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Department of Justice

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Federal and State Officials Launch West Virginia Coronavirus Fraud Task Force

Stuart, Powell and Morrissey Partner to Protect West Virginians

CHARLESTON, W.Va. – United States Attorney Mike Stuart for the Southern District of West Virginia, United States Attorney Bill Powell for the Northern District of West Virginia and West Virginia Attorney General Patrick Morrissey today announced the formation of the West Virginia Coronavirus Fraud Task Force to identify, investigate and prosecute fraud related to the ongoing coronavirus pandemic.

The West Virginia Coronavirus Fraud Task Force is a joint federal and state partnership that will be led by Assistant United States Attorneys from both the Southern and Northern Districts of West Virginia, and a Deputy West Virginia Attorney General, in partnership with experienced fraud investigators from the Federal Bureau of Investigation (FBI), Homeland Security Investigations (HSI), the Internal Revenue Service (IRS)-Criminal Investigation, the West Virginia State Police and the West Virginia Attorney General's Consumer Protection Division.

"West Virginians always band together in times of need and times of crisis," said United States Attorney Mike Stuart. "My fellow U.S. Attorney Bill Powell, West Virginia Attorney General Patrick Morrissey and our federal and state law enforcement partners have joined me in forming this statewide task force to protect West Virginians from fraudsters attempting to exploit a national crisis for personal gain. There's nothing more despicable. We will use every tool available to us at the federal and state levels to ensure the safety of our citizens and the safety of their wallets during this crisis."

"Though we are not a big state, when our citizens are preyed upon, Mountaineer pride and determination assure that we will stand together like no other. I stand with my colleagues U.S. Attorney Mike Stuart, West Virginia Attorney General Patrick Morrissey, and our law enforcement partners in promising aggressive pursuit of those taking advantage of our citizens during the current public health crisis. We will devote all necessary resources," said Powell.

"Since the Governor's declaration, our Consumer Protection Division and its investigators have fielded hundreds of reports from those faced with price gouging, landlord-tenant issues and vacation/event cancellations," West Virginia Attorney General Patrick Morrissey said. "The Consumer Protection Division has already sent multiple warning letters to businesses on enforcement matters. These are unparalleled times in which we live, and that's why I am honored to join forces with U.S. Attorneys Bill Powell and Mike Stuart, as together, by combining the investigative and civil enforcement powers of the state Attorney General's Office

with the criminal prosecutorial authority of the federal government, our state is very well positioned to protect its citizens in this time of peril.”

“The FBI is committed to keeping West Virginians safe from scams associated with the COVID-19 pandemic,” said FBI Pittsburgh Acting Special Agent in Charge Eugene Kowel.

“Scammers often prey on anxiety and fear. Right now, those cyber criminals perceive a large percentage of the population to be vulnerable. Rest assured, the FBI is fully committed to addressing criminal activity during this unprecedented time. We will work closely with our federal, state and local partners to ensure fraudsters don’t take advantage of people’s fears for their own selfish gains.”

“HSI stands alongside our law enforcement partners in our commitment to investigating the shameful crimes perpetrated by individuals taking advantage of the public in this time of uncertainty and fear,” said Raymond Villanueva, HSI Special Agent in Charge for Washington, D.C., Virginia, and West Virginia.

“Unfortunately, scammers see times of crisis as an opportunity to prey on those most vulnerable in our communities,” said IRS-CI Special Agent in Charge Kelly Jackson. “I want the citizens of West Virginia to know the IRS will NOT ask you to verify your personal information or to sign up for anything in order to receive your payments related to COVID-19. Please stay vigilant, you worked hard for your money, don’t let scammers take it from you by falling victim to their frauds.”

The task force will review and investigate all credible leads of fraud associated with the coronavirus pandemic, regardless of the loss amount, focusing on schemes to exploit vulnerable populations, including the elderly, and concerned citizens. Federal prosecutors from the Southern and Northern Districts of West Virginia, and attorneys from the West Virginia Attorney General’s Office will meet and confer with their agency counterparts from the FBI, HSI, IRS-CI, West Virginia State Police and the state’s Consumer Protection Division on a regular basis to prioritize cases and surge resources where needed. Assistant United States Attorney Erik Goes in the Southern District of West Virginia and Assistant United States Attorney Andrew Cogar in the Northern District of West Virginia and West Virginia Deputy Attorney General / Consumer Protection and Antitrust Division Director Ann Haight will be spearheading the efforts of the task force.

Some examples of coronavirus and COVID-19 scams include:

- Treatment scams: Scammers are offering to sell fake cures, vaccines, and advice on unproven treatments for COVID-19.
- Supply scams: Scammers are creating fake shops, websites, social media accounts, and email addresses claiming to sell medical supplies currently in high demand, such as surgical masks. When consumers attempt to purchase supplies through these channels, fraudsters pocket the money and never provide the promised supplies.
- Provider scams: Scammers are also contacting people by phone and email, pretending to be doctors and hospitals that have treated a friend or relative for COVID-19, and demanding payment for that treatment.
- Charity scams: Scammers are soliciting donations for individuals, groups, and areas affected by COVID-19.
- Phishing scams: Scammers posing as national and global health authorities, including the World Health Organization (WHO) and the Centers for Disease Control and Prevention (CDC), are sending phishing emails designed to trick recipients into downloading malware or providing personal identifying and financial information.
- App scams: Scammers are also creating and manipulating mobile apps designed to track the spread of COVID-19 to insert malware that will compromise users’ devices and personal information.
- Investment scams: Scammers are offering online promotions on various platforms, including social media, claiming that the products or services of publicly traded companies can prevent, detect, or cure COVID-19, and that the stock of these companies will dramatically increase in value as a result. These promotions are often styled as "research reports," make predictions of a specific "target price," and relate to microcap stocks, or low-priced stocks issued by the smallest of companies with limited publicly available information.
- Price Gouging scams: Individuals and businesses may sell essential goods, like hand sanitizer, for

significantly higher prices than in a non-emergency setting. It is legally considered price gouging when the price of one of these products increases more than 10 percent its price in effect 10 days prior to an emergency declaration.

To report suspicious activity regarding the COVID-19 virus, residents are asked to call the National Center for Disaster Fraud Hotline at 1-866-720-5721 or email at disaster@leo.gov.

To report fraud directly to the FBI, please visit their website at <https://www.ic3.gov/default.aspx>.

Any West Virginia consumer wishing to report scams, price gouging or other matters by which bad actors may try to take advantage of consumers during the COVID-19 pandemic, can call the state's Consumer Protection Hotline at 1-800-368-8808. Written complaints can be filed at www.wvago.gov.

Don't be a victim! Visit www.irs.gov for the latest information on new scams and schemes!

Citizens can also call HSI's general tip-line at 1-866-DHS-2-ICE or email the agency's Intellectual Property Rights Center at iprcenter@ice.dhs.gov.

For more information on COVID-19, please go to: www.justice.gov/coronavirus.

Topic(s):

Coronavirus Crime

Component(s):

USAO - West Virginia, Northern

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