

THE UNITED STATES ATTORNEY'S OFFICE
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Department of Justice

U.S. Attorney's Office

District of Montana

FOR IMMEDIATE RELEASE

Tuesday, August 3, 2021

Two Montana men charged with \$1 million COVID-19 relief fraud scheme

BILLINGS – Two Montana men were arraigned recently on charges in connection with a scheme to defraud a bank of approximately \$1 million in Paycheck Protection Program (PPP) loans and to use those funds for their personal benefit, including buying property and vehicles, Acting U.S. Attorney Leif M. Johnson said today.

Trevor Gene Lanius-McLeod, also known as Trevor Gene McLeod, 48, of Laurel, and Kasey Jones Wilson, 29, of Helena, each pleaded not guilty to an indictment charging them with bank fraud and with engaging in monetary transactions in property derived from specified unlawful activity. If convicted of the most serious crime, the defendants face a maximum 30 years in prison, a \$250,000 fine and three years of supervised release.

Lanius-McLeod was arraigned on July 27 before U.S. Magistrate Judge John T. Johnston in Great Falls. Wilson was arraigned on July 27 before U.S. Magistrate Judge Timothy J. Cavan in Billings. Both defendants were released pending further proceedings.

The government alleged in court documents, that from about April 2020 to December 2020, the defendants applied for and received four PPP loans totaling \$1,043,000 through Valley Bank of Helena, a Division of Glacier Bank, on behalf of four business entities. Lanius-McLeod applied for funds as the authorized representative of T. McLeod Holdings LLC, Hilltop Estates LLC, and Renovated Montana Properties LLP. Lanius-McLeod and Wilson applied for funds as the authorized representatives of Step Above Management LLC. In the applications, the defendants made numerous false statements about having paid payroll taxes and having employees. In promissory notes, the defendants agreed to use the loan funds for payroll costs, costs related to group health care benefits and insurance premiums, rent, utilities, interest on payments on debt and refinancing a Small Business Administration Economic Injury Disaster Loan. Instead, the defendants spent the funds on personal expenses for their private benefit. If convicted, the defendants face the forfeiture of property related to the crimes, including property in East Helena, four vehicles and a travel trailer.

The PPP program, which is part of the federal Coronavirus Aid, Relief and Economic Security (CARES) Act, provided emergency assistance to small businesses for job retention and certain other expenses.

An indictment is merely an allegation and all defendants are presumed innocent until proven guilty beyond a reasonable doubt in a court of law.

Assistant U.S. Attorney Colin M. Rubich is prosecuting the case, which was investigated by the IRS-Criminal Investigation and FBI, with assistance from the U.S. Treasury Inspector General for Tax Administration and U.S. Secret Service.

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

PACER case reference. 21-07.

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