney Tim Neff.

Attorney General Alberto R. Gonzales recently created the Hurricane Katrina Fraud Task Force to deter, investigate, and prosecute disaster-related federal crimes, such as charity fraud and insurance fraud. This task force is chaired by Assistant Attorney General Alice S. Fisher of the Criminal Division of the Department of Justice. To date, 23 U.S. Attorney districts have charged 212 people, and have obtained 60 convictions of Hurricane Katrina related fraud.

These charges are only allegations and the defendants are presumed innocent unless and until proven guilty.

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