



THE UNITED STATES
DEPARTMENT of JUSTICE

United States Attorney's Office
District of Oregon

FOR IMMEDIATE RELEASE
July 1, 2021
USAO-OR.gov | [@USAO_OR](https://twitter.com/USAO_OR)

Contact: Public Affairs Officer
Phone: (503) 727-1000
USAOR.PublicAffairs@usdoj.gov

Oregon Man Pleads Guilty for Role in Covid-Relief Fraud Scheme

PORTLAND, Ore.—An Oregon man pleaded guilty today for his role in a scheme to steal funds intended to help small businesses during the COVID-19 pandemic.

Russell Anthony Schort, 39, of Sweet Home, Oregon, pleaded guilty to bank fraud.

Schort worked with his accomplice, Andrew Aaron Lloyd, 51, of Lebanon, Oregon, to take advantage of the Small Business Administration's Paycheck Protection Program (PPP), an integral part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act passed in March 2020. The CARES Act provided emergency financial assistance to millions of Americans and small businesses suffering from the economic effects of the COVID-19 pandemic.

According to court documents, on May 1, 2020, Lloyd submitted a PPP loan application under Schort's business name, Schort Lee Construction, to U.S. Bank. Included in the loan application package was a false IRS form 944 listing 2019 wages paid of more than \$3 million. The application also included a fake list of fifty-six employees and the wages purportedly paid to each employee.

Based on these false representations, U.S. Bank processed the PPP loan application, resulting in the disbursement of more than \$600,000 into Schort's bank account. Three days later, Schort transferred \$307,000 to Lloyd's bank account, who used the funds to purchase securities through an online brokerage account.

On January 5, 2021, Schort was [charged by criminal complaint](#) with wire fraud, bank fraud, and money laundering. On June 8, 2021, he was charged by superseding criminal information with bank fraud.

Schort faces a maximum sentence of 30 years in prison, a \$1 million fine, and five years of supervised release. He will be sentenced on October 21, 2021 before U.S. District Court Judge Michael J. McShane.

As part of his plea agreement, Schort has agreed to pay no less than \$294,552 in restitution to the U.S. Treasury. He will be sentenced on September 9, 2021.

On June 17, 2021, [Lloyd pleaded guilty](#) to bank fraud, money laundering, and aggravated identity theft.

Acting U.S. Attorney Scott Erik Asphaug of the District of Oregon made the announcement.

This case was investigated by the FBI with assistance from the SBA Office of Inspector General and IRS Criminal Investigation. It is being prosecuted by Gavin W. Bruce, Assistant U.S. Attorney 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 (NCDF) Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form.

#