

Press Release

Missouri City resident admits to profiting \$1.65 million from fraudulent pandemic loan applications

Monday, July 21, 2025

For Immediate Release

U.S. Attorney's Office, Southern District of Texas

HOUSTON – A 42-year-old man has pleaded guilty to a wire fraud conspiracy involving the Paycheck Protection Program (PPP) and Economic Injury Disaster Loan (EIDL) program, announced U.S. Attorney Nicholas J. Ganjei.

Shawn Nicholas Young applied for PPP and EIDL loans on behalf of his own businesses as well as businesses belonging to others. The Small Business Administration (SBA) administered the loan programs he targeted, which were intended to help existing small businesses survive the COVID-19 pandemic.

To qualify for funding, Young misrepresented key information about the businesses. He supported the false statements with fake tax returns and backdated documents.

Over the conspiracy, Young submitted more than 100 fraudulent applications, requesting more than \$9.5 million in funds earmarked for pandemic relief. He received kickbacks from co-conspirators who were approved for loans.

Young profited \$1.65 million from the conspiracy. He used the proceeds for personal expenses, such as paying off his mortgage and buying a car. As part of his plea, Young will pay full restitution to the victims of his crimes and forfeit his house and car.

U.S. District Judge Kenneth M. Hoyt will sentence Young Oct. 27. At that time, Young faces up to 20 years in federal prison and a possible \$250,000 maximum fine.

He was permitted to remain on bond pending that hearing.

The Federal Housing Finance Agency-Office of Inspector General (OIG), Treasury Inspector General for Tax Administration, Federal Deposit Insurance Corporation-OIG, SBA-OIG and Immigration and Customs Enforcement - Homeland Security Investigations conducted the investigation with the assistance of Fort Bend Sheriff's Office and Harris County Constable's Office, Precinct 1. Assistant U.S. Attorneys Stephanie Bauman and Shirin Hakimzadeh prosecuted the case.

The COVID-19 Fraud Enforcement Task Force was established to marshal the resources of the Department of Justice in partnership with agencies across government to enhance

efforts to combat and prevent pandemic-related fraud. The task force bolsters efforts to investigate and prosecute the most culpable domestic and international criminal actors and assists agencies tasked with administering relief programs to prevent fraud by augmenting and incorporating existing coordination mechanisms, identifying resources and techniques to uncover fraudulent actors and their schemes and sharing and harnessing information and insights gained from prior enforcement efforts. For more information on the department's response to the pandemic, please visit Justice.gov/Coronavirus and Justice.gov/Coronavirus/CombatingFraud.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice's National Center for Disaster Fraud (NCDF) Hotline via the [NCDF Web Complaint Form](#).

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