

PRESS RELEASE

Atlantic County Resident Admits Laundering Proceeds of COVID-19 Small Business Relief Program Fraud

Friday, June 2, 2023

For Immediate Release

U.S. Attorney's Office, District of New Jersey

CAMDEN, N.J. – An Atlantic County, New Jersey, man admitted laundering the proceeds of fraudulently obtained Paycheck Protection Program loans, U.S. Attorney Philip R. Sellinger announced today.

Jeremy Earley, 41, of Egg Harbor Township, New Jersey, and Lilburn, Georgia, pleaded guilty on June 1, 2023, before U.S. District Judge Karen M. Williams in Camden federal court to an information charging him with one count of engaging in a monetary transaction in criminally derived property.

According to documents filed in this case and statements made in court:

In 2020 and 2021, two companies owned by Earley received loans totaling more than \$1.3 million from the Paycheck Protection Program (PPP), a federal program that provided forgivable loans to small businesses for job retention and certain other expenses. The loans were approved based on fraudulent applications submitted by conspirator Rhonda Thomas stating that the companies had dozens of employees and monthly payrolls of \$145,000 and \$382,400, respectively. The applications also contained forged tax forms. In fact, Earley's businesses had no employees other than himself and paid minimal to no wages. After receiving the PPP loan proceeds, Earley wrote checks totaling nearly \$400,000 to Thomas to compensate her for her role in submitting the fraudulent loan applications.

The charge of money laundering carries a maximum penalty of 10 years in prison and a fine of \$250,000, or twice the gross gain or loss from the offense. Sentencing is scheduled for Oct. 13, 2023.

Rhonda Thomas previously pleaded guilty to bank fraud conspiracy and money laundering and was sentenced to five years in prison.

U.S. Attorney Sellinger credited special agents of the Federal Deposit Insurance Corporation – Office of the Inspector General, under the direction of Patricia Tarasca, Special Agent-in-Charge, New York Regional Office; special agents of the Social Security Administration, Office of the Inspector General, New York Field Division, under the direction of Special Agent in Charge Sharon MacDermott; special agents of the FBI's South Jersey Resident Agency, under the direction of Special Agent in Charge Jacqueline Maguire in Philadelphia; and special agents of the U.S. Department of Labor, Office of the Inspector General, New York Region, under the direction of Special Agent in Charge Jonathan Mellone, with the investigation leading to the guilty plea.

The government is represented by Assistant U.S. Attorney Daniel A. Friedman and Attorney-In-Charge Jason M. Richardson of the U.S. Attorney's Office's Criminal Division in Camden.

[earley.information.pdf](#) (129.05 KB)

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