



Department of Defense
Office of the Inspector General

Information Release

FOR IMMEDIATE RELEASE

April 26, 2005

**Former Northrop Grumman, Newport News Shipbuilding
Employee Pleads Guilty to Worker's Compensation Fraud**

The Office of the Inspector General (OIG), Department of Defense (DoD), announced today that on April 26, 2005, William H. Holloway, doing business as Holloway General Hauling, Suffolk, VA, plead guilty in U.S. District Court for the Eastern District of Virginia, Norfolk, VA, to a single count of making a false official statement, in violation of Title 18 of the United States Code, Section 1001, in connection with submitting a false Department of Labor (DOL), Report of Earnings, Form LS-200.

Holloway was formerly employed as a welder by Newport News Shipbuilding and Dry Dock Company (NNS) in Newport News, Virginia. While employed by NNS, Holloway suffered a work related injury to his hand and shoulder. In accordance with the Longshore and Harbor Worker's Compensation Act, NNS paid Holloway a weekly disability benefit. These benefits were underwritten and charged to the Department of the Navy by NNS, and were paid under concurrent jurisdiction with the Virginia Workers Compensation Act.

On May 24, 2004, Holloway filled out and submitted a false LS-200, in which he did not disclose income he received from September 30, 2003 to May 9, 2004, from Holloway General Hauling. As a result, he received Worker's Compensation in the amount of \$8,302.29 for that period.

Holloway is scheduled to be sentenced on August 1, 2005, and faces a maximum sentence of 5 years incarceration and a \$250,000 fine.

This investigation was conducted by the Defense Criminal Investigative Service (the criminal investigative arm of the OIG, DoD) and the DOL OIG. Assistant U.S. Attorney Howard Zlotnick, U.S. Attorney's Office, Newport News, VA, handled the prosecution of this case.

For further information, contact Joseph A. McMillan, Special Agent in Charge, Mid-Atlantic Field Office at (703) 604-8411.

To report suspected fraud, waste, and abuse within DoD programs, contact the Defense Hotline toll-free at (800) 424-9098, e-mail: hotline@dodig.osd.mil, or visit them on the World Wide Web at <http://www.dodig.osd.mil/hotline/>.

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