

New York man arrested for COVID-19 relief fraud scheme; applied for PUA and PPP in Massachusetts

"A New York Man was arrested today on charges arising from a scheme to fraudulently obtain business loans and unemployment pandemic relief funds made available under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Ronald Buie, 35, was charged with one count of wire fraud. Buie will make an initial appearance in federal court in the Eastern District of New York this afternoon and will appear in Boston at a later date.

According to the charging documents, Buie engaged in a scheme to defraud the U.S. Small Business Administration (SBA) by submitting fraudulent applications for loans offered in connection with the CARES Act. It is alleged that Buie applied for SBA loans under various false identities for which he had also opened bank accounts and email accounts. Buie also allegedly submitted fraudulent documentation to apply for and obtain a fraudulent loan from the SBA Paycheck Protection Program for his company, Platinum Car Service LLC.

Specifically, in support of his loan application, Buie allegedly provided what he purported to be a monthly bank statement for his business checking account showing an ending balance of more than \$198,000, whereas bank records for that particular month show that the actual balance was less than \$3,000. In addition, it is alleged that Buie's scheme also involved the utilization of various false identities to apply for Pandemic Unemployment Assistance benefits.

The charge of wire fraud provides for a sentence of up to 20

years in prison, up to three years of supervised release and a fine of up to \$250,000. Sentences are imposed by a federal district court judge based upon the U.S. Sentencing Guidelines and other statutory factors.

On May 17, 2021, the Attorney General established the COVID-19 Fraud Enforcement Task Force to marshal the resources of the Department of Justice in partnership with agencies across government to enhance efforts to combat and prevent pandemic-related fraud. The Task Force bolsters efforts to investigate and prosecute the most culpable domestic and international criminal actors and assists agencies tasked with administering relief programs to prevent fraud by, among other methods, augmenting and incorporating existing coordination mechanisms, identifying resources and techniques to uncover fraudulent actors and their schemes, and sharing and harnessing information and insights gained from prior enforcement efforts. For more information on the Department's response to the pandemic, please visit <https://www.justice.gov/coronavirus>.

United States Attorney Rachael S. Rollins; Frederick J. Regan, Special Agent in Charge of the U.S. Secret Service, Boston Field Office; Jonathan Mellone, Special Agent in Charge of Department of Labor, Office of Inspector General, Labor Racketeering and Fraud Investigations; and Ketty Larco-Ward, Inspector in Charge of the United States Postal Inspection Service, made the announcement today. Valuable assistance was provided by the U.S. Secret Service, New York Field Office; Massachusetts Department of Unemployment Assistance; and the New York City Police Department. Assistant U.S. Attorney William F. Abely, Chief of Rollins' Criminal Division, is prosecuting the case.

The details contained in the charging documents are allegations. The defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law." -Massachusetts Department of Justice.