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Federal Grand Jury Indicts 44 People in \$1.2 Million COVID-19 Relief Fund Scam in Puerto Rico

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A federal grand jury in Puerto Rico has handed down indictments against 44 individuals accused of participating in a fraudulent scheme to illegally obtain \$1.2 million in pandemic relief funds, as announced by authorities on Thursday.

The suspects allegedly orchestrated the scam by submitting a minimum of 52 loan applications in order to acquire federal recovery funds. U.S. Attorney Stephen Muldrow stated that these individuals misused the funds "to support their own personal lifestyles, taking needed resources from those whose legitimate businesses were suffering from losses due to the Covid-19 pandemic."

Among the accused, several are identified as professional baseball coaches and players, with the majority residing in Puerto Rico.

Authorities claim that the suspects utilized fabricated tax documents, payroll records, ID cards, and bank records to bolster their applications.

During the investigation, law enforcement officials identified one suspect who was employed at an undisclosed bank. Subsequently, nearly \$850,000 in funds linked to the fraudulent scheme were seized from this individual. Additionally, authorities confiscated three vehicles, a power generator, and approximately \$40,000 worth of fitness equipment, according to the U.S. Attorney's Office.

The indictment sheds light on the severity of the misuse of federal relief funds, which were designated to aid those facing financial hardships due to the Covid-19 pandemic.

The case serves as a stark reminder of the importance of stringent oversight and verification processes to ensure that funds reach those who require genuine assistance. Efforts to prevent and prosecute fraud in relief programs remain crucial to safeguarding public trust and effectively supporting the communities impacted by the pandemic.

As the legal proceedings move forward, authorities will continue to investigate the full extent of the fraudulent operation, aiming to bring all responsible parties to justice. The case also underscores the need for ongoing vigilance and collaboration between law enforcement agencies and financial institutions to identify and prevent similar schemes in the future.