



Department of Justice

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KENNER, LOUISIANA COUPLE FOUND GUILTY OF KATRINA FRAUD

GULFPORT, Miss. –After a four-day trial, Jerome and Catherine Foreman of Kenner, Louisiana, were each found guilty in U.S. District Court today, Acting U.S. Attorney Stan Harris announced. Jerome Foreman was found guilty of two counts of making false statements, one count of making a false claim, and one count of theft against the Federal Emergency Management Agency (FEMA). Jerome Foreman was also found guilty of one count of making a false statement and one count of theft against the Mississippi Development Authority. Catherine Foreman was found guilty of theft against the Mississippi Development Authority (MDA).

The Foremans received a \$150,000.00 Phase I grant from MDA by claiming as their primary residence a Diamondhead house they owned, but did not live in prior to, or at the time of, Hurricane Katrina. Further, Jerome Foreman, after filing one valid claim for FEMA assistance on his Kenner, Louisiana, residence, defrauded FEMA of \$6,706 by fraudulently declaring his primary residence was the Diamondhead house.

The Foremans are scheduled for sentencing before United States District Judge Sul Ozerden on October 28, 2009 at 9:30 a.m. in Gulfport. Each faces a maximum sentence of 10 years in prison and up to \$250,000.00 in fines.

The case was investigated by agents from Mississippi State Auditor's Office and the Department of Housing and Urban Development. Assistant United States Attorneys Ruth Morgan, Kiana Foster, and Alyssa Farrell prosecuted the case.

In September, 2005, former Attorney General Alberto R. Gonzales created the national Hurricane Katrina Fraud Task Force, designed to deter, investigate and prosecute disaster-related federal crimes such as charity fraud, identity theft, procurement fraud and insurance fraud. The Hurricane Katrina Fraud Task Force - chaired by Assistant Attorney General for the Criminal Division, Lanny A. Breuer, includes members from the FBI, Department of Homeland Security Office of Inspector General, the Federal Trade Commission, the Department of Labor Office of Inspector General, the Postal Inspector's Office and the Executive Office of United States Attorneys, among others.

Pursuant to the Justice Department initiative, a local Katrina Fraud Task Force, consisting of over 20 Federal and State law enforcement agencies, was formed in the Southern District of Mississippi to pursue and prosecute individuals who engage in fraud associated with the hurricanes.

If anyone has information concerning possible fraud being committed during the post-Katrina recovery effort, please call either the DHS-OIG Fraud Hotline at 1-866-720-5721 or the FBI Fraud Hotline at 1-800-225-5324.

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