



Department of Justice

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Southern District of Mississippi

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MISSISSIPPI MAN PLEADS GUILTY TO KATRINA FRAUD

Gulfport, Miss. – James Arnold, of Gulfport, Miss., pled guilty to stealing Hurricane Katrina disaster-assistance funds from the Federal Emergency Management Agency, Acting U.S. Attorney Stan Harris announced today. After filing an application for disaster-related benefits with FEMA, Arnold received checks totaling \$24,008. In his application, Mr. Arnold falsely claimed, as his primary residence, an old address at which he did not currently live, and at which he had not lived for many years. Further, he falsely claimed to have suffered losses to personal property at that address. Arnold is scheduled for sentencing before U.S. District Judge Louis Guirola on May 8, 2009.

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 Acting Assistant Attorney General for the Criminal Division, Rita M. Galvin, 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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