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THE UNITED STATES ATTORNEY'S OFFICE  
SOUTHERN DISTRICT *of* TEXAS

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**Department of Justice**

U.S. Attorney's Office

Southern District of Texas

FOR IMMEDIATE RELEASE

Thursday, August 31, 2017

## **Authorities Announce Formation of Working Group to Fight Hurricane Harvey-Related Illegal Activity**

HOUSTON - Representatives from numerous federal and state law enforcement agencies have formed a working group to investigate and prosecute illegal activity related to Hurricane Harvey.

Acting U.S. Attorney Abe Martinez made the announcement along with Acting U.S. Attorney Corey R. Amundson of the Middle District of Louisiana who serves as the Acting Executive Director of the National Center for Disaster Fraud (NCDF), Harris County District Attorney (DA) Kim Ogg, Texas Attorney General Ken Paxton, Director Shamoil T. Shipchandler of the Securities and Exchange Commission (SEC) - Fort Worth Regional Office, Special Agent in Charge Perrye K. Turner of the FBI, Special Agent in Charge David Green of the Department of Homeland Security – Office of Inspector General (DHS-OIG), Special Agent in Charge Mark Dawson of Immigration and Customs Enforcement's Homeland Security Investigations (HSI), Special Agent in Charge D. Richard Goss of IRS – Criminal Investigations (CI), Special Agent in Charge Douglas W. Thigpen of the U.S. Secret Service (USSS), Regional Director Dama Brown of the Federal Trade Commission (FTC) and Special Agent in Charge Fred Milanowski of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF).

"This disaster has brought and will continue to bring unprecedented human and financial loss to our communities, and victims of this event have already suffered staggering devastation," said Martinez. "The last thing that victims of this damage need is to be victimized again. Under the lessons learned from Hurricane Katrina, we bring a comprehensive law enforcement focus to combat any criminal activity arising from the tragedy of Hurricane Harvey and the rebuilding efforts underway."

While each of these agencies has a history of working together, bringing them together into one focused group is an optimal way to address the varied threats resulting from Hurricane Harvey. The working group will involve all levels of law enforcement and includes representatives from the

United States Attorney's Office for the Southern District of Texas, NCDF, Harris County DA's Office, Texas Attorney General's Office, SEC, FBI, DHS-OIG, HSI, IRS-CI, USSS, FTC and the ATF.

Authorities are already receiving calls about scams in our area and have forwarded complaints to the relevant agencies.

"We intend to use all of the resources at our disposal to both help our registrants and to hold those accountable who try to use this disaster to take advantage of other people," said Chairman Jay Clayton of the SEC. "There is no place for fraud or shady practices in the rebuilding and recovery of the communities in Texas and Louisiana that have been affected by Hurricane Harvey."

"As we all work to rebuild the Houston/Gulf Coast region and look for ways to help, it's important to perform due diligence before giving contributions to anyone soliciting donations or individuals offering to provide assistance to those affected by Harvey, whether the solicitations are in person, via email or telephone," said Turner. "The FBI is dedicated to investigating and preventing this type of fraud, especially when it involves preying on individuals during times of great need."

"As we have witnessed throughout this disaster, the best of the American spirit shines through with neighbors and strangers helping one another. Sadly, at the same time, these situations also bring out those that would try to prey upon those who are willing to give of themselves to help out," said Dawson. "Rest assured that HSI will, in coordination with our fellow law enforcement partners, bring its investigative resources to bear to stop those that would seek to take advantage of this situation for their personal and illegal gain."

Natural disasters often bring out the best in human compassion and spirit, they can also lead to unscrupulous individuals and organizations taking advantage of those in need of and/or providing government services. Examples of typical illegal activity under the jurisdiction of each of the agencies in the working group include:

- Impersonation of federal law enforcement officials
- Identity theft
- Fraudulent submission of claims to insurance companies and the federal government
- Fraudulent activity related to solicitations for donations and charitable giving
- Fraudulent activity related to individuals and organizations promising high investment returns from profits from recovery and cleanup efforts
- Price gouging
- Theft, looting, and other violent crime

Consumers also can report scams and other consumer issues to the FTC and get help if they think they may be a victim of identity theft.

Members of the public are encouraged to contact the NCDF to report all types of disaster fraud. The U.S. Department of Justice established the NCDF following Hurricane Katrina when billions of dollars in federal disaster relief poured into the Gulf Coast region. Its mission has expanded to include suspected fraud from any natural or manmade disaster and includes more than 30 federal, state and local law enforcement agencies. The team includes law enforcement agents who review those reports and make referrals to the appropriate investigative agencies. The NCDF provides de-confliction, coordination and expertise in handling disaster fraud matters and is focused on protecting disaster victims and any funds dedicated to disaster victims.

The Disaster Fraud Hotline is 1-866-720-5721 and is staffed by a live operator 24 hours a day, seven days a week. Members of the public can also [send an email](#) or fax information to 225-334-4707.

In addition, the Texas Attorney General's Office is asking Texans to please contact their Consumer Protection Division and file a complaint if they feel they have encountered price gouging or have been scammed or fall victim to a charities fraud. They can call the toll-free hotline at 800-621-0508, [send an email](#) or [file a complaint on via the web](#).

The SEC provided [this information](#) yesterday and continues to monitor the market impact of Hurricane Harvey and encourage affected entities and investment professionals to contact Commission staff with questions and concerns.

For additional information, you may also visit [FEMA's Hurricane Harvey resource page](#).

The Department of Justice also announced yesterday [Tips on Avoiding Fraudulent Charitable Contribution Schemes](#).

Various personnel will also be available for any additional information, comments or interviews regarding this effort. Members of the media wishing to speak with anyone are asked to [send an email](#) with your request and preferred times and the office will respond accordingly.

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**Topic(s):**

Consumer Protection  
Financial Fraud

**Component(s):**

[USAO - Texas, Southern](#)

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