



**OIG-led investigation in support of the Pandemic Response Accountability Committee leads to arrests, indictments for schemers in alleged \$3.5 million pandemic relief fraud**

**October 31, 2024**

RIVERSIDE, Calif. — Two Riverside County women were arrested October 24, 2024, on a 23-count federal grand jury indictment alleging they and two men defrauded a COVID-19 pandemic relief program of more than \$3 million by helping others fraudulently obtain COVID business loans in exchange for a cut of the illicit proceeds.

Vanessa M. Williams, 35, of Corona, and Denise Mata, 34, of Moreno Valley, were arrested and were later arraigned in United States District Court in Riverside. Williams and Mata were charged with nine and 10 counts of wire fraud, respectively. Mata was charged with an additional count of aggravated identity theft. Also charged in the indictment are Daryl D. Knighten Jr., 32, and Mikhail G. Hoalim, 33, who face seven and nine counts of wire fraud, respectively. Knighten and Hoalim self-surrendered on October 25, 2024.

According to the indictment, from March 2021 to August 2021, the defendants submitted and caused to be submitted fraudulent Paycheck Protection Program (PPP) loans for themselves, family members, close associates, and individuals they recruited. Congress created the program in 2020 to assist businesses dealing with COVID-19's severe economic impact. Estimated losses from the scheme total approximately \$3.5 million.

The defendants made false statements to the U.S. Small Business Administration (SBA) and banks in connection with the fraudulent PPP loan applications. Each application falsely stated that the PPP loan applicant was self-employed and falsely certified that each loan would be used for permissible business purposes. Each loan application also contained fraudulent tax forms to deceive the SBA and PPP participating lenders into disbursing loan funds.

Lenders approved PPP loans for the defendants and more than 100 co-schemers, and the funds were disbursed into bank accounts belonging to the defendants and their co-schemers. Co-schemers paid kickbacks to the defendants within days of receiving the fraudulently obtained PPP loans. The defendants also submitted fraudulent documents to the SBA and lenders to obtain loan forgiveness for the illegally obtained PPP loans.

If convicted, each defendant would face a statutory maximum sentence of 20 years in federal prison for each wire fraud count. Mata would face an additional mandatory two-year prison sentence consecutive to any other prison term if convicted of aggravated identity theft.

Amtrak Office of Inspector General agents led the investigation as part of the Pandemic Response Accountability Committee (PRAC) Task Force, along with Homeland Security Investigations. The PRAC was established to promote transparency and facilitate coordinated oversight of the federal government's COVID-19 pandemic response.

Reports of fraud, waste, or abuse involving pandemic relief funds can be reported to the PRAC here: <https://direc.to/mRdc>.

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