

FOR IMMEDIATE RELEASE

Thursday, March 10, 2022

Justice Department Announces Director for COVID-19 Fraud Enforcement

Criminal and Civil Enforcement Actions Alleging Fraud Related to Over \$8 Billion in Pandemic Relief

Today, the Justice Department announced the appointment of a Director for COVID-19 Fraud Enforcement to lead the department's criminal and civil enforcement efforts to combat COVID-19 related fraud, along with the latest results of criminal and civil enforcement actions that include alleged fraud related to over \$8 billion in pandemic relief.

Effective immediately, Associate Deputy Attorney General Kevin Chambers will serve as the Director for COVID-19 Fraud Enforcement. Mr. Chambers will lead Justice Department efforts that to date have resulted in criminal charges against over 1,000 defendants with alleged losses exceeding \$1.1 billion; the seizure of over \$1 billion in Economic Injury Disaster Loan proceeds; and over 240 civil investigations into more than 1,800 individuals and entities for alleged misconduct in connection with pandemic relief loans totaling more than \$6 billion.

"The Justice Department remains committed to using every available federal tool — including criminal, civil, and administrative actions — to combat and prevent COVID-19 related fraud," said Attorney General Merrick B. Garland. "We will continue to hold accountable those who seek to exploit the pandemic for personal gain, to protect vulnerable populations, and to safeguard the integrity of taxpayer-funded programs."

"As our thousands of COVID-19 fraud investigations demonstrate, our message to those who seek to line their own pockets and benefit from the suffering of so many Americans is: your crimes are not and will not be forgotten," said Deputy Attorney General Lisa O. Monaco.

"I look forward to this new role and to supporting the excellent work of the department's prosecutors and trial attorneys since the very beginning of the pandemic," said Mr. Chambers. "We are receiving an extraordinary amount of data from our state workforce agency partners. This data holds the key to identifying and prosecuting certain types of fraud, including unemployment insurance fraud. Our Strike Teams will enhance the department's existing efforts and will include analysts and data scientists to review data, agents to investigate the cases, and prosecutors and trial attorneys to bring charges and try the cases. Again, this is on top of the great work our folks in the field are already doing."

Mr. Chambers plans to focus on large-scale criminal enterprises and foreign actors who sought to profit at the expense of the American people. This will include establishing Strike Teams to prepare for the next phase in the Justice Department's efforts to fight pandemic fraud.

In March 2020, Congress passed a \$2.2 trillion economic relief bill known as the Coronavirus Aid, Relief, and Economic Security (CARES) Act designed to provide emergency financial assistance to the millions of Americans who are suffering the economic effects caused by the COVID-19 pandemic. Anticipating the need to protect the integrity of these taxpayer funds and to otherwise protect Americans from fraud related to the COVID-19 pandemic, the Department of Justice immediately stood up multiple efforts dedicated to identifying, investigating, and prosecuting such fraud. Leveraging data analysis capabilities and partnerships developed through its vast experience combatting economic crime and fraud on government programs, the Justice Department's response to COVID-19 related fraud serves as a model for proactive, high-impact white-collar crime enforcement, and demonstrates our agility in responding to new and emerging threats. This rapid and nationwide response enabled the Justice Department to quickly

ensure accountability for wrongdoing and sent a forceful message of deterrence during an ongoing crisis. The multifaceted and multi-district approach to enforcement during this national health emergency continues and is expected to yield numerous additional criminal and civil enforcement actions in the coming months.

In May 2021, the Attorney General established the COVID-19 Fraud Enforcement Task Force to marshal the resources of the Department of Justice in partnership with agencies across government to enhance efforts to combat and prevent pandemic-related fraud. The task force bolsters efforts to investigate and prosecute the most culpable domestic and international criminal actors and assists agencies tasked with administering relief programs to prevent fraud by, among other methods, augmenting and incorporating existing coordination mechanisms, identifying resources and techniques to uncover fraudulent actors and their schemes, and sharing and harnessing information and insights gained from prior enforcement efforts.

The Justice Department's efforts to combat COVID-19 related fraud schemes have proceeded on numerous fronts, including cases and investigations involving the Paycheck Protection Program (PPP), Economic Injury Disaster Loan (EIDL) program, Unemployment Insurance (UI) programs, and COVID-19 health care fraud enforcement.

These cases involve the Criminal Division's Fraud Section, U.S. Attorneys' Offices across the United States, and the department's Civil Division. They reflect a degree of reach, coordination, and expertise that is critical for enforcement efforts against COVID-19 related fraud to have a meaningful impact and is also emblematic of the Justice Department's response to criminal wrongdoing.

Prominent among the department's efforts have been cases involving PPP and EIDL fraud. Across the department, including the Criminal Division's Fraud Section and U.S. Attorneys' Offices, approximately 500 defendants have been charged in over 340 cases with alleged intended losses of over \$700 million.

Relatedly, the department has seized over \$1 billion in EIDL loan proceeds, primarily through the work of the U.S. Attorney's Office for the District of Colorado and their partners at the U.S. Secret Service.

Due to the COVID-19 pandemic, up to \$860 billion in federal funds have been appropriated for UI benefits through September 2021. Early investigation and analysis indicate that international organized criminal groups have targeted these funds by using stolen identities to file for UI benefits. Domestic criminals, ranging from identity thieves to violent street gangs to prison inmates, have also committed UI fraud. In response, the department established the National Unemployment Insurance Fraud Task Force, a prosecutor-led, multi-agency task force with representatives from more than eight different federal law enforcement agencies to coordinate those efforts. U.S. Attorneys' Offices around the country have worked with law enforcement partners to investigate and arrest those responsible for committing UI fraud. Since the start of the pandemic, over 430 defendants have been charged and arrested for federal offenses related to UI fraud.

The unprecedented pace and tempo of these efforts is made possible only through the diligent work of a wide range of Justice Department partners, including the Criminal Division's Fraud Section and Money Laundering and Asset Recovery Section, the Civil Division's Commercial Litigation Branch (Fraud Section) and Consumer Protection Branch, U.S. Attorneys' Offices throughout the country, and law enforcement partners from the FBI; U.S. Secret Service; IRS-Criminal Investigation; Defense Criminal Investigative Service; Homeland Security Investigations; U.S. Postal Inspection Service; the Offices of Inspectors General from the Small Business Administration, Department of Labor, Department of Homeland Security, Social Security Administration, Federal Deposit Insurance Corporation, Department of Health and Human Services, Department of Veterans Affairs, Federal Housing Finance Agency and Federal Reserve Board; Food and Drug Administration's Office of Criminal Investigations; Treasury Inspector General for Tax Administration; Financial Crimes Enforcement Network; Special Inspector General for Pandemic Relief; Pandemic Response Accountability Committee; OCDETF Fusion Center and OCDETF's International Organized Crime Intelligence and Operations Center.

For further information on the Criminal Division's enforcement efforts on PPP fraud, including court documents from significant cases, visit the following website: <https://www.justice.gov/criminal-fraud/ppp-fraud>. For more information on the department's response to the pandemic, please visit <https://www.justice.gov/coronavirus>. For further information on the Civil Division's enforcement efforts, visit the following website: <https://www.justice.gov/civil>.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice's National Center for Disaster Fraud (NCDF) Hotline at 866-720-5721 or via the NCDF Web Complaint Form at <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

**The subheadline has been updated to reflect a change from \$7 billion to \$8 billion in pandemic relief. (March 10, 2022)*

Attachment(s):

[Download Fact Sheet - Combatting COVID-19 Fraud.pdf](#)

Topic(s):

Coronavirus
Disaster Fraud
Health Care Fraud

Component(s):

[Criminal Division](#)
[Criminal - Criminal Fraud Section](#)
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