



THE UNITED STATES ATTORNEY'S OFFICE
EASTERN DISTRICT *of* WISCONSIN

[U.S. Attorneys](#) » [Eastern District of Wisconsin](#) » [News](#)

Department of Justice

U.S. Attorney's Office

Eastern District of Wisconsin

FOR IMMEDIATE RELEASE

Tuesday, February 1, 2022

De Pere Man Indicted for Paycheck Protection Program Fraud

United States Attorney Richard G. Frohling of the Eastern District of Wisconsin announced that on February 1, 2022, a federal grand jury returned an indictment charging Chad M. Schampers (age: 38) of De Pere, Wisconsin, with one count of wire fraud, in violation of Title 18, United States Code, Section 1343, and one count of money laundering, in violation of Title 18, United States Code, Section 1957. The wire fraud count carries a maximum penalty of 20 years of imprisonment, and the money laundering count carries a maximum penalty of 10 years of imprisonment.

The indictment alleges that Schampers filed a fraudulent loan application seeking approximately \$300,000 in forgivable Paycheck Protection Program (PPP) loans guaranteed by the Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act is a federal law enacted on March 29, 2020, which is designed to provide emergency financial assistance to millions of Americans who are suffering the economic effects resulting from the COVID-19 pandemic.

One source of relief provided by the CARES Act is the authorization of up to \$349 billion in forgivable loans to small businesses for job retention and certain other expenses through the PPP. In April 2020, Congress authorized over \$300 billion in additional PPP funding.

Businesses must use PPP loan proceeds for payroll costs, interest on mortgages, rent, and utilities. The PPP allows the interest and principal to be forgiven if businesses spend the proceeds on these expenses within a set time period and use at least a certain percentage of the loan towards payroll expenses.

The indictment alleges that Schampers unlawfully used approximately \$300,000 in PPP loan funds for personal expenses, including the purchase of a private residence and diverting funds into his personal account.

"Individuals engaging in PPP fraud not only cause loss to every taxpayer but also prevent the funds from helping small businesses and employees in need," said U.S. Attorney Frohling. "Along with our law enforcement partners, the United States Attorney's Office remains focused on holding anyone who engaged in this type of fraud accountable for their actions."

Special Agent in Charge of the FBI Milwaukee Division Michael E. Hensle said, "Today's announcement demonstrates the ongoing commitment and dedication of the FBI to work with our partners to aggressively

hold individuals accountable who perpetrate fraud against the American people and assist the victims of fraud. This large scale home improvement fraud scheme took advantage and broke the trust of multiple homeowners and financial institutions. The FBI will continue to pursue and bring to justice those individuals who take advantage of others for profit and believe they are above the law.”

This case was investigated by the Brown County Sheriff’s Office and the Federal Bureau of Investigation. It will be prosecuted by Assistant United States Attorneys Julie F. Stewart and Daniel R. Humble.

An indictment is only a charge and is not evidence of guilt. The defendants are presumed innocent and are entitled to a fair trial at which the government must prove them guilty beyond a reasonable doubt.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice’s National Center for Disaster Fraud Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

#

For further information contact: Kenneth.Gales@usdoj.gov

(414) 297-1700

[Follow us on Twitter](#)

Component(s):

USAO - Wisconsin, Eastern

Updated February 1, 2022