



Department of Justice

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Southern District of Mississippi

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GULFPORT MAYOR AND WIFE ARRESTED FOR KATRINA FRAUD

JACKSON, Miss. – The Mayor of Gulfport, Mississippi, and his wife were arrested following an indictment returned by a federal Grand Jury alleging conspiracy, FEMA fraud, HUD home grant fraud, and insurance fraud, all arising from fraudulent claims made following Hurricane Katrina, announced U.S. Attorney Dunn Lampton of the Southern District of Mississippi, Richard Skinner, Inspector General for the Department of Homeland Security, Kenneth Donohue, Inspector General for HUD, and Stacey Pickering, Auditor for the State of Mississippi.

Gregory Brent Warr and Laura Jean Warr were indicted by a federal Grand Jury for Hurricane Katrina related fraud in a sixteen count indictment alleging the Warrs conspired to defraud the United States, filed a false claim for disaster assistance, made false statements to FEMA, stole government funds, and committed mail and wire fraud. The indictment alleges in part that the Warrs made a false statement to the Mississippi Development Authority for a HUD funded home grant and committed mail fraud in obtaining funds from Lexington Insurance Company. If convicted of each count, potentially the Warrs each face up to 210 years imprisonment and up to \$4,000,000.00 in fines. The defendants were released on bond and ordered to appear April 6, 2009, for trial.

In September, 2005, the United States Department of Justice 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, Matthew Friedrich, includes members from the Department of Homeland Security Office of Inspector General, FBI, the Department of Housing and Urban Development 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. The Department of Homeland Security Office of Inspector General and the Mississippi Office of the State Auditor Katrina Fraud and Detection Unit, assisted by agents of the OIG-HUD, investigated the activities of the Warrs.

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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