

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA**

CHARLESTON DIVISION

UNITED STATES OF AMERICA

v.

Case No. 2:22-cr-00122

ALEXIS RANSOM

DEFENDANT'S SENTENCING MEMORANDUM

COMES NOW the Defendant, Alexis Ransom, by counsel, and submits this Memorandum outlining the various 18 U.S.C. § 3553(a) factors for the Court's consideration at her upcoming sentencing hearing. For the reasons set forth below, Ms. Ransom requests a sentence of 2 years' probation.

I. BACKGROUND

Alexis Renae Ransom was born on October 12, 1997, (age 25) in Daytona Beach, Florida, the only child of Anthony Ransom and Debra Cornes. Her parents were never married. When Ms. Ransom was 12 or 13, she, her mother (a native of Mingo County) and her grandmother moved to Logan County, West Virginia, to care for a sick relative. While at Logan High School, Ms. Ransom participated in JROTC, softball, and various volunteer activities. She graduated in 2016 with a 3.5 GPA and obtained her Associates Degree in Criminal Justice from Southern West Virginia Community and Technical College before taking additional courses in pursuit of her bachelor's degree. She has mostly worked for herself through her online retail businesses including Renae's Fashion Consulting LLC and Momma & Me Boutique

and has some additional work experience cleaning houses and at the June Harless Children's Home in Holden, West Virginia, as well as the SWVCTC bookstore.

When the COVID-19 pandemic began in March 2020, Ms. Ransom's cleaning work dried up in part due to some of her clients contracting COVID and passing away. Furthermore, she became pregnant, lost her transportation, and contracted COVID herself. Over the last few years, she has sometimes been employed and attended classes, but struggled to do either consistently due to some combination of her pregnancies, lack of financial resources, and her pending charges. Although Ms. Ransom is currently employed at the bookstore and receives food stamps, she is still forced to rely on her partner, Musco Adams, to pay the rent and utilities. Mr. Adams is self-employed. As demonstrated by her education and work history, Ms. Ransom does have the skills to find and maintain gainful employment should she receive counseling, training, and support to help her get back on her feet. Ms. Ransom and Mr. Adams have two children, ages two and two months, for whom they are almost entirely responsible for providing basic life necessities.

This case involves Ms. Ransom's theft of approximately \$42,250 in Paycheck Protection Program ("PPP") loans from the Small Business Administration ("SBA") via the American Lending Center ("ALC"). The funds derived from three loans (two in identical amounts of \$13,937.50, approved on April 5 and 27, 2021, and a third in the amount of \$14,375, approved June 8, 2021) which were subsequently disbursed to Ms. Ransom. The loans were later fully forgiven. It does not appear that she spent

any of the money frivolously or on luxury items, but rather used it to merely help get by as she raised her young daughter.

Ms. Ransom pleaded guilty pursuant to a written plea agreement to a single-count Information charging her with Wire Fraud in violation of 18 U.S.C. § 1343 by submitting false and fraudulent documentation in support of the loan applications, including fictitious Schedule C's, Federal Unemployment Tax Returns, and invoices for Renae's Fashion Consulting LLC. The PSR has been drafted and revised, and there are no outstanding objections that affect the advisory Guideline range. Ms. Ransom's Criminal History Category is I and her advisory Guideline range is 8-14 months based on a Total Offense Level 11. Ms. Ransom requests that the court impose a sentence of 2 years' probation.

II. SENTENCING FACTORS

In post-*Booker* sentencing, district courts are to calculate the appropriate Guideline range, consider that range in conjunction with other relevant factors under 18 U.S.C. § 3553(a), and impose a sentence. In this case, a sentence of 2 years' probation would be sufficient, and not greater than necessary.

(1) The nature and circumstances of the offense and the history and characteristics of the defendant;

Saddling Ms. Ransom with a term of imprisonment in this case would not be beneficial for her, for her children, or for society as a whole. Rather, she deserves an opportunity to accept responsibility for her actions, repay the meager loss amount, and utilize access to treatment, counseling, and other support systems while on probation that will enable her to obtain and maintain gainful employment with which

she may provide for her young family. With minimal criminal history and some college credit, Ms. Ransom has the capability to live a productive life and raise her children. If she is sentenced to a term of imprisonment, however, it would only exacerbate the problems she faces as it would remove her from her children's lives thus forcing them to live with relatives or, worse, forcing them into the foster care system. Should Ms. Ransom not take advantage of the opportunity to turn her life around while on probation (and with the structure and support that accompanies it), then a prison sentence may well be appropriate. However, that should be the last resort for a young lady in her situation, particularly given her background and family circumstances.

A sentence of probation would provide Ms. Ransom with access to treatment and counseling that would better enable her to cope with the anxiety and stress of being a young, poor mother. It would further provide her the structure, support, and incentive she needs to obtain gainful employment, find stable housing and reliable transportation, and support her family. Probation is an ideal resolution for her case because it would provide her the incentive of successfully completing her term of probation knowing that a term of imprisonment would await if she violates her conditions.

It should be noted that Ms. Ransom's conduct while on bond has been exemplary. She has refrained from using controlled substances, sought and obtained gainful employment, and otherwise followed the directions of the probation office as required. This is all the more remarkable given the challenges she has faced not only

with the birth of her second child in November, but also the unexpected death of her father on Thanksgiving Day 2022. She has truly been through a great deal of stress over the last year or two, and has done remarkably well under the circumstances.

The nature and circumstances of the offense likewise do not counsel in favor of a prison sentence. This is, as much as anything, a crime of opportunity as at the time she applied for the PPP loans, Ms. Ransom was a young mother trying to provide for her young family on hourly jobs while aspiring to break into the retail and fashion consulting businesses. Seeing the federal Government handing out billions of dollars to small businesses via forgivable loans and having been contacted by the American Lending Center regarding a potential PPP application, Ms. Ransom spied an opportunity join the millions of others who took free money from the Government. Although she is bright (with a high school diploma and some college), she is also young and naïve and failed to appreciate the gravity of her actions in falsifying documents in connection with her PPP “loan” application. Living in southern West Virginia with limited opportunities to obtain employment to support herself and her family, it is understandable how one might fall into the temptation presented by the PPP program. Finally, rather than spend the money lavishly, Ms. Ransom used the funds to provide basic needs for herself and her family.¹ Nothing about this case

¹ One might argue that federal assistance during the early part of the COVID-19 pandemic would have better been directed at poor young mothers like Ms. Ransom rather than already-well-to-do businesses such as the 55 West Virginia law firms who received more than \$58.5 million in PPP loans. See Chris Dickerson, *More than 55 W. Va. Law firms took PPP loans for as much as \$58.5 million*, West Virginia Record (July 8, 2020), available at <https://wvrecord.com/stories/542055517-more-than-55-w-va-law-firms-took-ppp-loans-for-as-much-as-58-5-million> (last visited January 4, 2022). While this comparison does not justify or excuse Ms. Ransom’s behavior, it does illustrate her comparative need during a time of financial hardship. See also David Autor et al., *The \$800 Billion Paycheck Protection*

counsels in favor of a prison sentence, particularly given Ms. Ransom's two young children who need her home to care for them and support them.

(2) The need for the sentence imposed to:

- a. Reflect the seriousness of the offense, to promote respect for the law, and to provide just punishment;**
- b. Afford adequate deterrence to criminal conduct;**
- c. Protect the public from further crimes of the defendant; and**
- d. Provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner;**

A sentence of 24 months' probation will promote respect for the law and provide just punishment. Such a sentence is sufficient to deter others from committing similar crimes, as empirical studies have demonstrated that the most effective deterrent is the certainty of receiving punishment, not the severity of the punishment received. See Marc Mauer, *Long-Term Sentences: Time to Reconsider the Scale of Punishment*, The Sentencing Project (November 2018).² Ms. Ransom's conduct is not so egregious that a federal felony conviction and a term of probation would not reflect the seriousness of the offense, promote respect for the law, or provide just punishment. Moreover, the mere fact of a felony conviction is sufficient to deter Ms. Ransom and other people who lack a criminal record from engaging in similar conduct, as she is in the class of defendants for whom a felony conviction, rather than prison time, is the most life-altering consequence.

Program: Where Did the Money Go and Why Did It Go There?, Journal of Economic Perspectives (Spring 2022) <https://blueprintcdn.com/wp-content/uploads/2022/01/jep.36.2.55.pdf> ("The remaining [72%] flowed to the top fifth of household income.").

² Available online at: <https://www.sentencingproject.org/app/uploads/2022/08/UMKC-Law-Review-Scale-of-Punishment.pdf> (last visited December 12, 2022).

Probation is also an appropriate result for her case because it would provide her the incentive of successfully complying with the terms of supervision knowing that prison time awaits her should she violate them. Accordingly, probation will permit Ms. Ransom to demonstrate to herself, her children, and society that her conduct in this instance was a youthful mistake and not a step toward a life of crime.

(3) The kinds of sentences available;

A sentence of probation is available under the statute. Should the Court believe a sentence of imprisonment is warranted, Ms. Ransom would request that the entirety of any such sentence be served on home confinement, which alternative sentence is available both under the Guidelines and by statute.

(4) The kinds of sentence and the [Guideline] sentencing range;

A sentence of probation would represent a slight, but warranted, downward variance from the advisory Guideline range of 8-14 months. That range is based entirely on the nature of the offense (including the loss amount) and Ms. Ransom's lack of criminal history, but does not account for her age, education, family situation, or the circumstances giving rise to her offense.

(5) Any pertinent policy statement;

The requested sentence is not precluded by any pertinent policy statement.

(6) The need to avoid unwarranted sentencing disparities among defendants with similar records who have been found guilty of similar conduct; and

Malik Breckenridge was sentenced to a term of 60 months' probation by Judge Berger in a PPP fraud case involving \$41,666 in loss and an identical Guideline

calculation to Ms. Ransom. *See United States v. Malik Breckenridge*, Case No. 2:22-cr-00084. Counsel is not aware of any other comparative sentences for defendants with similar characteristics who have been prosecuted for fraud related to PPP loans. However, to the extent other offenders have received Guideline sentences, a downward variance is warranted for the reasons set forth above. With respect to Mr. Breckenridge, it is unknown what factors led Judge Berger to vary downward and impose a sentence of 60 months' probation. Due to Ms. Ransom's history and characteristics, however, including her children, a sentence of 24 months' probation represents a warranted sentencing disparity.

(7) The need to provide restitution to any victims of the offense.

A sentence of imprisonment would further hinder Ms. Ransom's already difficult path to satisfying her restitution obligation. Previously, as a young mother in Logan County, West Virginia, she struggled to find steady employment at any good-paying job. In fact, it was her financial struggles that helped create the conditions that led to her offense. Now, despite having some college education, her job prospects are bleaker due to her felony conviction. She will need to rely on the assistance of the probation office to find good-paying jobs for women with a felony conviction so she can repay her debt and provide for her family. A sentence of probation would allow her to begin that journey whereas a sentence of imprisonment would not only delay it, but further complicate it by forcing her to expend time and energy re-establishing her life following her release.

Ms. Ransom would further request that the Court decline to impose a fine in this matter. In light of her current (and anticipated future) financial condition, her outstanding restitution obligation, and the need for her to provide for her two small children, a sentence including a fine would be unduly punitive, unwarranted, and would result in additional financial hardship for an already struggling young mother.

III. CONCLUSION

WHEREFORE, for the reasons set forth herein, Alexis Ransom requests that the Court sentence her to a term of 2 years' probation.

Respectfully submitted this 5th day of January, 2023.

ALEXIS RANSOM

By Counsel

WESLEY P. PAGE
FEDERAL PUBLIC DEFENDER

s/ Wesley P. Page

Wesley P. Page, Bar No. 10529
Federal Public Defender
300 Virginia Street, East, Room 3400
Charleston, West Virginia 25301
Telephone: (304) 347-3350
Facsimile: (304) 347-3356
E-mail: wesley_page@fd.org