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Department of Justice

U.S. Attorney's Office

District of New Jersey

FOR IMMEDIATE RELEASE

Tuesday, May 17, 2022

Pennsylvania Man Charged with \$1.7 Million Paycheck Protection Program Loan Fraud Scheme

NEWARK, N.J. – A Pennsylvania man was charged for his role in a scheme to fraudulently obtain over \$1.7 million in federal Paycheck Protection Program (PPP) loans for himself and others, U.S. Attorney Philip R. Sellinger announced today.

Darryl Duanne Young, aka "Darryl Duanne Isom Young," 59, of Kingston, Pennsylvania, is charged by complaint with one count of conspiracy to commit bank fraud, four counts of bank fraud, and two counts of money laundering. Young made his initial appearance by videoconference this afternoon before U.S. Magistrate Judge Cathy L. Waldor and was released on \$150,000 unsecured bond.

According to documents filed in this case and statements made in court:

The Coronavirus Aid, Relief, and Economic Security (CARES) Act is a federal law enacted on March 29, 2020, designed to provide emergency financial assistance to the millions of Americans suffering the economic effects caused by the COVID-19 pandemic. The law authorized up to \$349 billion in forgivable loans to small businesses for job retention and certain other expenses, through the PPP. In April 2020, Congress authorized over \$300 billion in additional PPP funding.

Young engaged in a scheme to illegally obtain, for himself and his conspirators, over \$1.7 million in PPP loans through numerous misrepresentations to banks. Young submitted and directed others to submit fraudulent PPP loan applications. He submitted falsified tax documents and bank statements to a victim lender in support of PPP loan applications. He received over \$230,000 in PPP loans for businesses he controlled and received a percentage of loan proceeds for assisting in submitting fraudulent applications on behalf of others.

The counts of conspiracy to commit bank fraud and bank fraud each carry a maximum penalty of 30 years in prison and a \$1 million fine. The counts of money laundering each carry a maximum

potential penalty of 10 years in prison and a maximum fine of \$250,000 or twice the gross gain to the defendant or gross loss to the victim, whichever is greatest.

U.S. Attorney Sellinger credited special agents of IRS-Criminal Investigation, under the direction of Acting Special Agent in Charge Tammy Tomlins; postal inspectors of the U.S. Postal Inspection Service in Newark, under the direction of Inspector in Charge Damon Wood, Philadelphia Division; special agents of the Social Security Administration, Office of the Inspector General, under the direction of Special Agent in Charge Sharon MacDermott; special agents of the U.S. Attorney's Office for the District of New Jersey, under the direction of Special Agent in Charge Thomas Mahoney; special agents of the Board of Governors of the Federal Reserve System Consumer Financial Protection Bureau, Office of Inspector General, under the direction of Special Agent in Charge Stephen Donnelly; special agents of the Federal Housing Finance Agency, Office of Inspector General, under the direction of Special Agent in Charge Robert Manchak; special agents of the Federal Deposit Insurance Corporation – Office of the Inspector General, under the direction of Special Agent in Charge Patricia Tarasca in New York; and special agents of the Department of Homeland Security, Homeland Security Investigations, under the direction of Jason J. Molina in Newark, with the investigation leading to the charges.

The government is represented by Assistant U.S. Attorneys Katherine M. Romano and David E. Dauenheimer of the U.S. Attorney's Office's Health Care Fraud Unit in Newark.

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 Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form> .

The charges and allegations contained in the complaint are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

Attachment(s):

[Download Young.Complaint.pdf](#)

Topic(s):

Coronavirus

Component(s):

[USAO - New Jersey](#)

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