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DOJ Signals Increased Investigations and Prosecutions of Pandemic-Related Fraud: New Strike Forces in MD, FL, and CA Commence Operations

Authors: Alison Schurick, Aldo M. Leiva

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Earlier this month, the Department of Justice (DOJ) announced another new measure in its ongoing efforts to combat, prevent, and prosecute COVID-19-related fraud: Strike Force Teams. According to DOJ, the Strike Force Teams, are designed to enhance and "accelerate the process of turning data analytics into criminal prosecutions,"¹ a signal that more investigations and prosecutions are likely as DOJ continues to advance its commitment to hold those responsible for pandemic-related fraud accountable.

The Strike Force Teams will operate out of the United States Attorney's Offices in the District of Maryland, the Southern District of Florida, and the Central and Eastern Districts of California (jointly) and will be led by Assistant United States Attorney Michael C. Galdo, the Deputy Director for DOJ's COVID-19 Fraud Enforcement Task Force. Each Strike Force Team is comprised of prosecutors and agents from a number of federal offices and agencies, including the Small Business Administration Office of the Inspector General, the Department of Homeland Security Office of the Inspector General, the FBI, the Internal Revenue Service – Criminal Investigations, and the Special Inspector General for Pandemic Recovery.

The data-centered and prosecution-driven approach expected from the Strike Force Teams is nothing new for the Districts in which they will operate; all have secured notable criminal convictions and sizeable civil settlements in COVID-19-related fraud cases since the start of the pandemic.

In January 2021, the Eastern District of California obtained the first civil settlement in the Nation for fraud related to the CARES Act's Paycheck Protection Program², and it since has criminally prosecuted a number of individuals who unlawfully obtained relief money through fraud. Likewise, Southern District of Florida has secured dozens of convictions relating to fraudulent COVID-19 loans and, most recently, successfully prosecuted a longtime former employee of the Miami-Dade Police Department for participating in a COVID-19 relief fraud conspiracy.³ Since the CARES Act was passed, the Southern District of Florida has seized more than \$23.5 million in unlawfully obtained relief funds.⁴ The District of Maryland also has vigorously prosecuted those who commit COVID-19-related fraud, securing a number of convictions and guilty pleas in cases involving, for example, the submission of fraudulent CARES Act loan applications⁵, the use of stolen identities to obtain nearly \$1 million in unemployment insurance and other COVID-19-related benefit payments⁶, and fraud schemes purporting to sell COVID-19 vaccines in exchange for cash.⁷

It is likely that the creation of the Strike Force Teams will only build on these Districts' momentum.

While it is anticipated that the three Strike Force Teams will take some time to fully assemble and get up and running, they are yet another indication that DOJ continues to prioritize efforts to deter, detect, disrupt, and prosecute pandemic-related fraud at all levels. Further, the Strike Force Teams are a powerful example of DOJ's vast partnership, resources, and support under its COVID-19 Fraud Enforcement Task Force.

If you have any questions about COVID-19 related fraud enforcement or investigations, please contact [Alison Schurick](#), [Al Leiva](#), or a member of Baker Donelson's [Government Enforcement and Investigations Group](#).

¹ <https://www.justice.gov/usao-md/pr/justice-department-announces-covid-19-fraud-strike-force-teams>

² <https://www.justice.gov/usao-edca/pr/eastern-district-california-obtains-nation-s-first-civil-settlement-fraud-cares-act>

³ <https://www.justice.gov/usao-sdfl/pr/former-long-term-employee-miami-dade-police-department-convicted-covid-19-relief-fraud>

⁴ <https://www.justice.gov/usao-sdfl/pr/south-florida-us-attorney-s-office-lead-covid-19-fraud-strike-force-team-against#:~:text=In%20recent%20weeks%2C%20the%20district,cases%20received%20over%20%2435%20million.>

⁵ <https://www.justice.gov/usao-md/pr/baltimore-man-sentenced-over-four-years-federal-prison-submitting-over-660000-fraudulent>

⁶ <https://www.justice.gov/usao-md/pr/maryland-man-admits-coordinating-covid-19-unemployment-insurance-and-aggravated-identity>

⁷ <https://www.justice.gov/usao-md/pr/windsor-mill-man-pleads-guilty-federal-charge-fraud-scheme-purporting-sell-covid-19>