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United States Attorney's Office
District of Oregon

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U.S. Attorney's Office and SBA Office of Inspector General Announce Major Criminal and Civil Actions as Operation No Doze Launches in Oregon

PORTLAND, Ore.— The U.S. Attorney's Office for the District of Oregon, in coordination with the U.S. Small Business Administration Office of Inspector General (SBA-OIG), today announced a series of significant criminal prosecutions, arrests, indictments and civil recoveries as part of the administration's expanded efforts to combat COVID-19 relief fraud.

From June through September 2026, the District of Oregon's Government Fraud Task Force brought 12 enforcement actions involving more than \$29 million in losses, resulting in more than \$8.6 million in recovered funds.

From September through today, the Task Force has brought 10 additional enforcement actions involving approximately **\$34 million in fraud losses** and resulting in approximately **\$7.2 million in civil recovery**.

"COVID-19 relief funds were created to help small businesses and families survive an unprecedented crisis — not enrich fraudsters," said **U.S. Attorney Scott Bradford**. "These enforcement actions demonstrate our unwavering commitment to protecting taxpayer dollars and holding accountable those who abuse federal programs. Working alongside our partners at SBA-OIG and across the federal law enforcement community, we will continue to pursue every avenue — criminal and civil— to uncover fraud and ensure the integrity of these critical relief programs."

"SBA OIG's pandemic fraud data identifies approximately \$1.24 billion in potentially fraudulent loans associated with Oregon—a stark reminder of the work still ahead," said **SBA Inspector General William Kirk**. "Operation No Doze sends a clear message: we are not letting up. Working with our law enforcement partners, we will follow the evidence, pursue accountability and seek to recover taxpayer dollars."

The Criminal Division continues to identify new fraud targets and take swift action to hold offenders accountable. The Civil Division is likewise pursuing qui tam and other civil matters to secure settlements and recover taxpayer dollars efficiently while protecting the interests of the government and the public.

Summary of Enforcement Actions Announced This Month

- **One guilty plea** related to **\$1 million in SBA losses**
- **Two arrests** involving more than **\$8.3 million in SBA losses**, including the arrest of a previously wanted fugitive (both defendants awaiting sentencing)
- **Five indictments** charging individuals with over **\$17.6 million in SBA losses** across multiple fraud networks
- **Two False Claims Act matters** involving four businesses, resulting in approximately **\$7.2 million in recovery** to the SBA (both matters remain under seal)

Criminal Enforcement Actions

Kenneth Burns – Fugitive Arrest

Burns was arrested Oct. 15, 2026, after failing to appear for sentencing on July 7, 2026. He was previously indicted for bank fraud related to a Paycheck Protection Program (PPP) loan causing more than \$373,000 in losses. After receiving the funds, he spent thousands of dollars on personal expenses and made no payments on his loan. A prior public release helped law enforcement locate him.

Afe Bey – Convicted; Arrested and Detained Pending Sentencing

Bey pleaded guilty Oct. 7, 2026, to one count of wire fraud stemming from false statements in COVID-19 Economic Injury Disaster Loan (EIDL) applications totaling more than \$308,000. After receiving the funds, he misused the proceeds and made no repayments. His pretrial release was revoked Oct. 7, and he is being held pending sentencing on Feb. 4, 2027.

Papa Diallo – Indicted and Arrested

Diallo was indicted Sept. 3, 2026, for bank fraud and wire fraud related to false statements in PPP, EIDL and Restaurant Revitalization Fund (RRF) applications through which he obtained more than \$150,000. He was arrested and appeared in court Oct. 19, 2026. The case is being investigated jointly with the Federal Reserve Board Office of Inspector General (FRB-OIG).

Elijah Motley – Indicted

Motley was indicted Oct. 21, 2026, on two counts of wire fraud involving false statements and fabricated tax documents submitted with PPP and forgiveness applications.

Countee Motley – Indicted

Motley was indicted Oct. 21, 2026, on two counts of wire fraud involving false statements and fabricated tax documents submitted with PPP and forgiveness applications.

Kiara Nelson – Indicted

Nelson was indicted Oct. 21, 2026, on two counts of wire fraud involving false statements and fabricated tax documents submitted with PPP and forgiveness applications.

Paul Jones – Indicted

Jones was indicted Oct. 21, 2026, on two counts of wire fraud involving false statements and fabricated tax documents submitted with PPP and forgiveness applications.

An indictment is only an accusation of a crime, and a defendant is presumed innocent unless and until proven guilty.

An additional individual was indicted under seal on Oct. 15, 2026, for wire fraud and for making false, fictitious or fraudulent claims involving fabricated tax documents used in PPP applications, as well as false statements used to obtain funds under the Qualified Sick Family Leave Credit and the Families First Coronavirus Response Act. This case is being investigated jointly with IRS Criminal Investigation (IRS-CI).

Civil Enforcement Actions

The United States has reached False Claims Act settlements with four businesses, totaling \$7.2 million in recovered funds.

The District of Oregon's Government Fraud Task Force brings together investigators and Assistant U.S. Attorneys from multiple agencies to combat fraud involving federal pandemic-relief programs in Oregon and nationwide. Through coordinated criminal prosecution, civil enforcement and asset recovery, the task force has focused on schemes targeting SBA programs including the PPP, EIDL and RRF. Its work has established the District of Oregon as a national leader in addressing pandemic-relief fraud.

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