



THE UNITED STATES

## Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

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### **Nevada Man Charged with Using COVID-Relief Funds to Buy House**

A Nevada man has been arrested in connection with allegations that he fraudulently obtained approximately \$500,000 from the Paycheck Protection Program (PPP) loan and the Economic Injury Disaster Loan (EIDL) program, and then laundered the funds through friends and family in order to buy a house.

Acting Assistant Attorney General Brian Rabbitt of the Justice Department's Criminal Division, U.S. Attorney Nicholas A. Trutanich of the District of Nevada, Special Agent in Charge Aaron C. Rouse of the FBI's Las Vegas Field Office, Special Agent in Charge Tara Sullivan of the IRS-Criminal Investigation (IRS-CI) Las Vegas Field Office, and Special Agent in Charge Weston King of the Small Business Administration's Office of the Inspector General (SBA-OIG) made the announcement.

Brandon Casutt, 49, of Henderson, Nevada, is charged in a criminal complaint in the District of Nevada, unsealed Tuesday, with making false statements to a financial institution, wire fraud, bank fraud, concealment money laundering, and engaging in unlawful monetary transactions. He was arrested on Friday and made his initial appearance Tuesday afternoon before U.S. Magistrate Judge Elayna J. Youchah in Las Vegas.

The complaint alleges that Casutt perpetrated a scheme to submit fraudulent EIDL applications to the SBA and PPP loan applications to federally insured banks. The SBA guarantees the loans for COVID-19 relief through the PPP under the Coronavirus Aid, Relief and Economic Security (CARES) Act. The CARES Act also authorizes the SBA to provide an EIDL of up to \$2 million to eligible small businesses experiencing financial disruption due to the COVID-19 pandemic.

Two of these fraudulent applications received funding: (1) a PPP loan for approximately \$350,000 in the name of a business called Sky DeSign; and (2) an EIDL for approximately \$150,000 in the name of a charity called Skyler's C.F. Foundation, which is supposedly devoted to raising awareness about cystic fibrosis. The loan applications indicated that each entity had numerous employees, significant payroll expenses, and substantial revenue. According to the complaint, neither entity has employees nor pays any wages. And Skyler's C.F. Foundation had nowhere near the \$600,000 revenue in 2019 that Casutt listed on the entity's EIDL application.

According to the complaint, Casutt laundered the PPP funds by writing checks to 23 different people — friends, family members, associates, and himself — each in the amount of \$8,330 with "back pay" and "pandemic pay" in the checks' memo lines. Casutt then had the funds diverted to a bank account in the name of Skyler's C.F. Foundation and used them, along with the EIDL funds, to purchase a \$400,000 house in Henderson, into which he and his family moved at the end of June 2020.

The CARES Act is a federal law enacted March 29. It 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.

The PPP allows qualifying small businesses and other organizations to receive loans with a maturity of two years and an interest rate of one percent. 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 EIDL program is designed to provide economic relief to small businesses that are currently experiencing a temporary loss of revenue. EIDL proceeds can be used to cover a wide array of working capital and normal operating expenses, such as continuation of health care benefits, rent, utilities and fixed debt payments. If an applicant also obtains a loan under the PPP, the EIDL funds cannot be used as the same purpose as the PPP funds.

A federal criminal complaint is merely an accusation. A defendant is presumed innocent until proven guilty beyond a reasonable doubt in a court of law.

The FBI, IRS-CI, and SBA-OIG investigated the case. Assistant Chief William E. Johnston of the Criminal Division's Fraud Section and Assistant U.S. Attorney Jamie Mickelson of the U.S. Attorney's Office for the District of Nevada are prosecuting the case.

The year 2020 marks the 150th anniversary of the Department of Justice. Learn more about the history of our agency at [www.Justice.gov/Celebrating150Years](http://www.Justice.gov/Celebrating150Years).

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**Attachment(s):**

[Download Casutt Complaint](#)

**Topic(s):**

Coronavirus  
Disaster Fraud

**Component(s):**

[Criminal Division](#)  
[Criminal - Criminal Fraud Section](#)  
[USAO - Nevada](#)

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