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United States Attorney's Office
District of Oregon

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Local Entrepreneur Sentenced to Federal Prison for Covid-Relief Fraud

PORTLAND, Ore.—A Portland entrepreneur was sentenced to federal prison today for fraudulently applying for and obtaining loans intended to help small businesses during the Covid-19 pandemic.

Peter Peacock Blood, 59, was sentenced to 12 months in federal prison and 5 years' supervised release. He was also ordered to forfeit more than \$600,000 to the United States and to pay more than \$590,000 in restitution to the U.S. Small Business Administration (SBA) and Chase Bank.

On March 25, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act to provide emergency financial assistance to American employers suffering the economic effects of the Covid-19 pandemic and resulting shutdowns. According to court documents, in early April 2020, less than two weeks after the CARES Act was passed, Blood began submitting fraudulent applications for Covid-relief benefits on behalf of his two solar energy companies, Cycle Power Partners, LLC and Cycle Holdings, LLC.

Previously, Blood filed tax returns in 2019 and 2020 on behalf of Cycle Power Partners claiming the company had two or fewer employees, including Blood himself, and paid less than \$9,600 in quarterly wages and other compensation. No quarterly tax returns were filed for Cycle Holdings during the same time period. Despite this, in two separate Paycheck Protection Program loan applications he submitted in April 2020, Blood claimed his companies had 10 employees and an average monthly payroll exceeding \$116,000.

The first application resulted in a loan of more than \$332,000 and the second, a loan of more than \$290,000. Blood spent more than half of the funds received on a custom, military-style truck he outfitted into a camper and another \$14,000 on home improvements.

On July 8, 2021, a federal grand jury in Portland returned an indictment [charging](#) Blood with two counts of loan fraud and, on December 16, 2022, he pleaded guilty to both counts.

This case was investigated by the SBA Office of Inspector General, U.S. Treasury Inspector General for Tax Administration (TIGTA), and the FBI. It was prosecuted by Ryan W. Bounds and Meredith D.M. Bateman, Assistant U.S. Attorneys for the District of Oregon.

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

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