



## ILLINOIS WOMAN SENTENCED IN PANDEMIC RELIEF FRAUD SCHEME

**Activity Date: June 3, 2026**

**Date Posted: July 2, 2026**

**Case Number: 23-0113-I**

**Web Summary: OIG-WS-2026-332**

Regina Murphy, a resident of Kankakee, Illinois, was sentenced on June 3, 2026, in U.S. District Court, Central District of Illinois, to time served, one year of probation, and was ordered to pay \$10,000 in restitution in connection with a pandemic-relief fraud scheme.

Our investigation found that Regina and Octavia Murphy, along with 12 alleged codefendants, including five Amtrak employees, submitted false information to the Small Business Administration and its participating lenders to receive Economic Injury Disaster Loan (EIDL) advances, Paycheck Protection Program (PPP) loans, and PPP loan forgiveness. Octavia Murphy orchestrated a scheme whereby she submitted false applications containing material misstatements and fictitious documentation to make claims for pandemic relief programs on behalf of herself and the other co-conspirators, for which she was paid kickbacks. Regina Murphy and numerous co-conspirators voluntarily provided Octavia Murphy with their personally identifiable information and their bank routing transit and account numbers. As a result of the scheme, Octavia Murphy, Regina Murphy and the other codefendants received \$93,000 in EIDL advances and \$74,428 in PPP loans to which they were not entitled.

Judicial proceedings for the codefendants are ongoing.