U.S. Department of Justice

United States Attorney
Eastern District of New York

EWS/ADG
F. #2022R00718

271 Cadman Plaza East
Brooklyn, New York 11201

June 30, 2026

By ECF

The Honorable Diane Gujarati
United States District Court
Eastern District of New York
225 Cadman Plaza East
Brooklyn, NY 11201

Re: United States v. Christian McKenzie
Criminal Docket No. 24-361 (DG)

Dear Judge Gujarati:

The government respectfully submits this letter in advance of defendant Christian McKenzie's sentencing hearing, which is scheduled for July 14, 2026, and in response to the defendant's sentencing memorandum filed on June 23, 2026 (ECF No. 120). For the reasons set forth below, the government respectfully submits that a custodial sentence of 30 to 37 months should be imposed in this case. The government's recommendation is a three-to-four-month downward variance from the United States Sentencing Guidelines ("U.S.S.G." or "Guidelines") range of 33 to 41 months.[1]

I. Background

A. The Covid-19 Pandemic and Paycheck Protection Program

On March 13, 2020, the President of the United States issued Proclamation 9994 declaring a national emergency beginning on March 1, 2020, as a result of the spread of COVID-19. On March 27, 2020, the President signed into law the CARES Act, which was designed to provide emergency financial assistance to the millions of Americans who were

[1] In the plea agreement between the parties, the government agreed that a three-to-four-month downward variance from the range of imprisonment ultimately calculated by the Court would be appropriate if certain conditions for a global resolution were met. (Plea Agmt. ¶ 2). Those conditions were satisfied.

suffering the economic effects caused by the COVID-19 pandemic. One source of relief provided by the CARES Act was the authorization of up to an initial $349 billion in forgivable loans to small businesses for job retention and certain other expenses, through a program referred to as the Paycheck Protection Program ("PPP"). In April 2020, Congress authorized over $300 billion in additional PPP funding. (Presentence Investigation Report ("PSR") ¶¶ 13-14).

To obtain a PPP loan, qualifying businesses were required to submit a PPP loan application, which was signed by an authorized representative of the business. The PPP loan application required recipient businesses, through an authorized representative, to acknowledge the program rules and make certain affirmative certifications to establish eligibility for the PPP loan. For example, in the loan application, recipient businesses, through an authorized representative, were required to state, among other things, their average monthly payroll expenses and number of employees. These figures were used to calculate the amount of money the businesses were eligible to receive under the PPP. The recipient businesses were also required to provide documentation supporting the information contained in the loan application. (Id. ¶ 15).

PPP loan proceeds were required to be used by the recipient businesses on certain permissible expenses focused on keeping small businesses afloat and workers employed, such as payroll costs, interest on mortgages, rent, and utilities. The PPP allowed the interest and principal on a PPP loan to be entirely forgiven if the recipient businesses spent the loan proceeds on these expense items within a designated period of time after receiving the proceeds and used a certain percentage for payroll costs. (Id. ¶ 16).

The PPP was overseen by the U.S. Small Business Administration ("SBA"), which had authority over all PPP loans. Individual PPP loans, however, were issued and approved by private lenders, who received and processed PPP loan applications and supporting documentation and, following SBA approval, made loans using the lenders' own funds. (Id. ¶ 17).

According to a June 2023 report from the SBA Office of the Inspector General, more than $64 billion in PPP loans were potentially fraudulently acquired through schemes such as the one organized by the defendant. *See* SBA OIG, Covid-19 Pandemic EIDL and PPP Loan Fraud Landscape, June 27, 2023, *available at* https://smallbusiness.house.gov/uploadedfiles/sba_oig_report_23-09.pdf.

B. Bolden's Fraudulent Scheme

The defendant's cousin and co-defendant, John Bolden, was a full-time New York City Police Department ("NYPD") detective residing in Long Island, who also worked as a tax preparer and operator of at least three franchise locations for a tax preparation business (the "Tax Business").

Between approximately May 2020 and September 2022, Bolden engaged in multiple, wide-spread schemes to defraud the SBA and financial institutions administering the PPP loans by working with his tax preparation clients and co-conspirators to obtain loans to which they were not entitled. As part of the scheme, Bolden prepared fictitious Internal Revenue Service ("IRS") Form Schedule C documentation concerning the applicants' employment, gross income, and/or net income. These Schedule C forms, which accompanied the PPP loan applications, included figures that made it possible for Bolden and his clients to apply for loan forgiveness without having to submit additional documentation to support the fraudulent figures. (Id. ¶¶ 18-19).

In total, Bolden helped more than 65 individuals submit online applications that contained false and fraudulent information, resulting in a loss of over $2.7 million dollars. (Id. ¶ 48).

C. McKenzie's Criminal Conduct

McKenzie joined Bolden's criminal scheme and benefited in two ways.

i. McKenzie's PPP Loans

With Bolden's help, McKenzie fraudulently obtained two PPP loans to which he was not entitled.

On May 28, 2020, Bolden emailed McKenzie a fictitious Schedule C, which purported McKenzie to have operated "Chris Kicks" and earned $118,698 in gross receipts and $97,067 in net profit during 2019 in his profession as a "sneaker salesman." That day, a $20,222 PPP loan was submitted on McKenzie's behalf including the same fictitious Schedule C. The loan was approved. The same day McKenzie obtained the loan proceeds, he withdrew $4,000 in cash. (Id. ¶ 37-38).

Nearly a year later, on February 14, 2021, a second draw PPP loan application in the amount of $20,220 was submitted on McKenzie's behalf. The documents submitted in connection with the loan application included an IRS Form 1099 Miscellaneous,[2] which purported McKenzie to have earned $118,698 in non-employee compensation from a footwear business located on Long Island, New York. The name of the business listed in the IRS Form 1099 Miscellaneous was not "Chris Kicks." The loan was approved. Once again, the same day he received the loan proceeds, McKenzie withdrew $4,000 in cash from his bank account. (Id. ¶ 39).

In July 2021, an application seeking forgiveness for McKenzie's initial PPP loan was submitted on his behalf. That application was approved.

[2] An IRS Form 1099 Miscellaneous is used to report payments made in the course of a trade or business to another person or business who is not an employee.

ii. Intermediary for Fraudulent PPP Loans

McKenzie also acted as an intermediary who referred multiple clients to Bolden. Those clients subsequently obtained fraudulent PPP loans.

For example, in June 2020, Individual-1 (as denoted in the PSR) was referred to McKenzie and Bolden for the purpose of obtaining a fraudulent PPP loan. On June 4, 2020, Individual-1 texted McKenzie his email address, bank statement, photo identification, and social security number. McKenzie emailed that information to Bolden the following day. Two days later, Bolden emailed Individual-1, copying McKenzie, with instructions on how to apply for a PPP loan. The email attached a fictitious Schedule C form purporting that Individual-1 was a "barber" who worked at an entity called "Fine Cuts" and earned $117,990 in gross income and $99,385 in net income. Individual-1 did not work as a barber or for Fine Cuts. Nor did Individual-1 earn the income listed in the Schedule C form prepared by Bolden. (Id. ¶ 40).

Acting on Bolden's instructions, Individual-1 applied for and received a PPP loan in the amount of $20,705, using the Schedule C prepared by Bolden. After receiving the loan proceeds, Individual-1 withdrew $15,000 in cash from his checking account. The same day that Individual-1 withdrew that money, McKenzie made two $1,000 cash deposits into his own bank account.

Notably, between June 5, 2020 and June 7, 2020 (i.e., the two-day period when Individual-1 received the fictitious Schedule C form described above), Bolden emailed Schedule C forms to the following thirteen individuals. These Schedule C forms were prepared by Bolden in a similar fashion as described above and included similar figures for gross and net income. The business addresses associated with the purported businesses listed on the PPP loan applications all appear to be residential, non-commercial locations. The names starred below indicate that McKenzie served as a middleman for those individuals' applications.

Name	**Listed Gross Income**	**Listed Net Income**	**Listed Profession**	**Listed Business Name**
Individual-2*	$117,120	$97,960	Tutoring services	Tutoring by [Individual-2]
Individual-3*	$118,015	$97,315	Barber	[Individual-3's] Haircuts
Individual-4	$120,120	$98,120	Trucking	CJS Express Transport
Individual-5	$118,025	$95,733	Cosmetic	Golden Glow Tans
Individual-6	$118,032	$104,532	Taxi	[Individual-6's] Rides
Individual-7*	$117,850	$96,652	Hair Care	Sweet Hair
Individual-8*	$104,870	$96,570	Ridesharing Service	[Individual-8]
Individual-9*	$107,903	$96,403	[Individual-9]	[Individual-9]
Individual-10*	$116,030	$96,800	Barber	Finest Hair

Name	Listed Gross Income	Listed Net Income	Listed Profession	Listed Business Name
Individual-11*	$105,980	$96,600	Taxi	[Individual-11]
Individual-12*	$115,530	$95,955	Haircare	[Individual-12]
Individual-13	$108,306	$96,011	Taxi	[Individual-13's] car service
Individual-14*	$115,090	$95,243	Animal care	[Individual-14's] dog walking

McKenzie was paid at least $15,000 by some of the clients whom he referred to Bolden and successfully obtained fraudulent PPP loans. This figure accounts for direct, non-cash[3] payments identifiable in bank and other financial records from PPP loan recipients to McKenzie on or shortly around the days when the clients received the loan proceeds.

D. Efforts to Conceal Crime

On March 31, 2022, shortly after the government interviewed a witness as part of its investigation, the witness then called McKenzie, apparently to notify him about the existence of the investigation. Immediately thereafter, the defendant deleted several incriminating emails and files from his Google account, including several Schedule Cs that were prepared for clients who McKenzie referred to Bolden for the purpose of obtaining fraudulent PPP loans.

E. Procedural History

The defendant was initially charged by criminal complaint and arrested on August 12, 2024. He has been on pretrial release since his arrest.

On August 5, 2025, the defendant pled guilty before Chief Magistrate Judge Vera M. Scanlon to Count 3 of a six-count Indictment, charging him with conspiracy to commit wire fraud in connection to a presidentially declared emergency under Section 501 of the Stafford Act, in violation of 18 U.S.C. § 1349. The Court accepted the defendant's guilty plea on November 18, 2025. (ECF No. 81).

[3] This figure does not account for the two $1,000 cash deposits coinciding with Individual-1's receipt of PPP loan proceeds. Nor does it account for other suspicious cash deposits into McKenzie's account, suggesting that the true amount of money McKenzie received as part of his participation in the scheme was more than $15,000.

II. Guidelines Calculation

A. The Applicable Guidelines

The parties submit that the following Guidelines range, as reflected in the plea agreement, should apply:

Base Offense Level (§ 2B1.1(a)(1))	7
Plus: Loss Exceeding $550,000 (§ 2B1.1(b)(1)(H))	+14
Plus: Fraud in Connection with Major Disaster or Emergency Benefits (§ 2B1.1(b)(12))	+2
Minus: Acceptance of Responsibility (§ 3E1.1)	-3
Total:	20

Based on a Criminal History Category of I, the Sentencing Guidelines calculate a range of imprisonment of 33 to 41 months' custody. However, as described in paragraphs 2 and 14 of the defendant's plea agreement, the government agreed to recommend a downward variance of three to four months if all three defendants charged by the Indictment pleaded guilty. This condition has been met. Therefore, the government recommends a custodial sentence of 30 to 37 months.

The Guidelines calculation above differs from the PSR (¶ 57) in that it applies a 14-point enhancement for a total loss exceeding $550,000 but less than $1.5 million, rather than a 16-point enhancement for a loss exceeding $1.5 million, which the PSR applied based on the $2.7 million in loss attributable to Bolden's fraudulent scheme. While that enhancement was appropriate for Bolden, the government does not believe that amount was reasonably foreseeable to McKenzie.[4] The government has traced approximately $781,294 in funded, fraudulent PPP loans to the defendant, of which $122,275 was forgiven. The government believes that the total number of funded PPP loans traceable to the defendant—here, $781,294—is the appropriate loss figure to be used in calculating the defendant's Guidelines.

[4] For this reason, the government charged McKenzie with participating in a different conspiracy with Bolden (Count Three) than the conspiracy between Bolden and the individual identified in the Indictment as Co-Conspirator #1 (Count Two). Bolden is being sentenced based on his conviction of Count Two.

B. The Defendant's Objections

Apart from objecting to the PSR's Guidelines calculation, the defendant raises the following additional objections to the PSR:

- Paragraph 47. The defendant objects to language in this paragraph stating that he was compensated for each referral he provided to Bolden, and instead characterizes any payments he received in connection with the scheme as "tip[s]" from friends. ECF No. 120-1. The government agrees that the PSR should be corrected to reflect that there is no evidence that Bolden paid McKenzie. However, the government does not agree that any payments from PPP clients to McKenzie should be characterized as "tips."

- Paragraph 48. The defendant objects to language in this paragraph stating that he was "aware of [Bolden's] broader scheme" and thus is responsible for the entire $2,784,933 loss to the SBA. For the reasons stated above, the government agrees that this paragraph should be amended.

- Paragraph 50. The defendant objects to the language in this paragraph stating, "In his role as an intermediary, McKenzie understood the scope of the structure of the fraudulent scheme and stood to financially benefit from [his] role in the offense by referring additional individuals to Bolden." Unlike the prior objection to paragraph 47, this paragraph does not overstate the extent of McKenzie's knowledge about Bolden's broader dealings. The government does not believe it requires correction.

- Work History. The defendant objects to the omission of certain work history. The government takes no position on this objection.

III. A Custodial Sentence of 30 to 37 Months is Warranted

A. Legal Standard

A "district court should begin all sentencing proceedings by correctly calculating the applicable Guidelines range. As a matter of administration and to secure nationwide consistency, the Guidelines should be the starting point and the initial benchmark." Gall v. United States, 552 U.S. 38, 49 (2007) (citation omitted).

Next, a sentencing court should "consider all of the § 3553(a) factors to determine whether they support the sentence requested by a party. In so doing, [it] may not presume that the Guidelines range is reasonable. [It] must make an individualized assessment based on the facts presented." Id. at 50 (citation and footnote omitted).

Title 18, United States Code, § 3553(a) provides that, in imposing a sentence, a court shall consider:

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

(2) the need for the sentence imposed—

(A) to reflect the seriousness of the offense, to promote respect for the law, and to provide just punishment for the offense;

(B) to afford adequate deterrence to criminal conduct;

(C) to protect the public from further crimes of the defendant; [and]

(D) to provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner;

At sentencing, "the court is virtually unfettered with respect to the information it may consider." United States v. Alexander, 860 F.2d 508, 513 (2d Cir. 1988). Indeed, "[n]o limitation shall be placed on the information concerning the background, character, and conduct of a person convicted of an offense which a court of the United States may receive and consider for the purpose of imposing an appropriate sentence." 18 U.S.C. § 3661. Thus, the Court should first calculate the applicable Guidelines range, and then apply the Section 3553(a) factors to arrive at an appropriate sentence, considering all relevant facts.

B. Section 3553(a) Factors

The government respectfully submits that a sentence between 30 and 37 months is sufficient but not greater than necessary to achieve the goals of sentencing in this case.

The defendant willfully participated in an emergency relief fraud scheme. The PPP was a critical piece of the government's response to an unprecedented emergency, a worldwide pandemic that shuttered society. Billions in taxpayer dollars were rushed to American businesses so that they could stay afloat and keep workers employed. The defendant took advantage of this emergency by stealing more than $40,00 directly from the program and by helping others steal hundreds of thousands of dollars more. The acts of this defendant and his co-conspirators had the potential of crowding out deserving applicants who were unable to pay upkeep costs and the salaries of their legitimate employees. While defrauding any government program is wrong, it is particularly egregious to steal emergency funds during a national disaster.

The letter submitted by the defendant in connection with sentencing is troubling. His contention that he was not aware of the fraudulent scheme until after the fact is not plausible. As part of his work acting as an intermediary for his cousin, the defendant collected and relayed bank statements from dozens of people, including at least one relative. He also was copied on most of the fraudulent Schedule C forms that Bolden emailed to the clients. Thus, the notion that the defendant did not readily understand the fraudulent character of the arrangement—despite the similar business names and nearly identical gross and net revenue figures reflected in the many Schedule C forms he received—defies belief, particularly in light of the similarity between those forms and the one submitted on his behalf for his own fraudulent PPP loans. Nor should the Court credit the defendant's assertion that he merely received "tips" for acting as an intermediary. No one who earnestly believes they are lawfully facilitating the provision of emergency relief funds accepts any money—let alone $15,000 (if not more)—as a "tip." The size, similarity, and timing of the payments likewise indicate that these were fixed, pre-arranged amounts. The truth is that the defendant and his co-conspirators exploited a national emergency by knowingly and intentionally stealing from the PPP—something they knew they were doing in 2020. The lengths to which the defendant has gone to conceal his wrongdoing—first, by deleting evidence, and today, by minimizing his culpability to an extraordinary degree—underscores that any sentence imposed by the Court must deter him from committing future crimes.[5]

Finally, the government's recommended sentence is also necessary to promote general deterrence and respect for the law. As previously stated, the defendant defrauded a program meant to help Americans during a time of crisis. These crimes steal money from the American taxpayer, leave less money available to those who the program is meant to assist, and weaken Americans' faith in important government programs at a time when the public is dependent on government assistance and information. It also undermines the public's faith in such programs when the next crisis strikes, as they are potentially less likely to support necessary aid to struggling Americans when they believe individuals like the defendant will steal large portions of the funds. A serious custodial sentence would send the necessary message that taking advantage of national emergencies will result in severe punishment if caught.

C. Restitution and Forfeiture

As agreed to in the plea agreement, the government respectfully requests that the Court order the defendant to pay $122,275 in restitution to the SBA, and $55,444 in criminal forfeiture.

[5] To this end, the government also notes that during the pendency of this case—while the defendant was being prosecuted for submitting false tax documentation to the federal government—the defendant sent the Clerk of Court (and ostensibly the IRS and Bankruptcy Court for the Eastern District of New York) false documents. See ECF No. 62. At a conference before Chief Magistrate Judge Scanlon concerning this conduct, defense counsel indicated, in sum and substance, that the defendant submitted the documents as a joke at the suggestion of a friend.

IV. Conclusion

For the foregoing reasons, the government respectfully requests that the Court impose a custodial sentence of 30 – 37 months.

Respectfully submitted,

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