



Department of Justice

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**GULFPORT, MISS., MAYOR AND WIFE ARRESTED FOR
HURRICANE KATRINA FRAUD**

Jackson, Miss. – The mayor of Gulfport, Miss., and his wife were arrested today following an indictment returned by a federal grand jury that alleges conspiracy, Federal Emergency Management Agency (FEMA) fraud, Department of Housing and Urban Development (HUD) home grant fraud and insurance fraud, all arising from 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 (DHS); 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 16-count indictment alleging they 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 the Lexington Insurance Company. If convicted of each count, the Warrs each potentially face up to 210 years in prison and up to \$4 million in fines. The defendants were released on bond and ordered to appear on April 6, 2009, for trial.

In September 2005, the 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, Rita M. Glavin, includes members from the DHS Office of Inspector General, FBI, the HUD 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 more than 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 Hurricanes Katrina and Rita. The DHS Office of Inspector General and the Mississippi Office of the State Auditor Katrina Fraud and Detection Unit, assisted by agents from the HUD OIG, investigated the activities of the Warrs.

If anyone has information concerning possible fraud being committed during the post-Katrina recovery effort, please call the Hurricane Fraud Hotline at 1-866-720-5721.

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