

Lackawanna County Man Charged with Committing over \$1,500,000 in COVID-19 Pandemic Fraud

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For Immediate Release

U.S. Attorney's Office, Middle District of Pennsylvania

SCRANTON - The United States Attorney's Office for the Middle District of Pennsylvania announced today that James G. Miller, Jr., age 53, of Scranton, Pennsylvania, was charged in a criminal information with wire fraud.

According to United States Attorney Gerard M. Karam, the information alleges that Miller and his coconspirators fraudulently obtained in excess of \$1,500,000 by filing fraudulent applications for pandemic stimulus funds, including Pandemic Unemployment Assistance (PUA) benefits, Lost Wage Assistance (LWA) payments, and Paycheck Protection Program (PPP) loans. The PUA, LWA, and PPP applications allegedly submitted by Miller and his confederates were filed in the names of victims of identity theft, and bore false representations. For instance, the PUA applications contained false information about the identity theft victims' demographics, employment statuses, and availability to work. Likewise, the PPP applications were filed on behalf of fabricated businesses, and bore false financial information and forged federal tax documentation.

The PUA program was created by the March 2020 CARES Act, as part of the United States government's efforts to mitigate the impact of the COVID-19 pandemic on the public's health and economic well-being. The PUA program was designed to provide unemployment benefits to individuals not eligible for regular unemployment compensation or extended unemployment benefits. The LWA program was funded by the Federal Emergency Management Agency, pursuant to the President's authority under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. LWA payments were designed to supplement unemployment payments during the COVID-19 pandemic.

The PPP program, funded by the CARES Act, was designed to help small businesses facing financial difficulties during the COVID-19 pandemic. PPP funds were offered in forgivable loans, provided that certain criteria are met, including use of the funds for employee payroll, mortgage interest, lease, and utilities expenses.

Today, James G. Miller, Jr. is being held accountable for stealing over \$1.5 million from three different COVID relief funds," said Christopher Nielsen, Inspector in Charge of the Philadelphia Division for the Postal Inspection Service. "Congress set these funds aside to help people and businesses survive the pandemic of 2020 and 2021, not for Mr. Miller and his coconspirators' personal profit. The Postal Inspection Service has a long history investigating fraud schemes and will continue to do so to protect the American people. I want to thank the special agents of Homeland Security Office of Inspector General and Department of Labor Office of Inspector General for partnering with us on this investigation. I also want to thank the United States Attorney's Office in Scranton, PA for supporting the investigation and prosecuting the case."

On May 17, 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. For more information on the Department's response to the pandemic, please visit <https://www.justice.gov/coronavirus>.

"The Department of Homeland Security Inspector General, Joseph V. Cuffari, Ph.D, said, "Exploiting pandemic relief programs for personal enrichment is unconscionable. DHS OIG will continue to prioritize these investigations, and together with our law enforcement partners, we will hold these individuals accountable for their actions."

The case was investigated by the Department of Homeland Security Office of the Inspector General, the Department of Labor Office of the Inspector General, and the United States Postal Inspection Service. Assistant U.S. Attorney Phillip J. Caraballo is prosecuting the case.

The maximum penalties under federal law for the charge of wire fraud is 20 years of imprisonment, a term of supervised release following imprisonment, and a fine. A sentence following a finding of guilt is imposed by the Judge after consideration of the applicable federal sentencing statutes and the Federal Sentencing Guidelines.

Informations are only allegations. All persons charged are presumed to be innocent unless and until found guilty in court.

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