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FOR IMMEDIATE RELEASE

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### **MARYSVILLE WOMAN CONVICTED FOR FRAUDULENT RECEIPT OF HURRICANE KATRINA DISASTER MONEY**

SACRAMENTO--United States Attorney McGregor W. Scott announced today that Marysville resident, CRYSTAL J. HOUSLEY, 27, pled guilty today before U.S. District Court Judge Lawrence K. Karlton to conspiring to use the U.S. Mail to obtain Hurricane Katrina disaster money and to making a false claim upon the United States, through FEMA (the Federal Emergency Management Agency), for Hurricane Katrina disaster relief.

This case was investigated by the Department of Homeland Security Office of Inspector General and the U.S. Postal Inspection Service.

In September 2005, Attorney General Alberto R. Gonzales created the 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 Alice S. Fisher of the Criminal Division-includes the FBI, the U.S. Inspectors General community, the United States Secret Service, the United States Postal Inspection Service, the Executive Office for United States Attorneys, and others.

According to Assistant United States Attorney Michelle Rodriguez, who is prosecuting the case, October 18, 2006, CRYSTAL J. HOUSLEY, 27, JOHN P. HOUSLEY, 49, and SHAWN R. CUDABACK, 26, were charged with conspiring to defraud the United States government. Each defendant was additionally charged with a single count of making false claims to FEMA, and with a single count of mail fraud, also in connection with the alleged false claims. Today CRYSTAL J. HOUSLEY admitted that she and her criminal associates devised and, between September 1, 2005 and October 25, 2005, executed a scheme to steal Hurricane Katrina disaster relief money. CRYSTAL J. HOUSLEY admitted that she and her criminal associates conspired to steal over \$6,000 of funds allocated for disaster relief victims. From FEMA, the defendants stole Hurricane Katrina victim cash aid and took without authority housing financial assistance intended for needy victims of this (Hurricane Katrina) national disaster. The defendants signed documents certifying false information to FEMA.

Earlier this month, on December 7, 2006, co-conspirator SHAWN R. CUDABACK similarly pled guilty to conspiring to use the U.S. Mail to obtain Hurricane Katrina disaster relief money and to making a false claim upon the United States, through FEMA, for Hurricane Katrina disaster relief. At 2:00 p.m. on December 20, 2006, co-conspirator JOHN P. HOUSLEY is scheduled to be arraigned by United States Magistrate Judge Edmund F. Brennan.

CRYSTAL J. HOUSLEY is scheduled to be sentenced on February 27, 2007, and SHAWN R. CUDABACK is scheduled to be sentenced on March 20, 2007. The maximum penalty each defendant faces is 10 years imprisonment, restitution, and a fine of up to \$250,000. Each defendant also will receive a 3-year term of federal supervised release. However, the actual sentence will be determined at the discretion of the court after consideration of the Federal Sentencing Guidelines, which take into account a number of variables, and any applicable statutory sentencing factors.

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