



Department of Justice

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Southern District of Mississippi**

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GREENE COUNTY SUPERVISORS CHARGED IN PUBLIC CORRUPTION CASES INVOLVING HURRICANE KATRINA FRAUD

Hattiesburg, Miss - Earnest Holder, 68, and Lee Lambert, 64, were arrested today on conspiracy, bribery, perjury and tax fraud charges, U.S. Attorney Donald R. Burkhalter announced. Holder, the current District Three Greene County Supervisor, has been charged with one count of bribery, one count of conspiracy to commit bribery, one count of perjury before a federal grand jury, and two counts of filing false income tax returns, all felony offenses. If convicted, Holder faces a maximum penalty of 26 years imprisonment and/or \$1,250,000 in fines, 11 years supervised release, and forfeiture of properties and monies.

Lambert, former District Four Greene County Supervisor, has been charged with one count of bribery, one count of conspiracy to commit bribery, and two counts of filing false income tax returns, all felony charges. If convicted, Lambert faces a maximum penalty of 21 years imprisonment and/or \$1,000,000 in fines, 8 years supervised release, and forfeiture of properties and/or monies.

Mr. Burkhalter praised the efforts of Katrina Fraud Task Force members Lisa Reiter, Special Agent with the Federal Bureau of Investigation in Gulfport, and Darren Mayer, Special Agent with the Internal Revenue Service Criminal Investigative Division, for their diligent work in the investigation of this case. Assistant U.S. Attorney Ruth Morgan is the prosecutor handling the case.

Holder and Lambert made their initial appearance before U.S. Magistrate Judge Michael Parker today at the Federal Courthouse in Hattiesburg, Mississippi, and were released on bond. Holder is scheduled for trial on December 21, 2009 before U.S. District Judge Keith Starrett in Hattiesburg. A trial date for Lambert has not been set at this time.

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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