



THE UNITED STATES

Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Monday, July 27, 2020

Florida Man who Used COVID-Relief Funds to Purchase Lamborghini Sports Car Charged in Miami Federal Court

A Florida man was arrested and charged with fraudulently obtaining \$3.9 million in Paycheck Protection Program (PPP) loans and using those funds, in part, to purchase a sports car for himself. Authorities seized a \$318,000 sports car and \$3.4 million from bank accounts at the time of arrest.

Acting Assistant Attorney General Brian C. Rabbitt of the Justice Department's Criminal Division, U.S. Attorney Ariana Fajardo Orshan of the Southern District of Florida, Special Agent in Charge Kyle A. Myles of the Federal Deposit Insurance Corporation (FDIC) Office of Inspector General (OIG), Office of Investigation's Atlanta Regional Office, Inspector in Charge Antonio Gomez of the U.S. Postal Inspection Service's (USPIS) Miami Division, Special Agent in Charge Kevin A. Kupperbusch of the U.S. Small Business Administration (SBA)-OIG, Investigations Division, Eastern Regional Office, Special Agent in Charge Michael J. De Palma of the IRS-Criminal Investigation (CI) Miami Office, and Acting Special Agent in Charge Stephen Donnelly of the Board of Governors of the Federal Reserve System and the Bureau of Consumer Financial Protection-OIG, Eastern Region, made the announcement.

David T. Hines, 29, of Miami, Florida, was charged by criminal complaint, unsealed today upon his initial appearance before U.S. Chief Magistrate Judge John J. O'Sullivan in the Southern District of Florida, with one count of bank fraud, one count of making false statements to a financial institution and one count of engaging in transactions in unlawful proceeds.

The complaint alleges that Hines sought approximately \$13.5 million in PPP loans through applications to an insured financial institution on behalf of different companies. The complaint alleges that Hines caused to be submitted fraudulent loan applications that made numerous false and misleading statements about the companies' respective payroll expenses. The financial institution approved and funded approximately \$3.9 million in loans.

The complaint further alleges that within days of receiving the PPP funds, Hines purchased a 2020 Lamborghini Huracan sports car for approximately \$318,000, which he registered jointly in his name and the name of one of his companies. In the days and weeks following the disbursement of PPP funds, the complaint alleges that Hines did not make payroll payments that he claimed on his loan applications. He did, however, make purchases at luxury retailers and resorts in Miami Beach.

The Coronavirus Aid, Relief, and Economic Security (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.

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

This case was investigated by the FDIC-OIG, USPIA, IRS-CI, the SBA-OIG, and the Board of Governors of the Federal Reserve System and the Bureau of Consumer Financial Protection-OIG. Trial Attorney Emily Scruggs of the Criminal Division's Fraud Section and Assistant U.S. Attorney Michael Berger of the Southern District of Florida are prosecuting the case.

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>.

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.

Attachment(s):

[Download Hines Criminal Complaint](#)

Topic(s):

Coronavirus

Disaster Fraud

Component(s):

[Criminal Division](#)

[Criminal - Criminal Fraud Section](#)

[USAO - Florida, Southern](#)

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