

THE UNITED STATES ATTORNEY'S OFFICE
DISTRICT *of* OREGON

[U.S. Attorneys](#) » [District of Oregon](#) » [News](#)

Department of Justice

U.S. Attorney's Office

District of Oregon

FOR IMMEDIATE RELEASE

Wednesday, July 14, 2021

Local Entrepreneur Faces Federal Charges for Covid-Relief Fraud

PORTLAND, Ore.—An indictment was unsealed in federal court today charging a Portland entrepreneur with fraudulently applying for and converting to his personal use loans intended to help small businesses during the COVID-19 pandemic.

Peter Peacock Blood, 57, has been charged with two counts of loan fraud.

According to court documents, Blood is the sole owner and principal officer of two Oregon corporations, Cycle Power Partners, LLC, and Cycle Holdings, LLC. According to tax returns filed in 2019 and 2020, Cycle Power Partners had two or fewer employees and paid less than \$6,900 in quarterly wages and other compensation. No quarterly tax returns were filed for Cycle Holdings during this time period.

In April 2020, Blood is alleged to have knowingly made false statements on two separate Paycheck Protection Program loan applications. In these applications, Blood claimed his companies had 10 employees and an average monthly payroll in excess of \$116,000. The first application resulted in a loan of more than \$332,000; the second yielded a loan of more than \$290,000.

If convicted, Blood faces a maximum sentence of 30 years in federal prison, 5 years' supervised release, and fines of up to \$2 million.

Acting U.S. Attorney Scott Erik Asphaug of the District of Oregon made the announcement.

This case was investigated by the U.S. Treasury Inspector General for Tax Administration, the Small Business Administration Office of Inspector General, and the FBI. It is being prosecuted by Ryan W. Bounds, Assistant U.S. Attorney for the District of Oregon.

An indictment is only an accusation of a crime, and a defendant is presumed innocent unless and until proven guilty.

The Paycheck Protection Program is an economic relief program authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and administered by the Small Business Administration. The CARES Act, signed into law on March 27, 2020, was designed to provide emergency financial assistance to millions of Americans and small businesses suffering the economic effects of the COVID-19 pandemic.

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 <http://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>.

Topic(s):

Coronavirus

Component(s):

USAO - Oregon

Updated July 14, 2021