



THE UNITED STATES ATTORNEY'S OFFICE  
SOUTHERN DISTRICT *of* TEXAS

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Department of Justice

U.S. Attorney's Office

Southern District of Texas

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FOR IMMEDIATE RELEASE

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## **Local woman charged with fraudulently receiving millions under CARES Act**

HOUSTON – A 37-year-old Houston resident is set to appear in federal court for her alleged submission of two Paycheck Protection Program (PPP) loan applications pursuant to the Coronavirus Aid, Relief and Economic Security (CARES) Act, announced Acting U.S. Attorney Jennifer B. Lowery.

The criminal indictment, filed Feb. 24, charges LaDonna Wiggins with bank fraud, making a false statement to a bank and money laundering. She is set to appear before U.S. Magistrate Judge Peter Bray today at 2 p.m..

Wiggins allegedly submitted two PPP loan applications for businesses known as Wiggins & Graham Enterprise LLC and Pink Lady Line, resulting in the receipt of \$3,648,145. The charges allege Wiggins used these funds to make personal purchases such as for two homes, multiple vehicles and luxury goods - rather than for any legitimate business purposes.

The CARES Act is a federal law enacted March 27, 2020, to provide emergency financial assistance to the millions of Americans who are suffering the economic effects caused by the COVID-19 pandemic. One source of relief the CARES Act provides is the authorization of up to \$349 billion in United States Small Business Administration (SBA)-guaranteed and forgivable loans to small businesses through the PPP.

Businesses must use PPP loan proceeds for certain permissible expenses, such as payroll costs, interest on mortgages, rent and utilities. Interest and principal on PPP loans can be entirely forgiven if the business spent the loan proceeds on these expense items within a designated period of time.

If convicted, Wiggins faces up to 30 years in federal prison and a possible \$1 million maximum fine.

The Secret Service conducted the investigation. Assistant U.S. Attorney Zahra Jivani Fenelon is prosecuting the case.

***A criminal indictment is a formal accusation of criminal conduct, not evidence. A defendant is presumed innocent unless convicted through due process of law.***

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**Topic(s):**  
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**Component(s):**  
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