



OFFICE OF THE
DISTRICT ATTORNEY
EL DORADO COUNTY, CALIFORNIA

VERN PIERSON, DISTRICT ATTORNEY

FOR IMMEDIATE RELEASE

September 17, 2026

Contact Information

Melanie Torres

Melanie.torres@edcda.us

Former South Lake Tahoe Mayor Tamara Wallace Faces Up to 20 Years in Prison

PLACERVILLE, Calif. — On September 15, 2026, the United States Attorney's Office for the Eastern District of California charged former South Lake Tahoe Mayor Tamara Wallace with one count of wire fraud (18 U.S.C. § 1343). The federal charge alleges that from approximately April 2019 through September 2025, while serving as bookkeeper for Lake Tahoe Community Presbyterian Church, Ms. Wallace embezzled approximately \$390,000 through checks written to herself and unauthorized electronic transfers.

The El Dorado County District Attorney's Office opened an investigation immediately upon learning of Ms. Wallace's public admission and resignation in 2025. Early on in our investigation, our office assessed what consequences California law would realistically allow. Although the alleged losses were substantial and the conduct spanned more than six years, California's lenient sentencing laws would likely have permitted very little custody time. Our assessment was that a state conviction would likely have resulted in no more than about one year of actual custody.

That outcome also assumed the case would reach a conviction at all. Under California's mental health diversion law, which was significantly expanded in 2022 under legislation signed by Governor Gavin Newsom, diversion is available for most offenses, including large-scale embezzlement, and courts are increasingly granting it in serious cases. Because diversion can occur before a plea or conviction, successful completion can result in the charges being dismissed without a criminal conviction. The result is a system that too often offers little consequence for serious crime.

For those reasons, in 2025 our office contacted the United States Attorney's Office for the Eastern District of California and the Federal Bureau of Investigation to seek federal prosecution for these crimes. Throughout the federal investigation, investigators from the District Attorney's Office — including an investigator assigned a federal FBI task force — provided significant assistance during this investigation.

Any sentence imposed upon Ms. Wallace after her arraignment and plea will be determined by a federal judge after considering the federal sentencing guidelines and other statutory factors.

“When someone in a position of public trust is accused of taking hundreds of thousands of dollars from a church that serves this community, the consequence should match the harm,” said District Attorney Vern Pierson. “Unfortunately, California law no longer reliably delivers that. In our view, policies adopted under Governor Gavin Newsom have too often placed the interests of criminal defendants ahead of meaningful consequences and the rights of victims, a ‘criminals first’ approach that has made accountability increasingly difficult to achieve in state court. We are grateful to the United States Attorney’s Office and the FBI for taking this case, and we will continue to work closely with our federal partners so that cases that call for real accountability can be brought where real accountability is available.”

The District Attorney’s Office thanks the U.S. Attorney’s Office for the Eastern District of California and the FBI for their partnership in this case.

Questions regarding the federal prosecution should be directed to the U.S. Attorney’s Office for the Eastern District of California.