

FOR FURTHER INFORMATION CONTACT

AUSA VICKIE E. LEDUC or

MARCIA MURPHY at 410-209-4885

January 6, 2009

FOR IMMEDIATE RELEASE

<http://www.usdoj.gov/usao/md>

RECIPIENT OF HURRICANE KATRINA DISASTER FUNDS
PLEADS GUILTY TO STEALING \$60,200

Greenbelt, Maryland - Schewanda Baptiste, age 42, formerly of Waldorf, Maryland, pleaded guilty today to theft of \$60,200 in Hurricane Katrina disaster relief benefits, announced United States Attorney for the District of Maryland Rod J. Rosenstein. According to the plea agreement, from 2003 to November 2008 Baptiste owned a home in New Orleans. She moved from Louisiana to Maryland in the summer of 2005 and rented her home in New Orleans to a woman and her two minor children. Hurricane Katrina made landfall on August 29-30, 2005 in Louisiana, extensively damaging the home in New Orleans and causing the renter and her children to evacuate. Baptiste was in Maryland on August 29, 2005 enrolling her daughter in school.

The Federal Emergency Management Agency (FEMA) provided emergency assistance to victims of the hurricane who were left homeless. It was not a substitute for insurance and was not available to individuals who were not living in homes damaged by the hurricane. Baptiste, in fact, had private insurance which covered the property damage to her home in New Orleans.

On September 13, 2005 Baptiste submitted a fraudulent application to FEMA for disaster assistance relief which falsely claimed that at the time of the hurricane, the New Orleans's home was her primary residence and that she lived there with her two children. In February 2006, Baptiste submitted a false lease to FEMA in order to obtain further benefits and to convince FEMA that she had been living in New Orleans at the time of the hurricane. She obtained approximately \$30,200 in FEMA disaster relief assistance.

Baptiste also fraudulently applied for and obtained \$30,000 in grant funds from the Community Development Block Grant which was set up by the Department of Housing and Urban Development (HUD) to provide disaster assistance.

The renter of the New Orleans's home properly applied for disaster assistance relief in September 2005. As a result of Baptiste's fraudulent applications, the renter's disaster relief assistance application was subjected to greater scrutiny and payments to the renter were delayed.

Baptiste faces a maximum sentence of 10 years in prison, followed by three years of supervised release. U.S. District Judge Deborah K. Chasanow has scheduled sentencing for April 13, 2009 at 2:00 p.m. As part of her plea agreement, Baptiste has agreed to pay restitution for the full amount of the losses incurred by FEMA and HUD.

United States Attorney Rod J. Rosenstein thanked the U.S. Department of Housing and Urban Development - Office of Inspector General and the Department of Homeland Security - Office of Inspector General for their investigative work. Mr. Rosenstein commended Assistant United States Attorney Sandra Wilkinson, who is prosecuting the case.