FOR IMMEDIATE RELEASE
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Federal Indictment Charges Charlotte Man For Defrauding COVID-19 Government Benefits Programs

The Defendant Allegedly Fraudulently Obtained more than $60,000 in Government-Funded Coronavirus Aid Relief

CHARLOTTE, N.C. – A federal grand jury sitting in Charlotte has indicted Rashawn Prioleau, 35, of Charlotte, on multiple financial institution fraud and aggravated identity theft charges, for stealing more than $60,000 from government-funded COVID-19 benefit programs, announced Andrew Murray, U.S. Attorney for the Western District of North Carolina.

Tommy D. Coke, Inspector in Charge of the Atlanta Division of the U.S. Postal Inspection Service, which oversees Charlotte, joins U.S. Attorney Murray in making today's announcement.

According to allegations in the criminal bill of indictment, Prioleau engaged in a scheme to defraud the U.S. Department of Labor (DOL), the U.S. Small Business Administration (SBA) and other North and South Carolina state agencies by filing fraudulent claims for COVID-19 related unemployment insurance (UI) benefits using stolen information of identity theft victims. The indictment further alleges that Prioleau also fraudulently applied for two Economic Injury Disaster Loans (EIDL) based on false information.

As alleged in the indictment, from at least April 2020 to September 2020, Prioleau obtained the personal identifying information (PII) of at least seven identity theft victims, including names, Social Security Numbers, dates of birth, and addresses, and used it to file for fraudulent UI benefits in North and South Carolina. Prioleau allegedly directed the payments of the UI benefits be made to debit cards or bank accounts under his control. As alleged in the indictment, in July 2020, Prioleau also applied with the SBA for two EIDLs, using fraudulent business information. Over the course of the scheme, Prioleau allegedly obtained approximately $60,397 in government-funded COVID-19 benefits.

Prioleau is charged with nine counts of bank fraud, which carry a maximum prison term of 30 years and a $1,000,000 fine per count; two counts of making a false statement to the SBA, which carry a maximum term of 30 years in prison and a $1,000,000 fine per count; and two counts of aggravated identity theft, which carry a minimum prison term of two years per count, consecutive to any other prison term imposed, and a $250,000 fine. Prioleau had his initial court appearance today before U.S. Magistrate Judge David C. Keesler.

The charges in the indictment are allegations. The defendant is presumed innocent unless and until proven guilty beyond reasonable doubt in a court of law.

In making today's announcement U.S. Attorney Murray thanked the U.S. Postal Inspection Service for their investigation which led to the charges.

Assistant U.S. Attorney Graham Billings, of the U.S. Attorney's Office in Charlotte is prosecuting the case.

The Coronavirus Aid, Relief and Economic Security (CARES) Act is a federal law enacted March 29, 2020, designed to provide emergency financial assistance, including expanded UI benefits, to millions of Americans suffering the economic effects of the COVID-19 pandemic. The Economic Injury Disaster Loan (EIDL) sponsored by the United States Small Business Administration (SBA) was expanded under the CARES Act, and it is designed to provide support for small businesses to remedy economic harm caused by the COVID-19 outbreak.

The Department of Justice and the U.S. Attorney's Office for the Western District of North Carolina remain vigilant in detecting, investigating, and prosecuting wrongdoing related to the COVID-19 pandemic. If you think you are a victim of coronavirus fraud or have information pertaining to fraud involving COVID-19, contact the National Center for Disaster Fraud Hotline at 866-720-5721 or submit a complaint online using the NCDF Web Complaint Form. Members of the public in the Western District of North Carolina are also encouraged to call 704-344-6222 to reach their local Coronavirus Fraud Coordinator.