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Department of Justice

U.S. Attorney's Office

District of South Carolina

FOR IMMEDIATE RELEASE

Wednesday, November 3, 2021

Greer Man Pleads Guilty to Wire Fraud and Money Laundering Involving Just Under \$2 Million in Coronavirus Funds

Greenville, South Carolina --- Acting United States Attorney M. Rhett DeHart announced today that Jeffrey Gossett, 47, of Greer, has pleaded guilty to felony counts of wire fraud and money laundering stemming from the theft of nearly \$2 million in funds related to the Coronavirus, specifically Paycheck Protection Program (PPP) loans and Economic Injury Disaster Loans (EIDL).

"Taking money meant for those in need is reprehensible, especially during a pandemic," said Acting U.S. Attorney DeHart. "With the help of our federal and local partners, this office will continue to investigate and prosecute those who seek to turn the misfortune of others into illegal gains for themselves."

"While many small businesses were struggling to make ends meet at the height of the COVID-19 pandemic, Gossett submitted fraudulent claims for his personal benefit," said Susan Ferensic, Special Agent in Charge of the Federal Bureau of Investigation (FBI) Columbia field office. "The FBI and its federal partners will continue to pursue those who take advantage of programs meant to help small businesses during difficult times."

"Making false statements to fraudulently gain access to SBA program funds is unacceptable," said Amaleka McCall-Brathwaite, Small Business Administration (SBA) Office of Inspector General's (OIG's) Eastern Region Special Agent in Charge. "SBA OIG will relentlessly pursue evidence of fraud against SBA's programs aimed at assisting the nation's small businesses struggling with the pandemic challenges. I want to thank the U.S. Attorney's Office for its leadership and dedication to pursuing justice."

Evidence presented to the Court showed that, from March 2020 and continuing until August 2020, Gossett devised a scheme to defraud and obtain money and property by false and fraudulent pretenses. Specifically, Gossett submitted false PPP loan and EIDL applications issued as a result of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. During the course of the scheme, Gossett fraudulently obtained \$1,870,549.00 of PPP and EIDL assistance.

For the most serious charge, Gossett faces a maximum penalty of 20 years in federal prison, a fine of \$250,000, 3 years of supervision to follow the term of imprisonment, and restitution. United States District Judge Timothy M. Cain accepted the guilty plea and will sentence Gossett after receiving and reviewing a sentencing report prepared by the United States Probation Office.

The case was investigated by the FBI, SBA OIG, and the Internal Revenue Service. Assistant United States Attorney Winston Marosek is prosecuting the case.

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>.

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 (NCDF) Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

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Topic(s):

Coronavirus

Financial Fraud

Component(s):

USAO - South Carolina

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