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LIEUTENANT GOVERNOR AND TERRITORIAL SENATOR FOR AMERICAN SAMOA INDICTED FOR PUBLIC CORRUPTION CHARGES

WASHINGTON – Lieutenant Governor Aitofele T.F. Sunia and Territorial Senator Tini Lam Yuen, of the U.S. Territory of American Samoa, have been arrested on fraud, bribery, and obstruction charges, Assistant Attorney General Alice S. Fisher of the Criminal Division announced today.

Sunia, 64, and Lam Yuen, 56, both residents of American Samoa, were charged today in a six count indictment returned by a federal grand jury in the District of Columbia on Thursday, Sept. 6, 2007, and unsealed today. The indictment charges Sunia and Lam Yuen with one count of conspiracy; one count of fraud and one count of bribery concerning programs receiving federal funds; and one count each of obstruction of an agency proceeding. Lam Yuen is charged with an additional count of bribery concerning programs receiving federal funds.

According to the indictment, Sunia was the Treasurer of American Samoa at the time of the crimes. The defendants allegedly engaged in a scheme to avoid the competitive bidding process by conspiring to split a large project for furniture construction for the American Samoa school system among companies owned and operated by the defendants and a third company owned by the Chief Procurement Officer of American Samoa Fa'au Seumanutafa. The defendants also conspired to structure invoices and procurement paperwork to create the false appearance that the projects were dozens of small projects beneath the \$10,000 threshold requiring competitive public bidding. In fact the defendants and their co-conspirator handled shared projects without competitive bidding worth collectively more than \$775,000 over the course of approximately three years.

The indictment further alleges that the defendants agreed to split the projects with Seumanutafa as a bribe in exchange for his failure to enforce the procurement laws of American Samoa, and that they provided cash gifts and free contracting work to the former Director of the American Samoa Department of Education Kerisano Sili Sataua, in exchange for his agreement to facilitate the fraudulent scheme.

On Oct. 17, 2005, Sataua was sentenced to 30 months of in prison and ordered to pay \$61,000 in restitution for his involvement in this fraud and bribery conspiracy.

On Oct. 3, 2005, Seumanutafa was sentenced to eight months in prison and ordered to pay a \$5,000 fine and \$80,000 in restitution for his involvement in the conspiracy.

Sunia and Lam Yuen face a maximum of 10 years in prison and a \$250,000 fine on the fraud and bribery charges, and a maximum penalty of five years in prison and a \$250,000 fine on the conspiracy and obstruction charges.

An indictment is merely an accusation. All defendants are presumed innocent until proven guilty at trial beyond a reasonable doubt. The matter was handled by the grand jury in the District of Columbia because American Samoa is not designated by Congress to be part of any specific federal judicial district.

This case is being prosecuted by Trial Attorneys Matthew L. Stennes and Daniel A. Schwager of the Public Integrity Section, headed by Chief William M. Welch, II. The case is being investigated by the Federal Bureau of Investigation, Honolulu Division; the Office of the Inspector General for the U.S. Department of Education; and the Office of the Inspector General for the U.S. Department of the Interior.

The broader investigation into grant-related corruption in American Samoa is being conducted by an investigative team including special agents of the FBI located in Honolulu and in Pago Pago, American Samoa; the Department of Interior Office of the Inspector General; the Department of Education Office of the Inspector General; the Department of Homeland Security Office of Inspector General; and the Department of Justice Office of Inspector General as well as prosecutors in the Public Integrity Section of the Criminal Division and with the assistance and cooperation of local officials. To date, the investigation has yielded guilty pleas from four former American Samoa government officials including the Chief Procurement Officer of American Samoa, the Director of the Department of Education of American Samoa, the Director of the Department of Human and Social Services for American Samoa and the Director of the School Lunch Program for American Samoa.

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