

DOJ's Nationwide Initiative Recovers Over \$836M in Alleged COVID-19 Fraud



The U.S. Department of Justice (DOJ) took rigorous enforcement measures against 718 individuals implicated in offenses totaling more than \$836 million in alleged COVID-19 fraud. The outcome of this extensive operation was revealed on Wednesday, showcasing a united endeavor that successfully identified and prosecuted individuals responsible for siphoning pandemic relief funds. This initiative culminated in filing federal criminal charges against 371 defendants, leading to 119 guilty pleas or convictions following trial. The judicial actions resulted in the imposition of over \$57 million in court-ordered restitution.

An impactful facet of this operation was the identification of defendants with connections to violent crimes. Shockingly, some of these individuals were accused of utilizing pandemic relief funds for illicit purposes such as hiring hitmen. Furthermore, a subset of 25 defendants had links to transnational crime networks, highlighting the complex nature of the operation.

The DOJ's initiative extended beyond criminal charges, encompassing 117 civil cases that yielded judgments totaling more than \$10.4 million. Collaborating closely with law enforcement agencies, prosecutors also succeeded in obtaining asset forfeitures amounting to more than \$231.4 million.

See also: [Indictment Reveals Involvement of DOJ Official and Legal Team in Alleged Election Subversion Plot](#)

Michael C. Galdo, the acting director of the DOJ's COVID-19 Fraud Enforcement, underscored the relentless commitment of the Department to its mission. He acknowledged the complexity of the task, recognizing the difficulty in identifying pandemic relief fraud and recuperating misappropriated funds. Galdo emphasized the Department's unwavering dedication to employ its full spectrum of criminal, civil, and forfeiture tools to hold those responsible for fraud accountable.

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Many cases under this enforcement action revolved around charges linked to pandemic unemployment insurance benefits. Fraudulent activities targeting two key pandemic programs, the Paycheck Protection Program and Economic Injury Disaster Loans, were also prominent. Additionally, the operation targeted fraudulent practices involving pandemic healthcare billing. Notably, schemes were uncovered targeting the Emergency Rental Assistance Program and the Internal Revenue Service's Employee Retention Credit program.

Deputy Attorney General Lisa Monaco also made significant announcements on the same day, revealing the establishment of two new COVID-19 Fraud Enforcement Strike Forces. The U.S. attorney's offices will oversee these specialized units for the District of Colorado and the District of New Jersey. These entities join previously launched Strike Forces located in the Eastern and Central Districts of California, the Southern District of Florida, and the District of Maryland.

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Monaco emphasized that the latest law enforcement actions echoed the DOJ's resolute commitment to combat fraud during times of national emergency. She affirmed the Department's determination to collaborate with law enforcement partners across the nation, ensuring that those responsible for defrauding American businesses and families are brought to justice. Monaco's sentiments reflected the broader purpose of the two new Strike Forces—to extend the reach of the DOJ's efforts in pursuing fraudsters and recovering taxpayer funds, regardless of the time it takes.

The U.S. Department of Justice's comprehensive nationwide initiative spanning several months has yielded substantial results in combatting alleged COVID-19 fraud. The operation identified and prosecuted numerous offenders and secured substantial financial penalties and asset forfeitures. The creation of additional COVID-19 Fraud Enforcement Strike Forces reinforces the DOJ's commitment to diligently pursue those who seek to exploit a national emergency for personal gain. As the legal proceedings continue, the Department remains steadfast in its mission to uphold justice and hold wrongdoers accountable.

Don't be a silent ninja! Let us know your thoughts in the comment section below.