

THE UNITED STATES ATTORNEY'S OFFICE
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Department of Justice

U.S. Attorney's Office

Western District of New York

FOR IMMEDIATE RELEASE

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North Tonawanda Man Charged With COVID-19 Relief Fraud

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BUFFALO, N.Y. - U.S. Attorney James P. Kennedy, Jr. announced today that Michael Kornaker, 50, of North Tonawanda, NY, was charged by criminal complaint with wire fraud in relation to a national emergency, and aggravated identity theft. The charges carry a minimum penalty of two years in prison, a maximum penalty of 30 years, and a \$1,000,000 fine.

Assistant U.S. Attorney Douglas A. C. Penrose, who is handling the case, stated that according to the complaint, the defendant was recently released from prison following a 2017 federal conviction on mail fraud and tax evasion charges, and was on supervised release. Kornaker fraudulently applied for an Economic Injury Disaster Loan (EIDL) through the U.S. Small Business Administration (SBA) between June and August 2020. The EIDL program provides funds to small businesses or private, non-profit organizations that suffer substantial economic injury as a result of a declared disaster, including the COVID-19 pandemic. The defendant applied for and was granted \$60,500 using the name and personal information of another person, without that person's permission.

The defendant made an initial appearance before U.S. Magistrate Judge H. Kenneth Schroeder, Jr., and was detained.

The criminal complaint is the result of an investigation by the Federal Bureau of Investigation, under the direction of Special Agent-in-Charge Stephen Belongia, and the Internal Revenue Service Criminal Investigation, under the direction of Special Agent-in-Charge Jonathan D. Larsen.

The fact that a defendant has been charged with a crime is merely an accusation and the defendant is presumed innocent until and unless proven guilty.

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Topic(s):

Coronavirus

Component(s):

USAO - New York, Western

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