



U. S. Department of Justice

Office of Public Affairs

NEWS RELEASE

FOR IMMEDIATE RELEASE:

Friday, December 9, 2011

IOWA INSURANCE AGENT TO PAY US TO RESOLVE FALSE CLAIMS

ALLEGATIONS ON THE FEDERAL CROP INSURANCE PROGRAM

WASHINGTON - **Russell Hawley** and Hawley Insurance Inc. of Vail, Iowa, have agreed to pay the United States \$834,897.50 to settle allegations that they caused false claims to be submitted to the Federal Crop Insurance Corporation, the Justice Department announced today.

The settlement resolves a lawsuit filed under the False Claims Act against **Russell Hawley**, the principal owner of Hawley Insurance, in federal district court in Sioux City, Iowa. The lawsuit alleged that **Hawley** submitted forged crop insurance applications and other false documents to a private insurance company designated by the United States to sell federally-reinsured crop insurance policies. The government was required to pay out on these policies when the insured crops failed.

"We expect insurance agents who participate in the federal crop insurance program to submit honest and accurate information," said Tony West, Assistant Attorney General for the Department's Civil Division. "The department is committed to protecting the integrity of the federal crop insurance program by aggressively pursuing false statements and claims at every level."

"This settlement shows the continuing commitment by the U.S. Attorney's Office for the Northern District of Iowa to investigate and recover any improper payments under the Federal crop insurance program and to partner with our colleagues in the Civil Division when necessary to remedy crop insurance fraud," said Stephanie Rose, U.S. Attorney for the Northern District of Iowa.

Michael Hand, Deputy Administrator for the U.S. Department of Agriculture's Risk Management Agency, Compliance Division, stated, "this case confirms that insurance agents who participate in the federal crop insurance program are responsible for the policy documents that they submit on behalf of farmers."

Assistant Attorney General West noted that the settlement with Hawley and Hawley Insurance was the result of a coordinated effort among the Justice Department's Civil Division, the U.S. Attorney's Office for the Northern District of Iowa, the U.S. Department of Agriculture's Office of Inspector General and the Risk Management Agency.

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