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KEVIN P. WEIMER, Clerk
By: [signature] Deputy Clerk

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

UNITED STATES OF AMERICA *v.* HARRESCIA HOPKINS	Criminal Indictment No. 1:22CR284

THE GRAND JURY CHARGES THAT:

Background

At all times relevant to this Indictment:

The Defendant

1. HARRESCIA HOPKINS ("HOPKINS") was an individual residing in the Northern District of Georgia.

2. Beginning in or about May 2020, Defendant HOPKINS was employed by the Federal Bureau of Prisons ("BOP") and worked as a correctional officer at the United States Penitentiary Atlanta, Georgia, a medium security facility.

The Small Business Administration

3. The United States Small Business Administration ("SBA") was an executive branch agency of the United States government that provided support to entrepreneurs and small businesses. The mission of the SBA was to maintain and strengthen the nation's economy by enabling the establishment and viability of small businesses and by assisting in the economic recovery of communities after disasters.

4. As part of this effort, the SBA enabled and provided for loans through banks, credit unions, and other lenders. These loans had government-backed guarantees.

The Paycheck Protection Program

5. The Coronavirus Aid, Relief, and Economic Security ("CARES") Act was a federal law enacted in or about March 2020 that was designed to provide emergency financial assistance to the millions of Americans who were suffering the economic effects caused by the COVID-19 pandemic.

6. One source of relief that the CARES Act provided was the authorization of up to $349 billion in forgivable loans to small businesses for payroll, mortgage interest, rent/lease, and utilities through a program referred to as the Paycheck Protection Program ("PPP"). Congress has since authorized additional PPP funding.

7. The PPP allowed qualifying small businesses and other organizations to receive PPP loans. Businesses must use PPP loan proceeds for payroll costs, interest on mortgages, rent, and utilities. The PPP allowed the interest and principal on the PPP loan to be entirely forgiven if the business spent the loan proceeds on these expense items within a designated period of time and used a certain percentage of the PPP loan proceeds for payroll expenses.

8. The amount of a PPP loan that a small business may have been entitled to receive was determined by the number of employees employed by the business and the business's average monthly payroll costs.

9. In order to obtain a PPP loan, a qualifying business was required to submit a PPP loan application, which was signed by an authorized representative of the business. The PPP loan application required the business (through its authorized representative) to acknowledge the program rules and make certain affirmative certifications in order to be eligible to obtain the PPP loan. In the PPP loan application, the small business (through its authorized representative) had to state, among other things, its (a) average monthly payroll expenses and (b) number of employees. These figures were used to calculate the amount of money the small business was eligible to receive under the PPP. In addition, businesses applying for a PPP loan had to provide documentation showing their payroll expenses.

10. The SBA oversaw the PPP. However, individual PPP loans were issued by private, approved lenders who received and processed PPP applications and supporting documentation, and then made loans using the lenders' own funds, which were 100% guaranteed by the SBA. Data from the application, including information about the borrower, the total amount of the loan, and the listed number of employees, was transmitted by the lender to the SBA in the course of processing the loan.

Relevant Financial Institution

11. Financial Institution 1 was a non-bank financial institution and New York limited liability company. Financial Institution 1 participated in the SBA's PPP

as a lender, and, as such, was authorized to lend funds to eligible borrowers under the terms of the PPP.

Execution of the Scheme – PPP Loan #1

12. On or about August 3, 2020, Defendant HOPKINS electronically signed and submitted, and assisted in the submission of, a PPP Borrower Application Form for a business named Hopkins Towing and Storage via the internet to Financial Institution 1. The application requested a loan in the amount of $19,100. The application stated that the purpose of the loan was payroll; that Hopkins Towing and Storage had an average monthly payroll of $7,655; and that Defendant HOPKINS was 100% owner of Hopkins Towing and Storage.

13. In addition, the loan application contained electronically signed initials of Defendant HOPKINS to certify each of the following representations:

a. The Applicant business was in operation on February 15, 2020, and had employees for whom it paid salaries and payroll taxes or paid independent contractors, as reported on Form(s) 1099-MISC;
b. Current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant;
c. The funds will be used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments; and
d. The information provided in the application and in all supporting documents and forms is true and accurate in all material respects,

and knowingly making a false statement is punishable under the law.

14. In support of the application, Defendant HOPKINS submitted, and assisted in the submission of, a falsified IRS Schedule C form for tax year 2019 for Hopkins Towing and Storage. That form stated that, in 2019, Hopkins Towing and Storage had gross income of $100,525 and net profit of $91,860.

15. However, Hopkins Towing and Storage was not a real and functioning business. Defendant HOPKINS had not filed the Schedule C with the IRS and did not report any income by Hopkins Towing and Storage to the IRS for 2019.

16. On or about August 17, 2020, Defendant HOPKINS electronically signed and submitted, and assisted in the submission of, via the internet, a U.S. Small Business Administration Note for SBA Loan Number ******8207 in the amount of $19,100.

17. On or about August 26, 2020, as a result of the loan application and note signed by Defendant HOPKINS, Financial Institution 1 transferred $19,100 into her checking account.

Execution of the Scheme – PPP Loan #2

18. On or about January 21, 2021, Defendant HOPKINS electronically signed and submitted, and assisted in the submission of, a PPP Second Draw Borrower Application Form for Hopkins Towing and Storage via the internet to Financial Institution 1. The application requested another loan in the amount of $19,100, stated that Hopkins Towing and Storage had an average monthly payroll of

$7,640, and again represented that Defendant HOPKINS was 100% owner of Hopkins Towing and Storage. In addition, the loan application contained electronically signed initials of Defendant HOPKINS certifying each of the representations described in paragraph 13 of this Indictment.

19. In support of the application, Defendant HOPKINS submitted, and assisted in the submission of, the same falsified IRS Schedule C form for tax year 2019 for Hopkins Towing and Storage described in paragraph 14 of this Indictment.

20. On or about February 4, 2021, Defendant HOPKINS electronically signed and submitted, and assisted in the submission of, via the internet, a U.S. Small Business Administration Note for SBA Loan Number ******8307 in the amount of $19,100.

21. On or about February 11, 2021, as a result of the loan application and note signed by Defendant HOPKINS, Financial Institution 1 transferred $19,100 into her checking account.

Count One

Wire Fraud – 18 U.S.C. § 1343 and § 2

22. The Grand Jury re-alleges and incorporates by reference the factual allegations contained in paragraphs 1 through 21 of this Indictment as if fully set forth herein.

23. On or about August 3, 2020, in the Northern District of Georgia, the Defendant,

HARRESCIA HOPKINS,

aided by others known and unknown to the Grand Jury, for the purpose of executing and attempting to execute the aforementioned scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and by omission of material facts, did, with intent to defraud, cause to be transmitted by means of a wire communication in interstate and foreign commerce certain writings, signs, signals, and sounds, namely, a PPP Borrower Application Form containing false information related to the existence and payroll expenses of the business Hopkins Towing and Storage and the purpose of the applied-for PPP loan, accompanied by falsified tax documentation for 2019.

All in violation of Title 18, United States Code, Section 1343 and Section 2.

Count Two

Wire Fraud – 18 U.S.C. § 1343 and § 2

24. The Grand Jury re-alleges and incorporates by reference the factual allegations contained in paragraphs 1 through 21 of this Indictment as if fully set forth herein.

25. On or about January 21, 2021, in the Northern District of Georgia, the Defendant,

HARRESCIA HOPKINS,

aided by others known and unknown to the Grand Jury, for the purpose of executing and attempting to execute the aforementioned scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and by omission of material facts, did, with intent to defraud, cause to be transmitted by means of a wire communication in interstate and foreign commerce certain writings, signs, signals, and sounds, namely, a PPP Second Draw Borrower Application Form containing false information related to the existence and payroll expenses of the business Hopkins Towing and Storage and the purpose of the applied-for PPP loan, accompanied by falsified tax documentation for 2019.

All in violation of Title 18, United States Code, Section 1343 and Section 2.

Forfeiture

26. Upon conviction of the wire fraud offenses alleged in Counts One and Two of this Indictment, the Defendant, HARRESCIA HOPKINS, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(2), any property, real or personal, constituting or derived from proceeds obtained, directly or indirectly, as a result of the violation, including, but not limited to, the following:

a. MONEY JUDGMENT: A sum of money in United States currency representing the total amount of money involved in the offense(s) of conviction.

If, as a result of any act or omission of the Defendant, any property subject to forfeiture,

(a) cannot be located upon the exercise of due diligence;

(b) has been transferred or sold to, or deposited with, a third party;

(c) has been placed beyond the jurisdiction of the court;

(d) has been substantially diminished in value; or

(e) has been commingled with other property which cannot be divided without difficulty,

the United States intends, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b), to seek forfeiture of any other property of the Defendant up to the value of the forfeitable property described above.

A True BILL

LCP

FOREPERSON

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