

PRESS RELEASE

Repeat Fraudster Sentenced for Leading Pandemic Fraud Conspiracy

Tuesday, July 9, 2024

For Immediate Release

U.S. Attorney's Office, Eastern District of Virginia

NEWPORT NEWS, Va. – A Hampton woman was sentenced today to five years in prison for identity theft and leading a conspiracy to defraud the government and financial institutions for pandemic-related loans and other benefits.

According to court documents, Laponia Wallace, 53, was responsible for at least 22 fraudulent pandemic loan applications and five additional fraudulent applications for pandemic unemployment insurance benefits. This fraud resulted in more than \$250,000 in loss to the United States and the Commonwealth of Virginia. Wallace withdrew substantial amounts of the fraud proceeds as U.S. currency before they could be seized and spent the money on gambling, travel, and luxury retail items like clothing and shoes.

Wallace has at least fifteen prior convictions for fraud, forgery, and related offenses, including a 2021 federal conviction for mail fraud. She committed the pandemic fraud at issue while under court supervision for her prior federal conviction for mail fraud. In her prior federal case, Wallace and her co-conspirators repeatedly filed fraudulent insurance claims.

Jessica D. Aber, U.S. Attorney for the Eastern District of Virginia; Brian Dugan, Special Agent in Charge of the FBI's Norfolk Field Office; Damon E. Wood, Inspector in Charge of the U.S. Postal Inspection Service, Washington Division; and Troy W. Springer, Special Agent in Charge, National Capital Region, U.S. Department of Labor, Office of Inspector General, made the announcement after sentencing by Senior U.S. District Judge Raymond A. Jackson.

Assistant U.S. Attorney D. Mack Coleman and Special Assistant U.S. Attorney Alyssa Levey-Weinstein prosecuted the case.

A copy of this press release is located on the website of the [U.S. Attorney's Office](#) for the Eastern District of Virginia. Related court documents and information are located on the website of the [District Court](#) for the Eastern District of Virginia or on [PACER](#) by searching for Case No. 4:23-cr-66.

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