

U.S. Attorney Announces New COVID-19 Fraud Strike Force - GSA Office of Inspector General

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Department of Justice
U.S. Attorney's Office
Eastern District of Washington
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Spokane Resident Indicted for Fraudulently Obtaining COVID-19 Relief Loan

Spokane, Washington – Vanessa R. Waldref, the U.S. Attorney for the Eastern District of Washington, announced today the creation of a new, interagency COVID-19 Fraud Strike Force to combat fraud arising from the COVID-19 pandemic. U.S. Attorney Waldref also announced the first criminal charges filed in connection with work done by the COVID-19 Fraud Strike Force.

On March 27, 2020, the President signed into law the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act. The CARES Act provided a number of programs through which eligible small businesses could request and obtain relief funding intended to mitigate the economic impacts of the pandemic for small and local businesses. One such program, the Paycheck Protection Program (PPP), provided government-backed loans to small businesses which could be forgiven so long as the proceeds were used for payroll and other eligible expenses. Another program, the Economic Injury Disaster Loan (EIDL) program, provided low interest loans that could be deferred until the conclusion of the pandemic to provide “bridge” funding for small businesses to maintain their operations during shutdowns and other economic circumstances caused by the pandemic. The PPP and EIDL programs have provided billions of dollars in aid, the vast majority of which have not been paid back, including hundreds of millions of dollars disbursed within Eastern Washington.

In February 2022, U.S. Attorney Waldref and the U.S. Attorney's Office (USAO) began working with federal law enforcement agencies to create and launch a COVID-19 Fraud Strike Force that would leverage partnerships between different agencies to aggressively investigate and prosecute fraud against COVID-19 relief programs in Eastern Washington. The Strike Force consists of agency representatives from the USAO, Small Business Administration (SBA) Office of Inspector General (OIG), Federal Bureau of Investigation (FBI), U.S. Department of the Treasury Inspector General for Tax Administration (TIGTA), U.S. Secret Service, U.S. Homeland Security Investigations, U.S. Department of Veterans Affairs OIG, General Services Administration OIG, Internal Revenue Service, Department of Energy OIG, and others.

“We created the COVID-19 Fraud Strike Force because it is critical to the strength and safety of our community in Eastern Washington that we all work together to combat pandemic-related fraud,” said U.S. Attorney Waldref. “COVID-19 relief programs, which were essential to lifting our economy and supporting our families, quickly ran out of money due to the number of people and businesses that requested funding. It is not fair that some deserving small businesses could not obtain funding to keep their businesses in operation during the COVID-19 pandemic, when others abused the programs. The Strike Force is one way to ensure that limited resources are provided to deserving local businesses that provide vital services for our communities. I greatly appreciate the hard work and esprit de corps of so many talented agents and agencies that are contributing to our collective efforts.”

U.S. Attorney Waldref also announced the first filing of federal charges in connection with the work of the

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COVID-19 Fraud Strike Force. On March 16, 2022, a federal grand jury returned an Indictment charging _____ Roshon Edward Thomas, age 52, of Spokane, Washington, with two counts of fraud. The Indictment alleges that Thomas fraudulently applied for and received a \$32,400 federal loan through the SBA's EIDL program in the name of a fictitious business. Each count carries a maximum sentence of 20 years in federal prison.

"I commend the stellar investigative work on this case performed by SBA OIG, FBI, and TIGTA," said U.S. Attorney Waldref. "We will continue to work together with our law enforcement partners to vigorously prosecute those who abuse and misuse COVID-19 relief funding."