

**REPORT TO CONGRESS
ON THE ACTIVITIES AND OPERATIONS
OF THE
PUBLIC INTEGRITY SECTION
FOR 1984**



**Public Integrity Section
Criminal Division
United States Department of Justice**

**Submitted Pursuant to
Section 603 of the Ethics in Government Act of 1978**

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April 1985

Submitted Pursuant
to Section 529 of the
Ethics in Government
Act of 1978

ANNUAL REPORT TO CONGRESS

Section 529 of the Ethics in Government Act of 1978 requires the Attorney General to "report to Congress on the activities and operations" of the Public Integrity Section each year. This Report serves that function for calendar year 1984.

The Public Integrity Section is part of the Criminal Division of the Department of Justice, and was established in 1976. The Section was given the responsibility for overseeing the federal effort to combat corruption through the prosecution of elected and appointed public officials at all levels of government. The Section is also responsible for supervising the handling of the investigations and prosecutions of election crimes. Its attorneys prosecute selected cases against federal, state and local officials, and are available as a source of advice and expertise to law enforcement officials at all levels of government. In addition, the Section serves as the Justice Department's center for the handling of issues that may arise from time to time regarding public corruption investigations and prosecutions.

Despite this broad range of responsibilities, the Public Integrity Section is modest in size. It was staffed by approximately twenty-four attorneys throughout 1984. Consistency in the application of complex laws governing the conduct of public officials has been ensured by the Section's senior litigators, who include experts in election law, the laws prohibiting conflicts of interest and bribery, and the statutes providing federal jurisdiction over corruption at the state and local levels, such as the Hobbs Act and mail fraud statutes. Gerald E. McDowell was Chief of the Section in 1984.

Part I of this Report describes the operations and functions of the Public Integrity Section, highlighting the major activities of 1984, and Part II details the cases handled by the Section during 1984. Part III presents data on the national effort to combat public corruption during 1984, based on the Section's annual survey of United States Attorneys.

TABLE OF CONTENTS

PART I

DESCRIPTION OF THE PUBLIC INTEGRITY SECTION

A.	GENERAL OPERATIONAL RESPONSIBILITIES OF THE PUBLIC INTEGRITY SECTION.....	1
1.	Responsibility for Litigation.....	1
2.	Independent Counsel Matters.....	3
3.	Technical Assistance.....	3
B.	1984 PROJECTS AND ACHIEVEMENTS OF THE PUBLIC INTEGRITY SECTION	4
1.	Corruption Affecting the Federal Government	5
2.	Corruption Involving State and Local Government	6
3.	Election Crimes	6
4.	General Developments	7

PART II

PUBLIC INTEGRITY SECTION
INDICTMENTS, PROSECUTIONS AND APPEALS IN 1984

A.	PROSECUTIONS OF CORRUPTION AFFECTING THE EXECUTIVE BRANCH	9
B.	PROSECUTIONS OF CORRUPTION AFFECTING THE LEGISLATIVE BRANCH ...	13
C.	PROSECUTIONS OF CORRUPTION AFFECTING THE JUDICIAL BRANCH	14
D.	PROSECUTIONS OF STATE AND LOCAL CORRUPTION	16
E.	ELECTION CRIMES	18

PART III

FEDERAL PROSECUTIONS OF CORRUPT PUBLIC OFFICIALS

SELECTED CORRUPTION CASES NATIONWIDE, HANDLED BY THE U.S. ATTORNEYS' OFFICES	21
STATISTICAL TABLES	30

PART I

DESCRIPTION OF THE PUBLIC INTEGRITY SECTION

A. GENERAL OPERATIONAL RESPONSIBILITIES OF THE PUBLIC INTEGRITY SECTION

1. Responsibility for Litigation

Most of the Public Integrity Section's resources are devoted to litigation and supervision of investigations involving alleged abuses of the public trust. The Section seeks always to maintain flexibility in staffing to enable it to assume responsibility for handling special investigations assigned to it by the Department of Justice. These matters are often very sensitive, demanding prompt, professional handling and absorbing substantial resources, though they may not result in a criminal prosecution. In addition to the Section's handling of such projects, it also guides the use of complex corruption statutes by federal prosecutors and provides training to investigators and prosecutors in the United States Attorneys' Offices.

Finally, the Public Integrity Section accepts operational responsibility for a number of corruption prosecutions each year. These cases are described in more detail in Part I, B of this Report. Decisions to undertake particular prosecutions are made on a case-by-case basis, based on the following considerations:

Recusals. It is extremely important that fairness and impartiality be maintained in conducting government corruption investigations. If the United States Attorney has had a significant business, social, political, or other relationship with any subject or principal witness in a corruption case, then it is generally inappropriate for the United States Attorney or his or her office to conduct the investigation and prosecution. Cases in which the conflict is substantial are often transferred to the Public Integrity Section for prosecution or direct supervision. Cases involving federal judges always require the recusal of the United States Attorney's Office, and all such cases are handled by the Public Integrity Section.

In 1984, for example, the Public Integrity Section successfully prosecuted United States District Judge Harry Claiborne, a case for which the Section assumed responsibility because the United States Attorney's Office was recused. Similar problems arise when the target of the investigation is an investigator or prosecutor. Even if there is no technical conflict of interest, having worked closely with a person in the past and possibly needing to work with that person in the future may make investigating criminal allegations concerning that person difficult.

Under these circumstances, the investigative agency may refer the case directly to the Public Integrity Section, or the United States Attorney may refer the case to the Public Integrity Section after the problem becomes evident.

Sufficiency of Local Resources. When the available prosecutorial resources in the United States Attorney's Office are insufficient to undertake a significant corruption case, the Public Integrity Section often provides federal prosecutors to serve as lead counsel, co-counsel, or secondary counsel. For example, the Section provided co-counsel to the United States Attorney's Office in the Southern District of Mississippi in an investigation of drug-related crime that led to the indictment of eleven individuals, including a sheriff and chief deputy sheriff, for participating in a racketeering enterprise involving murder, extortion and drug trafficking.

The Section's participation also may serve as valuable training to prosecutors in the field, who learn through working with Section attorneys about the statutes best applicable and the investigative techniques most useful in corruption cases. This has been the approach the Section has used most often in election crimes cases, described in more detail later in this Report. The expectation is that after the Section's participation in the initial cases, attorneys in the field will have the interest and expertise necessary to continue to actively pursue corruption cases.

Sensitive or Multi-District Cases. In addition to cases in which there are formal recusals or in which manpower is requested or needed, the Public Integrity Section may become involved in highly sensitive matters and in matters that extend beyond district lines. Sensitive cases include those which, because of their importance, require close coordination with high Department of Justice officials, require a significant amount of coordination with other federal agencies in Washington, involve classified materials, or are politically controversial on a local level so that they are most appropriately handled out of Washington. When an investigation crosses district lines, the Public Integrity Section can provide coordination among various United States Attorneys' Offices, or, when appropriate, can assume operational responsibility for the entire investigation.

Federal Agency Referrals. Referrals from the federal agencies are an important part of the Section's workload. Ever since the Inspectors General were authorized for various agencies, the Section has worked closely with them, encouraging their investigations, coordinating joint investigations with the FBI and Inspectors and ensuring that their cases receive prompt prosecutive attention. The Section also invests time training the agencies' investigators in the statutes involved in

corruption cases and the investigative approaches that work best in such cases. As a result of its efforts, many of the Section's cases are referrals directly from the agencies.

2. Independent Counsel Matters

Since the Ethics in Government Act (28 U.S.C. §591, et seq.) was passed, the Public Integrity Section has been responsible for supervising the administration of the Independent Counsel (formerly Special Prosecutor) provisions of the Act. Both the procedures and time limits of the Independent Counsel provisions are strict, and these matters may be very sensitive. Therefore, they are handled as high priorities of the Section.

Under the Independent Counsel provisions, if specific information from a reliable source is received by the Justice Department alleging that any of certain specified high government officials has committed a crime, the Attorney General must request that a special panel of federal judges appoint an Independent Counsel, unless preliminary investigation establishes there are no reasonable grounds to believe that further investigation or prosecution is warranted. The Public Integrity Section is responsible for supervising the initial investigation, and preparing a recommendation to the Attorney General as to whether the Independent Counsel provisions have been triggered and whether any further investigation is warranted. In 1984, the Section handled several Independent Counsel matters.

3. Technical Assistance

In addition to its litigation responsibilities, the Section provides technical assistance and support services to law enforcement officials at all levels of government:

Advice and Training. The Public Integrity Section is staffed with specialists with considerable experience prosecuting corruption cases. When not operationally involved in a case, Section attorneys are available to advise on substantive questions, investigative methods, indictment drafting, and motions. In 1984, the Section also devoted substantial efforts to formal training of investigators and prosecutors. The Section sponsored two, four-day training seminars for prosecutors and agents involved in public corruption cases and election law matters. To implement the Section's priority area of election crimes, one of these seminars devoted particular attention to enforcement of the complex federal statutes applicable to election-related offenses.

Consultation. In order to achieve uniformity among corruption prosecutions, the Section reviews certain investigations and indictments, as directed by the Assistant Attorney

General for the Criminal Division. Consultation with the Section before federal prosecution may proceed is currently required in all election-related cases, and in corruption cases brought under the Hobbs Act.

General Assistance and Supervision. Departmental supervision of prosecutions is often important in public corruption cases, which are typically delicate, complex and highly visible. Section attorneys are occasionally called upon to travel to districts across the country to conduct a careful review of sensitive cases, evaluating the quality of the investigative work and the adequacy of the proposed indictments. The presence of Public Integrity Section attorneys helps to ensure that these important public corruption cases are properly developed and brought to trial, since the Section can often identify problems early on and either provide needed assistance, or, if necessary, assume operational responsibility for the prosecution.

The Section has developed considerable expertise in the supervision and oversight of the use of undercover operations in serious corruption cases. The Section Chief sits on the FBI's Undercover Review Committee, and is familiar with the practical problems involved in such operations. Thus, the Section has the ability to manage this sensitive investigative technique, and to advise law enforcement personnel on its use.

The Section provides numerous other miscellaneous support services to United States Attorneys in connection with corruption cases. Much of this support comes in the form of serving as liaison with other components of the Department in order to expedite approval of such procedures as immunity requests, Title III wiretapping orders, and witness protection program applications.

B. 1984 PROJECTS AND ACHIEVEMENTS OF THE
PUBLIC INTEGRITY SECTION

The Section handled major prosecutions in each of its primary areas of responsibility in 1984. In the area of crimes by federal personnel, it handled the successful prosecutions of United States District Judge Harry Claiborne and former Congressman George Hansen, as well as significant prosecutions of federal law enforcement officers. In the area of state and local corruption, the Section continued its investigation of drug-related corruption in Mississippi. Finally, in the area of election crimes, the Section handled several prosecutions in North Carolina.

1. Corruption Affecting the Federal Government

In 1984, the Section successfully invoked criminal sanctions for violations of the financial disclosure requirements of the Ethics in Government Act, marking the first such cases brought against federal personnel.

For example, the Section successfully prosecuted Congressman George Hansen for failing to disclose on his financial disclosure forms required under the Ethics in Government Act a profit made from the purchase and sale of silver, loans made or guaranteed by Texas silver speculator Nelson Bunker Hunt, and loans from three Virginia men. In another significant prosecution involving the Ethics in Government Act, Paul Jaquish, a former Senior Assistant Postmaster General, pleaded guilty to filing a false financial disclosure form. The case represents the first prosecution of an executive branch employee for falsifying a disclosure form.

J. William Petro, the former United States Attorney for the Northern District of Ohio, was indicted for contempt, relating to his unlawful disclosure of a sealed indictment. Also prosecuted by the Section was former Assistant United States Attorney for the Northern District of Ohio, Paul G. Gorman, on gratuity and conflict of interest charges. Furthermore, the Section handled prosecutions of other individuals within the federal law enforcement community, including an FBI agent for his improper use of an informant to obtain cash and merchandise, and a DEA agent for conspiracy to distribute drugs.

In the area of judicial corruption, the Section handled several investigations involving allegations of corruption of a federal judge. One of these investigations culminated in the successful prosecution of United States District Judge Harry Claiborne for making false statements on his tax returns, a case that represents the first conviction ever of a sitting federal judge for crimes committed while in office.

The Section has developed valuable expertise and a good working relationship with the CIA, which has enabled it to investigate or prosecute a number of cases involving classified materials and national security implications. One such case in 1984 involved the embezzlement by a CIA employee of \$87,000.

Since October 1, 1983, the Public Integrity Section's prosecutions of sixteen matters have yielded \$107,481.27 in restitution to the United States.

2. Corruption Involving State and Local Government

Investigation and prosecution of corruption involving the state and local levels of government continued to be a priority of the Section. In 1984, the Section focused on local corruption linked to drug trafficking by participating in the successful prosecution of ten individuals in Mississippi, including a sheriff and chief deputy sheriff, on charges ranging from racketeering to drug trafficking. The indictment alleged the wholesale corruption of the sheriff's office, by which the sheriff: provided protection for the importation and trafficking of marijuana and other drugs; solicited murder; solicited and accepted bribes to influence criminal investigations and to arrange for lenient treatment or release of criminal defendants; and extorted thousands of dollars from nightclubs in order to allow them to operate without interference by the sheriff's office. The Section also successfully prosecuted two Kentucky men, including the former head of the Governor's Cabinet, for charges related to their improper manipulation of state insurance policy commissions.

3. Election Crimes

The Election Crimes Branch of the Public Integrity Section oversees the enforcement of federal criminal laws dealing with election fraud, patronage and campaign finance and lobbying. The Branch approves and supervises all federal criminal investigations predicated on the federal election laws, and approves all election-related prosecutions. In addition, it assumes operational responsibility for the prosecution of particularly difficult, complex or sensitive election crimes cases. During 1984, the Election Crimes Branch conducted election fraud investigations in several counties in North Carolina. The Branch approved the initiation of forty investigations in twenty-one other states, including Texas, Alabama, Pennsylvania, Arizona, Florida and Georgia.

During national general elections, the Branch also is responsible for implementing the Justice Department's Election Officer Program, which facilitates the reporting and, when appropriate, investigation of election-related misconduct while polls are open. As part of this effort, the Department's manual concerning federal prosecution of election offenses was substantially revised by the Election Crimes Branch, and distributed to the United States Attorneys' Offices.

4. General Developments

1984 was a productive and successful year for the Section. In the years since the Section was founded, strides have been made in the federal effort to combat public corruption, as the statistics gathered at the end of this Report suggest. The number of convictions of those who betray their public trust has increased over the years and continued at a high level in 1984. Nevertheless, much remains to be done, and corruption continues to be one of the most difficult law enforcement problems facing federal prosecutors today.

PART II

PUBLIC INTEGRITY SECTION
INDICTMENTS, PROSECUTIONS AND APPEALS IN 1984

As described above, the participation of the Public Integrity Section in the prosecution of public corruption cases ranges from sole responsibility for the entire case to approving an indictment or offering advice on the drafting of charges. This portion of the Report describes each case handled by the Section, or in which it shared substantial operational responsibility with a United States Attorney's Office. The public corruption cases handled every year solely by the United States Attorneys' Offices are reflected in the statistics and descriptions set forth in Part III of this Report.

This section of the Report is divided according to the level of government affected by the corruption. Also included is a special section on Election Crimes. The prosecutions and indictments reported below reflect the Section's work during 1984 and the status of its cases as of December 31, 1984. This section of the Report also provides statistics on the number of matters closed without prosecution during 1984, and the number of matters open at the end of the year.

A. PROSECUTIONS OF CORRUPTION AFFECTING THE EXECUTIVE BRANCH

- J. William Petro, former United States Attorney for the Northern District of Ohio, was indicted in the Middle District of Louisiana for contempt relating to his unlawful disclosure of the existence of a sealed indictment to a friend of the person who had been indicted.

The sealed indictment was one of twelve that had resulted from a ten-month undercover investigation in Baton Rouge of the sale of counterfeit merchandise, including Rolex watches and Polo shirts. Petro had been notified of one of the indictments because the defendant resided in his District and the assistance of Petro's office was required to handle court proceedings subsequent to the arrest of the defendant. Petro's disclosure of the existence of the indictment to the defendant's friend resulted in the defendant's becoming prematurely aware of the indictment, thereby jeopardizing the ongoing undercover investigation. Petro has since been found guilty after a jury trial.

- Paul Gorman and Merle Weber were indicted in the Northern District of Ohio for gratuity and conflict of interest charges relating to a bankruptcy case in Toledo, Ohio. Gorman was an Assistant United States Attorney for the Northern District of Ohio and was involved in a criminal investigation of a bankrupt and debtors of the bankrupt estate. Weber represented a number of creditors of the bankrupt and was to receive ten percent of their recoveries in the bankruptcy proceeding. During the investigation, Gorman and Weber developed a relationship in which Weber continually provided information and suggestions to Gorman, and Gorman advised Weber of every step of his investigation including occurrences in the grand jury. Gorman also timed the issuance of some subpoenas to coincide with settlement conferences set up by Weber. Through this relationship and the threat of criminal prosecutions, Weber tried to pressure settlements in favor of his creditor-clients. Gorman and Weber negotiated concerning Gorman's employment by Weber at a salary of \$150,000 per year for two years while Gorman stayed with the United States Attorney's Office. Gorman, who was in serious financial trouble and was not a good candidate for a normal bank loan, also received \$23,000 in loans from Weber. Both Weber and Gorman have since been found guilty in separate jury trials.

- Paul E. Jaquish, Jr., a former Senior Assistant Postmaster General of the Research and Technology Group of the United States Postal Service, pleaded guilty to a violation of 18 U.S.C. §1001 for filing a false financial disclosure report with the Postal Service in 1982, a report required to be filed under the Ethics in Government Act of 1978. Jaquish's report did not disclose a position he held as an agent for a corporation and

an arrangement he had concerning future employment with that corporation. The Government's evidence showed that Jaquish recommended to the Postal Service that certain research and development decisions be undertaken that, if adopted, could have benefitted the corporation with which Jaquish was involved.

Jaquish received a sentence of one to three years' imprisonment, which was suspended, and he was placed on probation for three years, with the condition of performing 150 hours of community service. Jaquish's sentence also included a fine of \$10,000.

Jaquish is the first person convicted for violating the reporting requirements of the Ethics in Government Act, and the first instance of application of criminal sanctions for such a violation to an Executive Branch employee.

- Rita Lavelle, former Assistant Administrator for Solid Waste and Emergency Response at the Environmental Protection Agency, was sentenced to serve six months' imprisonment and five years' probation as a result of her conviction in 1983 for perjury, making a false statement, and obstruction of a congressional proceeding. In addition, a total of \$10,000 in fines was imposed as a condition of Lavelle's probation, and Lavelle was ordered to perform community service for the entire term of her probation.

Lavelle's conviction, which she appealed, has since been upheld by the Court of Appeals for the District of Columbia Circuit.

- William R. McGinnis, former finance officer with the Central Intelligence Agency (CIA), was indicted in the Eastern District of Virginia on four counts of embezzlement under 18 U.S.C. §641 and six counts of filing false statements with the CIA. The charges alleged that McGinnis submitted requests for cash advances to the CIA, which purportedly were for other CIA employees but actually were retained by McGinnis, and then filed false vouchers to account for the advances. A total of \$87,000 was embezzled during 1979-1981. The charges were later dismissed due to the fact that McGinnis fatally shot himself.

- Anthony J. Civitano, former Special Agent of the Federal Bureau of Investigation (FBI), pleaded guilty in the Eastern District of New York to five felony charges of extortion, mail fraud, wire fraud, obstruction of justice and the production of false identification documents. The charges arose from Civitano's demanding that an FBI informant provide Civitano with money, merchandise and false credit cards, which Civitano used to obtain cash advances. To further the scheme, Civitano took action to ensure that the sentencing of the informant on an

unrelated charge was postponed, so that the informant would be able to continue to supply Civitano with cash and merchandise.

Civitano was sentenced to three years' imprisonment on each count, to run concurrently. In addition, Civitano was ordered to pay fines totalling \$10,000.

- Harold Lawrence, a former Special Agent of the Drug Enforcement Administration (DEA), pleaded guilty after the start of trial in the Western District of Tennessee to conspiring with his brother and others to distribute drugs. The charge involved Lawrence's providing security to the drug operations of his brother and others by disclosing to them information he gained as a DEA agent, such as information about law enforcement surveillance and the identity of an informant, and by diverting local police from smuggling operations. The indictment is still pending against Lawrence's brother, who is a fugitive. Lawrence was sentenced to five years' imprisonment and ordered to pay fines totalling \$10,000.

- Janet Watlington, former Director of the Virgin Islands Federal Programs Office, was found guilty by a jury in the District of Columbia of one count of theft in violation of the District of Columbia Code, and acquitted of other counts.

As to the charge on which Watlington was convicted, the Government's evidence showed that Watlington purchased an item for the Federal Programs Office, and on two separate occasions submitted a different claim for that expense and was reimbursed twice for it. Watlington was sentenced to one year imprisonment, which was suspended, and she was placed on two years' probation with the condition that she serve sixty days in a half-way house and perform 200 hours of community service.

- Jerry Jenson, former Deputy Director of the Drug Enforcement Administration (DEA) and former Director of the DEA's Training Center in Glynco, Georgia, was sentenced to eighteen months' probation, with the requirement that he perform 200 hours of community service, as a result of his plea of guilty to a violation of 18 U.S.C. §641. The charge arose from Jenson's having falsely claimed reimbursement for moving and transportation expenses that were never in fact incurred.

- Diana Sanchez, former Imprest Cashier with the Federal Bureau of Investigation (FBI), pleaded guilty to a violation of 18 U.S.C. §641 in connection with her embezzlement of \$2,240.36 from the Imprest Fund of the San Antonio office of the FBI. Sanchez, who had previously confessed and resigned from the FBI, was sentenced to one year imprisonment, which was suspended, and she was placed on two years' probation, with the condition that she make restitution in the amount embezzled.

- Barbara Creighton, a former clerical employee of the Justice Department, pleaded guilty to a violation of 18 U.S.C. §641. Creighton aided and abetted another Justice Department employee, Rebecca Murphy (who was previously convicted of a violation of 18 U.S.C. §641), in improperly crediting 300 hours to Murphy's annual leave account, resulting in a loss to the Government of about \$2,100. As a condition of her plea agreement, Creighton resigned. She was sentenced to a year's probation and required to perform fifty hours of community service.

- Iris Gilbert, formerly a secretary with the State Department, was indicted in the District of Columbia for theft of State Department property and making false statements to the State Department. The charges relate to the alleged falsification of Gilbert's time and attendance records, which resulted in Gilbert's receiving approximately \$5,135.65 in overtime payments. Gilbert has since pleaded guilty to one count of theft.

- Patricia Ann Glasper, a former secretary of the United States Information Agency, pleaded guilty to a violation of 18 U.S.C. §641 in connection with her having improperly received \$6,750 in overtime payments. She was sentenced to one year probation, including the requirement of performing fifty hours of community service. Glasper made full restitution.

- Two employees of the Justice Department, Jennifer Hysan and Lawson Forgy, were indicted in the District of Columbia on two counts of distributing cocaine. The indictments resulted from a month-long undercover investigation conducted by the Drug Enforcement Administration and supervised by the Section. Both Hysan and Forgy have since pleaded guilty to one count.

- Barbara Jean Brown, formerly a secretary with the United States Information Agency, pleaded guilty to a violation of 18 U.S.C. §641 for submitting fraudulent claims for overtime payments totalling \$6,027.00. Pursuant to a plea agreement, Brown resigned and made restitution. Brown was sentenced to two years' probation.

- Tammie Davis, a secretary with the United States Information Agency, pleaded guilty to a violation of 18 U.S.C. §641 for improperly obtaining \$700 in overtime pay by falsifying her time and attendance records. Pursuant to a plea agreement, Davis resigned her position and agreed to make full restitution. Davis was sentenced to one year probation.

- In addition to the prosecutions described above, the Section declined prosecution in eighty-two matters involving the Executive Branch of the federal government. One hundred and thirteen such matters were open at the end of 1984.

B. PROSECUTIONS OF CORRUPTION AFFECTING
THE LEGISLATIVE BRANCH

- George V. Hansen, former Congressman from Idaho, was convicted after a jury trial in the District of Columbia of four counts of making false statements to the House of Representatives in violation of 18 U.S.C. §1001. The false statements were contained in the financial disclosure forms filed by Hansen pursuant to the Ethics in Government Act for calendar years 1978 through 1981. The indictment centered on Hansen's failure to report transactions involving \$135,000 in personal loans made to him in 1981 by three individuals in Virginia, a \$61,503.42 personal loan made in 1980 to Hansen and his wife by Nelson Bunker Hunt of Texas, an \$87,475 profit made by the Hansens on the purchase and sale of silver futures contracts during a two-day period in 1979, and a \$50,000 personal loan made to the Hansens by a Dallas, Texas bank and guaranteed by Nelson Bunker Hunt.

The Government's evidence showed that the \$135,000 loan was made to Hansen at a time when the Virginia men were trying to enlist the support of the U.S. Army for a dubious project to develop a nuclear powered hydrogen car, a project in which the Virginia men had a large financial interest. Hansen arranged a meeting between the Virginia men and the Secretary of the Army and made several phone calls to high-level Army personnel to encourage the Army to commit money and people to the project. The Government's evidence also showed that in the silver transaction, Hunt bought several million dollars worth of commodities futures and transferred them to Hansen's wife's name only after the transactions became profitable. This action resulted in the Hansens' getting a guaranteed profit without incurring any risk. The \$50,000 loan guarantee from Hunt resulted from a large commodity futures transaction that was financed and planned by Hunt. Although initially profitable, the transaction resulted in a loss; however, Hunt then guaranteed a loan for the Hansens substantially larger than the amount of the loss. That loan has never been repaid.

Hansen was sentenced to five to fifteen months' imprisonment on each count, to run concurrently, and a \$10,000 fine on each count, for a total of \$40,000.

Hansen has appealed his conviction. The appeal was argued in 1984. No decision has yet been rendered by the Court of Appeals.

- Also in 1984, the Section closed one matter involving the federal Legislative Branch without prosecution and ten such matters were open at the end of the year.

C. PROSECUTIONS OF CORRUPTION AFFECTING
THE JUDICIAL BRANCH

- United States District Judge Harry Claiborne was convicted in the District of Nevada of two counts of making false statements in his tax returns and acquitted of one count of making a false statement in his Ethics in Government Act financial disclosure report. This case represents the first conviction in history of a sitting federal judge for crimes committed while in office. The indictment, which originally charged bribery, wire fraud and obstruction of justice in addition, was the result of a thirty-month investigation. The jury's verdict was rendered at a second trial; the first trial ended in a mistrial when the jury could not reach a verdict. The additional counts were dismissed by the Government prior to the retrial.

Judge Claiborne was sentenced to two years' imprisonment and ordered to pay \$10,000 in fines, plus the costs of prosecution, which the District Court determined to be \$14,384.

A pretrial appeal by Judge Claiborne, claiming that he could not be tried without first being impeached, was rejected by the Ninth Circuit Court of Appeals. Judge Claiborne's conviction on the tax charges is on appeal.

- Wiley Fairchild, a prominent businessman in Hattiesburg, Mississippi, pleaded guilty to giving a gratuity to a United States District Judge. The gratuity involved the transfer of valuable oil and gas royalty interests to the judge at a time when Fairchild's son was facing possible federal drug charges. As of the time of the indictment, the royalties amounted to more than \$45,000. A perjury charge against Fairchild was dismissed at the time of the plea. Related investigations are pending.

- Sara Roberts Sharp, a former employee of the United States Probation Office in Lafayette, Indiana, pleaded guilty to obstruction of a parole investigation. The charge relates to Sharp's having provided confidential information from the Probation Office to a federal parolee who was under investigation for narcotics violations and obstruction of justice. The information passed to the parolee included the identity of government informants and the progress of the government's investigations of the parolee. Sharp was sentenced to eighteen months' imprisonment.

- The Third Circuit Court of Appeals affirmed the contempt conviction of Mark Schaffer, former Chief of the Federal Court Division of the Defender Association of Philadelphia. Schaffer had been convicted in 1983 for accepting \$1,500 and a patio from a supposedly indigent client whom the Federal Court Division had been appointed to represent. The Court of Appeals held that Schaffer's acts constituted a contempt of the order of appointment because the appointment was made pursuant to the Criminal Justice Act, which prohibits the receipt of payment from indigent clients.

- The Section handled a number of cases not involving employees of the Judicial Branch, but nonetheless affecting the Judicial Branch and the administration of justice:

* In an unusual and noncriminal matter handled by the Public Integrity Section, the Erie Supply Company of Toledo, Ohio was found to have violated 28 U.S.C. §1875 by intimidating and discharging one of its employees by reason of his service on a federal grand jury. The company was ordered to reinstate the employee, to pay the employee \$780 in back pay, and to pay a \$750 fine.

* On retrial, Anthony J. Buffalano was acquitted of endeavoring to influence, obstruct and impede the due administration of justice. Buffalano had initially been found guilty by a jury but his conviction was set aside by the Second Circuit Court of Appeals because of faulty jury instructions.

In the appeal, however, the Government successfully urged the Court to adopt its theory that solicitation of money from a defendant pending criminal sentencing on the false representation that a lenient sentence would be secured by bribing the judge is an obstruction of justice. The Court reasoned that the solicitation, if successful, would likely affect the administration of justice because the defendant would forego legitimate opportunities to defend himself.

* Ernest Keiser, Roy T. Dunn and Thomas Duarte were indicted in the Middle District of Florida for conspiracy to transport fraudulently obtained property in interstate commerce, wire fraud and obstruction of justice. The indictment alleges that the three men solicited \$60,000 from a federal criminal defendant by representing that they could "fix" his case by telling the Justice Department that the defendant was involved with Keiser in a scheme to lure fugitive Robert Vesco back to the United States.

Dunn pleaded guilty to an obstruction of justice. Duarte has since been acquitted. Keiser failed to appear for the trial and is now himself a fugitive.

* The Public Integrity Section and a Senior Counsel for Litigation of the Criminal Division jointly participated in the successful prosecutions of Ruth Ann Hembree and John Harve Girdner. Hembree was convicted in the Eastern District of Oklahoma of eight counts of perjury. Hembree's nephew, Girdner, was convicted of three counts of perjury. The charges arose from false claims by Hembree and Girdner that agents of the United States Government forced them to give false testimony in the 1983 prosecution of the Speaker and Majority Leader of the Oklahoma House of Representatives for absentee ballot fraud.

Hembree was sentenced to ten years' imprisonment, to be served consecutively to a previously imposed sentence of thirty-three months on another charge. Girdner was sentenced to five years' imprisonment on each count, to run concurrently.

* The 1983 conviction and sentence of James David Osticco, who has been identified by the Pennsylvania Crime Commission as a capo in the Bufalino organized crime family, for conspiracy and obstruction of justice were affirmed by the Third Circuit Court of Appeals. The charges related to Osticco's payment to a juror's husband to induce the juror to vote "not guilty" in a 1977 fraud trial in Scranton, Pennsylvania. Osticco has been sentenced to serve eight years in prison and pay a \$13,000 fine.

- Nine cases involving the federal Judicial Branch were closed without prosecution in 1984, and eleven matters were pending at the end of the year.

D. PROSECUTIONS OF STATE AND LOCAL CORRUPTION

- The Public Integrity Section worked jointly with the United States Attorney's Office in bringing a twenty-eight-count indictment against eleven individuals in the Southern District of Mississippi, including the former Harrison County Sheriff and his chief deputy. The charges included violations of the Racketeer Influenced and Corrupt Organizations (RICO) Act, the Hobbs Act and the Travel Act, as well as drug trafficking, extortionate credit transactions, firearms violations and obstruction of justice. The indictment detailed the complete compromise and corruption of the sheriff's office in Harrison County, brought about by the sheriff's providing protection for the importation of tons of marijuana and other drugs, accepting bribes to influence the manner in which criminal investigations were conducted and the release of criminal defendants, soliciting the murder of the Chief of Police of Gulfport, and extorting money from nightclubs to allow them to conduct their activities unimpeded by the sheriff's office. The indictment set forth as well a scheme to import 800 kilos of cocaine from Colombia,

resulting from a "reverse buy" undercover investigation in which federal agents posing as drug dealers were to import the cocaine to a farm in Mississippi owned by one of the defendants. The sheriff and deputy sheriff agreed to provide protection for the importation.

Convictions included that of Howard Leroy Hobbs, former Sheriff of Harrison County, who pleaded guilty to a violation of the RICO statute, and former Chief Deputy Sheriff Craig Monroe, who pleaded guilty to conspiracy to violate the RICO statute. All the remaining defendants also pleaded guilty to conspiracy or substantive RICO offenses, drug offenses or firearms offenses, save one who committed suicide.

- Former Kentucky Secretary of Public Protection and Regulation and Secretary of the Governor's Cabinet, James E. Gray, and Kentucky businessman Charles J. McNally were found guilty by a jury in Lexington, Kentucky of conspiracy and mail fraud, stemming from their actions involving the Commonwealth of Kentucky's purchase of Workmen's Compensation insurance. The evidence established that excess commissions on the Workmen's Compensation insurance policies were generated pursuant to a scheme involving Gray, who was in charge of the Governor's Cabinet, and McNally, and were used to benefit themselves and their friends and political allies. The evidence also showed that Gray and McNally conspired to impede the Internal Revenue Service in the assessment and collection of income taxes. The trial was a joint effort of the Public Integrity Section and the United States Attorney's Office.

- Michael Larkin, a Ward Coordinator for former Mayor of Boston Kevin White, was found guilty by a jury in the District of Massachusetts of filing false statements with the United States Department of Housing and Urban Development in order to obtain \$7,000 in rebates on a housing rehabilitation project. Larkin was sentenced to two months' imprisonment. The Public Integrity Section and the United States Attorney's Office jointly handled the case.

- Cristobal Pangelinan, the former head of the Supply Management Division of the Government of Guam, was found guilty by a jury of two counts of extortion for his demanding cash payments totalling \$6,000 from two vendors in return for the awarding of contracts for supplies used by the local government in Guam. The Supply Management Division is responsible for procuring all the goods used by the Government of Guam in its daily operations. The evidence in the case showed that during the time period charged in the indictment, Pangelinan made cash

deposits totalling \$140,000 into some twenty-five personal bank accounts, and that the inventory at the Supply Management Division rose approximately six hundred percent to \$6,000,000 with no corresponding increase in demand by those agencies serviced by the Division.

It is estimated that during Pangelinan's tenure, the Government of Guam lost approximately \$1,900,000 due to excessive ordering of supplies. Pangelinan is the first official prosecuted for corruption in Guam.

- Upon the Government's motion, the indictment against A. T. Tsoumas, former Director of Financial Institutions for the State of Illinois, charging him with violations of the Hobbs Act and the mail fraud statute, was dismissed due to medical testimony that Tsoumas, who had been in poor health, would never physically be able to withstand trial.

- Also in 1984, the Section closed six matters involving state and local officials without prosecution, and nine such matters were open at the end of the year.

E. ELECTION CRIMES CASES

- Hoby Garrett, former school board member and chairman of the Republican party of Clay County, North Carolina, pleaded nolo contendere to one count of vote-buying and a judgment of conviction was entered. He was sentenced to two years' imprisonment, which was suspended, and he was placed on three years' probation and assessed a \$1,000 fine.

- Hugh Nelson Taylor of Clay County, North Carolina, pleaded guilty to seven counts of vote-buying. Taylor received a three-year suspended sentence, three years' probation and a \$300 fine.

- Timothy Cox, also of Clay County, pleaded guilty to one count of conspiracy to buy votes. R. L. Cherry, Clerk of Court, and Christian Roach pleaded guilty to two counts of buying votes for federal candidates in connection with the November 1982, general election in Clay County.

- Arthell Matlock, Grady Chapman, Timothy Chapman and Buddy Chapman were acquitted of charges of vote-buying and conspiracy in connection with the 1982 election in Alexander County, North Carolina.

- The Fourth Circuit Court of Appeals affirmed the convictions of three defendants of mail fraud in connection with absentee ballot voting during the November 1982, election in Alexander County, North Carolina.

- James Dockery and Wanda McClure Carringer pleaded guilty to conspiracy to buy votes and vote-buying in connection with the 1982 general election in Cherokee County, North Carolina.

- In a joint undertaking by the Section and the United States Attorney's Office in Chicago, The Board of Trade Clearing Corporation, Inc., pleaded guilty to four substantive violations of the Federal Election Campaign Act, for which it was assessed a fine of \$100,000. The charges related to illegal contributions to the campaigns of five members of Congress and to the 1980 Carter-Mondale presidential campaign. The president and vice-president of the corporation also pleaded guilty to election and tax offenses.

- The Election Crimes Branch represented the Attorney General in a declaratory judgment action brought by a small Athens, Georgia lumber company challenging on First Amendment grounds the facial constitutionality of the 1907 Tillman Act, a federal law forbidding corporations and labor organizations from making contributions or expenditures in connection with federal elections. In 1984, the Court of Appeals for the Eleventh Circuit, in an en banc decision, upheld this well known federal law.

- The Election Crimes Branch also participated in two appeals in the Third and Fourth Circuits involving the application of the federal mail fraud statute to absentee ballot fraud.

- The Section closed eleven election crimes matters without prosecution in 1984, and sixty such matters were open at the end of the year.

PART III

FEDERAL PROSECUTIONS OF CORRUPT PUBLIC OFFICIALS

Each year, the Public Integrity Section collects information from the United States Attorneys about the public corruption cases their Offices have handled. This portion of the Report describes the results of the 1984 survey, and summarizes information from earlier surveys. Tables I-III display the numbers, types, dispositions, and geographical distribution of the reported cases. The figures in these Tables include the cases handled by the Public Integrity Section.

Also presented below are descriptions of a sample of public corruption cases nationwide considered by the United States Attorneys to be their most significant achievements in the corruption area. Predictably, some of these cases are "small"; corruption is not a uniformly serious problem. What the cases show, however, is that federal prosecutors nationwide are sensitive to the inherent seriousness of corruption offenses, and pursue them vigorously. The descriptions include only those cases handled exclusively by the United States Attorneys' Offices; numerous other major corruption cases were handled jointly by the United States Attorneys' Offices and the Public Integrity Section, and are described in Part II of this Report. The sample cases are organized according to the level of government affected by the corruption.

SELECTED CORRUPTION CASES NATIONWIDE, HANDLED BY
THE U.S. ATTORNEYS' OFFICES

A. CORRUPTION AND OFFICIAL MISCONDUCT AT THE
FEDERAL LEVEL

1. The Executive Branch

- Alabama, M.D. - A former electrical engineer with the United States Army Missile Command was convicted of unlawful solicitation and receipt of gifts from defense contractors, conspiracy to defraud the government, conspiracy to obstruct justice and filing fraudulent statements with the Defense Contract Audit Agency.

- California, C.D. - Twenty-one postal employees were prosecuted for theft of mail or embezzlement of postal funds, seventeen of whom were convicted in 1984.

- California, N.D. - Six Navy procurement officers were convicted of bribery in connection with their acceptance of bribes paid by private business concerns in return for government contracts for supplies.

- District of Columbia - An attorney for the Department of Energy (DOE) and a Tulsa oil magnate were convicted of conspiracy, bribery and Travel Act violations in a complex scheme to obtain investigative files pertaining to an ongoing DOE investigation of alleged improprieties in the oil pricing practices of the oil magnate.

- Florida, M.D. - Three private individuals and two corporations were convicted of charges stemming from their participation in a conspiracy and scheme to defraud various agencies of the United States, principally the Department of Defense, the Internal Revenue Service and the Small Business Administration, in connection with the federal government's process for procuring and contracting for goods and services. The charges included bribery of two Army employees, one of whom was convicted on a gratuity charge and one of whom was convicted of a conflict of interest charge. One of the private individual defendants was sentenced to five years' imprisonment, followed by five years' probation, and ordered to make restitution to the Army in the amount of \$7,000,000.

- Florida, S.D. - A Special Agent for the U.S. Customs Service was convicted of distribution of and possession with intent to distribute hashish oil.

- Massachusetts - A General Services Administration (GSA) Regional Administrator (the former Mayor of Somerville, Massachusetts) was convicted of extorting \$18,000 from a company in its bid to lease office space to GSA. The case highlighted a continuing investigation into corruption at the state and local

levels, which has led to the indictments of state and local officials for conspiring and attempting to extort \$25,000 from the same company for favorable action on liquor license legislation directly affecting the company's ability to build a major hotel.

- New Hampshire - A former District Manager of the Social Security Administration was indicted for filing a false claim and mail fraud as a result of a scheme to obtain Social Security retirement benefits by falsifying his tax returns in previous years and falsifying his application for retirement benefits to conceal his federal employment. He has since been convicted.

- New York, E.D. - The Deputy Regional Administrator for Region II of the General Services Administration (GSA) was convicted of bribery related to his receipt of money from a contractor in return for his affording the contractor "peace" in connection with his supervision of his contracts with GSA.

- New York, E.D. - An extensive investigation into corruption within the United States Navy Resale and Services Support Office (NAVRESSO) resulted in the conviction of the project manager for NAVRESSO on RICO charges, and the convictions of eight private citizens on various charges, including bribery, conspiracy, filing false claims and tax evasion. The project manager on at least twelve occasions extorted and attempted to extort kickbacks totalling at least \$125,000 in cash and \$40,000 in free services and supplies from several contractors who were seeking work or were already hired to perform renovation services on buildings into which NAVRESSO planned to move its operations.

- New York, S.D. - An eighteen-month investigation into corruption at the federal Metropolitan Correctional Center (MCC), conducted by the U.S. Attorney's Office and the FBI with the cooperation of the Federal Bureau of Prisons, culminated in the conviction of nine MCC correctional officers on charges of taking bribes from inmates in exchange for smuggling contraband into the jail for the inmates or permitting inmates to do so.

- New York, W.D. - Nine Army Corps of Engineer employees were convicted of theft in connection with their submission of false travel vouchers. A total of approximately \$78,000 was improperly obtained by these nine persons.

- Pennsylvania, E.D. - A comprehensive Internal Revenue Service (IRS) undercover investigation into systematic corruption within the Examination Division of the IRS in Philadelphia resulted in the convictions of a Revenue Agent and a Group Manager for conspiracy to defraud the Government through the acceptance of bribes from a taxpayer, and the conviction of a Revenue Agent of aiding and abetting the bribery of a public official. Also convicted of bribery and conspiracy were a taxpayer and a tax consultant. To date, this investigation, which began in 1981, has uncovered several of the largest bribes

ever paid to IRS Agents in the history of the IRS. It is estimated that the tax loss to the United States as a result of the acts involved in these cases is \$2,000,000.

- Texas, N.D. - A buyer for the Army and Air Force Exchange Service (AAFES) was convicted of conspiracy for accepting cash from a vendor to influence procurements. The case is part of an investigation of corruption within the AAFES, which began in 1977 and concluded in 1983. The investigation uncovered payments of several million dollars in bribes and gratuities to procurement officials of AAFES and has resulted in more than sixty convictions.

- Texas, E.D. - An employee of the Supplemental Retirement Income Office of the Social Security Administration was convicted of making false statements to the Social Security Administration, and theft and forgery of a Treasury check. The employee, who had improperly obtained more than \$350,000 over a ten-year period, was sentenced to ten years' imprisonment and ordered to make full restitution.

- Washington, W.D. - A Special Agent of the U.S. Customs Service was convicted of armed robbery and extortion of currency exchange couriers.

- West Virginia, S.D. - Four claims examiners with the United States Department of Labor, Division of Coal Mine Workers' Compensation, and six other people were convicted of offenses ranging from aiding and abetting the payment of a gratuity to a public official to conspiracy to defraud the government with respect to claims.

B. CORRUPTION AND OFFICIAL MISCONDUCT AT THE STATE LEVEL

1. The Executive Branch

- Georgia, N.D. - The former Commissioner of Labor and the Former Head of Corrections of the Georgia Department of Labor were convicted of mail fraud, conspiracy to destroy a boat and destruction of a boat with intent to defraud its insurer. The convictions grew out of a thirty-month investigation involving the FBI, the U.S. Department of Labor and the Georgia Bureau of Investigation concerning corruption within the Georgia Department of Labor.

- North Carolina, W.D. - Two employees of the North Carolina Department of Transportation were convicted of extortion for receiving gifts from construction companies in return for accepting substandard work and materials. The case was the result of an extensive investigation into mismanagement of a federally funded highway project. The investigation also resulted in the conviction of the owner of the local construction

company of mail fraud, conspiracy to make false statements and bid-rigging.

- Rhode Island - The Deputy Chairman and a field inspector of the Rhode Island State Board of Plumbing Examiners were convicted of conspiracy, extortion and mail fraud as a result of their participation in a scheme to extort money from applicants for plumbing licenses.

- South Carolina - A South Carolina Wildlife Officer and three private citizens were convicted of drug smuggling in a scheme whereby the Wildlife Officer provided water security based on information he gained in his official capacity.

2. The Legislative Branch

- Missouri, W.D. - A sitting Member of the Missouri House of Representatives was convicted of one count and acquitted of two counts of extorting payments in exchange for influence on pending legislation. Although convicted, he was reelected and continues to hold a seat in the Missouri General Assembly.

- New York, E.D. - A former State Senator was convicted of mail fraud, RICO and obstruction of justice as a result of a scheme to defraud a housing renewal program funded by the State of New York of more than \$200,000 over a four-year period.

- New York, S.D. - A former New York State Senator from New Rochelle was convicted of mail fraud, tax evasion and filing a false tax return in connection with his role as Chairman of a Senate committee and embezzlement from his campaign fund and from law clients.

- Washington, W.D. - A public utility company and two private citizens were convicted of mail fraud and obstruction of justice in connection with their laundering political payments for distribution to State legislators through Hong Kong. Two of the defendants also assisted a State official in fleeing the country to avoid prosecution.

3. The Judicial Branch

- Alabama, S.D. - A Mobile County Circuit Judge, a Mobile County District Judge and State Beverage Control Board Supervisor were convicted in a RICO prosecution involving bribery, mail fraud, conspiracy and extortion in the operation of a scheme to obtain money from wealthy felons, usually drug dealers, and, through bribes and other inducements, to obtain leniency for them. The evidence showed that cases were manipulated so that they were transferred from one judge to another, and that this and other unusual practices resulted in the release of the felons. Also convicted were an attorney, a bail bondsman and a private citizen. The sentences ranged from twelve to twenty-five years.

C. CORRUPTION AND OFFICIAL MISCONDUCT AT THE LOCAL LEVEL

1. Non-Law Enforcement Corruption

- Alabama, S.D. - The Mobile Commissioner of Finance was convicted of mail and wire fraud, extortion and conspiracy, and the Director and Assistant Director of the Mobile Municipal Auditorium were convicted of mail and wire fraud for their embezzlement of huge sums of money from the Auditorium's operation over a period of years. The Commissioner received a sentence of twenty-five years' imprisonment and a \$25,000 fine.

- California, C.D. - The city administrator was convicted of mail fraud, and a city councilman was convicted of mail fraud and a gambling offense involving the licensing and operation of a poker club in the City of Bell. Three private individuals were also convicted in this case of charges ranging from mail fraud to RICO violations. The public officials conspired with two entrepreneurs to secure passage of an ordinance to legalize card clubs in Bell and then to secure a gambling license for the entrepreneurs, in return for a hidden fifty-one percent interest in their club. A sixth defendant is awaiting trial.

- California, C.D. - In a similar case, three councilmen and the Economic Development Director for the City of Commerce were convicted of mail fraud and/or illegal gambling activities. Two additional defendants are awaiting trial.

- Georgia, S.D. - The former Mayor of Augusta and a local real estate broker were convicted of extortion and conspiracy in a scheme whereby private developers interested in purchasing land offered by the city were required to make contributions to the Mayor and a city councilman, who was also convicted. The developers were also required to give equity to the Mayor and the real estate broker, who acted as a "front" for the payment of the money, in exchange for the use of the official positions of the Mayor and councilman to obtain plan approval and sale of the land to the developers.

- Massachusetts - Two Boston city officials were convicted of mail fraud in connection with their efforts to fraudulently receive disability pensions from the city. The case concluded a two-year investigation into abuses of the Boston retirement fund, bringing to four the number of persons convicted for fraudulently obtaining city disability pensions. The investigation has resulted in a dramatic savings to the City of Boston, both as to the money that would otherwise have been paid to the four who were convicted, and as a result of a substantial reduction in the number of city officials seeking disability retirements.

- Massachusetts - A former City Assessor and Director of the Civic Center for the City of Boston was convicted of a scheme to conceal material facts from the IRS and of willfully causing a bank to fail to file Currency Transaction Reports, required to be

filed for transactions involving more than \$10,000. The charges related to the official's attempt to conceal the transfer of \$100,000 cash to an investment in non-taxable, non-reportable state municipal bonds by structuring the conversion of cash to bank checks just under the \$10,000 reporting limit.

- Michigan, E.D. - The former Mayor of Dearborn Heights was convicted of conspiracy, extortion and obstruction of justice in his attempts to obtain between \$25,000 and \$250,000 in kickbacks in return for the city's cable television contract.

- Missouri, W.D. - A city councilman in Springfield was convicted of obstruction of justice for urging a witness to testify falsely before a federal grand jury.

- New Jersey - The former Mayor of Atlantic City was convicted of extortion for receiving \$10,000 in cash from an undercover agent with the understanding that he would use his influence and official position to assist the agent in the purchase and development of casino-zone property in Atlantic City. The Mayor received a sentence of fifteen years' imprisonment. A private citizen also was convicted in a separate case of conspiring with the former Mayor to commit extortion by paying bribes to the Mayor in return for the use of his official position. The citizen also was convicted of obstructing justice by threatening a witness to compel that witness to give false information to law enforcement agents. The cases are part of an ongoing investigation into corruption in Atlantic City.

- New York, E.D. - The former Director of Lease Negotiations of the New York City Department of General Services was convicted on RICO charges arising from a scheme to extort more than \$2,500,000 from owners of buildings leasing space to New York City agencies. The defendant forfeited to the United States the sum of \$500,000, constituting the proceeds of his racketeering activity. The case is part of an ongoing investigation of official corruption conducted by the United States Attorney's Office, the New York City Department of Investigation and the Federal Bureau of Investigation in connection with the leasing of commercial buildings by New York City agencies.

- New York, S.D. - Four New York City electrical inspectors were convicted of extortion or mail fraud and one private electrical contractor was convicted of mail fraud as a result of a year-long investigation into corruption in the city's Bureau of Electrical Control. Code-named "Operation Ampscam," the investigation revealed that electrical inspectors received payoffs from electrical contractors virtually every time they met with contractors during an inspection, in order to expedite paperwork at the Bureau and for the inspectors to overlook violations. Nine inspectors and seven contractors are awaiting trial.

- New York, S.D. - A former Department of Sanitation Bureau of Waste Disposal Superintendent in charge of New York City's municipal solid waste landfills was convicted of extortion and income tax evasion arising from his receipt of approximately \$600,000 in bribes in return for allowing several businesses to illegally dump millions of gallons of toxic wastes and hazardous substances into the city's solid waste landfills. Two private individuals were also convicted of conspiracy to bribe the city official.

- New York, S.D. - Ten New York City water and sewer inspectors were convicted of extortion, mail fraud and use of the mails for purposes of racketeering for taking bribes in connection with their duties.

- Oklahoma, E.D. and W.D. - In 1984, the investigation of county commissioners concluded in the Western District with the convictions of eleven commissioners and twenty-two suppliers. As a result of the investigation, a total of 240 individuals have been convicted, marking the most extensive prosecutions of public corruption in the state of Oklahoma. In the Eastern District, a county commissioner was convicted of mail fraud, extortion and conspiracy in connection with a kickback scheme.

- Pennsylvania, W.D. - Two township commissioners were convicted of extorting money and attempting to extort money from the sanitation contractor responsible for the collection of garbage in Stowe Township in order to guarantee the contractor the township's collection contract.

- Rhode Island - The Administrative Assistant and the Acting Supervisor of the Environmental Control Division of the City of Providence's Department of Public Works were convicted of conspiracy to extort money from private contractors who provided snow removal equipment and services to the city by getting them to pad their bills to the city and then receiving the profits. In a related case, a highway supervisor for the Department of Public Works was convicted of conspiracy and extortion in connection with the same type of conduct.

- South Carolina - A guard at the Charleston County Jail was convicted of conspiracy and aiding in the escape of a federal prisoner who had been convicted of drug smuggling and who had been sentenced to serve a twenty-five year sentence without parole.

2. Law Enforcement Corruption

- Georgia, S.D. - After a four-month investigation by the FBI of a scheme to fix cases involving charges of driving under the influence, the former Sheriff of Richmond County was convicted of obstruction of justice for retaliating against witnesses who worked in his office, and a local bail bondsman was convicted of a Travel Act charge involving the splitting of a payment with the sheriff.

- Illinois, N.D. - The "Greylord" investigation of judicial corruption continued in 1984. Convictions thus far have been obtained against two judges, six police officers, one attorney and one court clerk. One attorney remains a fugitive.

- Mississippi, S.D. - The Chief of Police, a patrolman, and a member of the Public Works Commission of Lumberton were convicted along with a minister and another private individual of conspiracy to import 900 pounds of cocaine into the state.

- Pennsylvania, E.D. - Thirteen former Philadelphia police officers were convicted of conspiracy, racketeering, extortion and obstruction of justice. Those convicted included the Deputy Commissioner, the second in command of the police department, who received a sentence of eighteen years' imprisonment, and a Chief Inspector, who was sentenced to fifteen years' imprisonment. Also convicted were a captain, several lieutenants, and numerous patrolmen. The scheme arose from a pattern of \$350,000 in payoffs made by poker machine vendors and operators of illegal lotteries to obtain protection for gambling operations throughout the city.

- South Carolina - The Sheriff of Jasper County and a Hilton Head businessman were convicted of conspiracy and extortion for their efforts to obtain money from an undercover agent posing as an entrepreneur in return for allowing the agent to conduct a large-scale gambling operation.

- Tennessee, E.D. - The Anderson County Sheriff and three private individuals were convicted of conspiracy to distribute and possess with intent to distribute controlled substances. The conspiracy included the payment of money to the sheriff in return for protection from investigation and prosecution by the sheriff's department. The sheriff received a sentence of fifteen years' imprisonment, as did one of the private individuals; the other two defendants received sentences of twenty years' imprisonment.

- Tennessee, W.D. - A former member of the Organized Crime Squad of the Memphis Police Department was convicted of conspiracy to obstruct justice. The charges involved the officer's attempt to obtain money from a suspect in a federal drug investigation in return for the officer's efforts to ensure that the suspect would not be indicted. Those efforts included offering a fellow officer money to testify before a grand jury in such a way as to cause the suspect not to be indicted.

- Texas, W.D. - As a result of a nine-month undercover investigation by the Drug Enforcement Administration coordinated with the San Antonio Police Department, convictions were obtained against three San Antonio Police Department officers and five other individuals. One of the three officers was convicted of conspiracy and distribution of marijuana and cocaine, and received a sentence of twenty years' imprisonment. Another

officer received a ten-year sentence. The third, who has not yet been sentenced, was convicted of conspiracy to distribute cocaine, being an accessory after the fact and misprision of felony.

- Texas, W.D. - A former Commander of the Bexar County Sheriff's Office was convicted of conspiracy for his involvement in a scheme to extort money from massage parlors in exchange for non-enforcement of massage parlor regulations.

- Texas, W.D. - The Sheriff of Hudspeth County was convicted of possession with intent to distribute and conspiracy to possess marijuana in connection with his sale of controlled substances held by his office as evidence.

D. ELECTION CRIMES

- Delaware - Three individuals were convicted as a result of buying votes in the November 1982, general election in the town of Milford. The investigation is felt to have had a great impact by exposing and punishing a long-standing practice of buying votes.

- Illinois, N.D. - In an investigation in the City of Chicago, fifty-eight individuals, including city employees and election judges, thus far have been convicted of vote fraud in the November 1982, general election. The investigation continues.

- Texas, S.D. - A total of twenty-nine persons were indicted, and twenty-one persons convicted, of buying votes with food stamps and welfare benefits in Duval County, Texas. This series of cases focused on the 1982 Texas primary election, and was investigated jointly by the Federal Bureau of Investigation and the Texas Rangers.

LIST OF TABLES

- | | |
|-----------|--|
| Table I | Federal Prosecutions of Corrupt
Public Officials - Year Ended
December 31, 1984 |
| Table II | Federal Prosecutions of Corrupt
Public Officials - January 1, 1975,
to December 31, 1984 |
| Table III | Federal Prosecutions of Corrupt
Public Officials - Convictions by
Districts - 1976-1984 |

TABLE I

FEDERAL PROSECUTIONS OF CORRUPT PUBLIC OFFICIALS

Year Ended December 31, 1984

Federal Officials

Indicted	408
Convicted	429
Awaiting Trial	77

State Officials

Indicted	58
Convicted	52
Awaiting Trial	21

Local Officials

Indicted	203
Convicted	196
Awaiting Trial	74

Others Involved

Indicted	267
Convicted	257
Awaiting Trial	97

Total

Indicted	936
Convicted	934
Awaiting Trial	269

TABLE II
 PROGRESS OVER THE LAST DECADE
 FEDERAL PROSECUTIONS OF CORRUPT PUBLIC OFFICIALS

	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
Federal Officials										
- Indicted	53	111	129	133	128	123	198	158	460*	408
- Convicted	43	101	94	91	115	131	159	147	424	429
- Awaiting Trial on December 31	5	1	32	42	21	16	23	38	58	77
State Officials										
- Indicted	36	59	50	55	58	72	87	49	81	58
- Convicted	18	35	38	56	32	51	66	43	65	52
- Awaiting Trial on December 31	5	30	33	20	30	28	36	18	26	21
Local Officials										
- Indicted	139	194	157	171	212	247	244	257	270	203
- Convicted	94	100	164	127	156	168	211	232	226	196
- Awaiting Trial on December 31	15	98	62	72	67	82	102	58	61	74
Others involved										
- Indicted	27	199	171	198	289	279	349	265	262	267
- Convicted	24	144	144	135	252	202	294	249	257	257
- Awaiting Trial on December 31	2	70	83	71	69	87	70	72	77	97
Totals										
- Indicted	255	563	507	557	687	721	878	729	1,073	936
- Convicted	179	380	440	409	555	552	730	671	972	934
- Awaiting Trial on December 31	27	199	210	205	187	213	231	186	222	269

*/ The 1983 figures were reviewed to attempt to identify the reason for the substantial jump in prosecutions of federal officials. The explanation appears to be two-fold; first, there clearly has been a greater focus on federal corruption nationwide, but there also appears to have been more consistent reporting of lower-level employees who abused their office, cases that may have been overlooked in the past. For reference, the U.S. Attorneys' Offices were told: "For purposes of this questionnaire, a public corruption case includes any case involving abuse of office by a public employee. We are not excluding low-level employees or minor crimes, but rather focusing on the job-relatedness of the offense and whether the offense involves abuse of the public trust placed in the employee."

TABLE III
FEDERAL PROSECUTIONS OF CORRUPT PUBLIC OFFICIALS
Convictions of Public Officials by Judicial Districts
1976 - 1984

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>TOTAL</u>
Alabama, Northern	0	6	4	9	6	5	4	7	15	56
Alabama, Middle	9	4	5	10	22	3	6	6	5	70
Alabama, Southern	1	0	1	N/A	5	0	6	12	16	41
Alaska	4	3	0	0	0	0	0	6	8	21
Arizona	2	3	0	1	2	6	0	4	3	21
Arkansas, Eastern	1	3	2	3	4	2	0	9	2	26
Arkansas, Western	0	1	0	1	1	1	1	4	4	13
California, Northern	0	0	0	0	0	2	0	3	9	14
California, Eastern	0	0	0	0	N/A	0	3	0	20	23
California, Central	10	8	3	8	4	8	4	17	52	114
California, Southern	1	2	3	7	8	8	5	3	7	44
Colorado	0	1	1	0	0	0	1	13	9	25
Connecticut	0	5	4	4	7	0	4	15	8	47
Delaware	3	0	1	0	0	1	1	1	3	10

N/A = Not Available; Failed to return Questionnaire.

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>TOTAL</u>
District of Columbia	9	10	14	9	19	17	14	N/A	34	126
Florida, Northern	1	0	0	0	2	4	0	1	6	14
Florida, Middle	4	1	5	1	2	6	4	13	23	59
Florida, Southern	0	0	3	0	14	0	1	8	8	34
Georgia, Northern	6	2	6	1	2	2	5	20	9	53
Georgia, Middle	9	7	1	1	3	1	2	10	4	38
Georgia, Southern	0	1	0	4	2	8	3	8	14	40
Guam	N/A	N/A	2	0	N/A	2	0	1	14	19
Hawaii	0	0	0	0	0	0	3	2	6	11
Idaho	0	0	0	0	0	0	0	2	2	4
Illinois, Northern	N/A	N/A	16	27	25	35	20	16	57	196
Illinois, Central	1	0	8	2	2	0	0	3	24	40
Illinois, Southern	0	0	4	2	0	0	0	2	0	8
Indiana, Northern	4	6	5	3	7	2	3	0	4	34
Indiana, Southern	0	3	0	0	7	2	3	0	3	18
Iowa, Northern	0	0	0	0	0	0	0	0	0	0
Iowa, Southern	1	0	0	1	0	1	0	1	3	7
Kansas	9	4	0	3	N/A	7	0	3	9	35
Kentucky, Eastern	5	6	5	5	12	5	4	0	7	49

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>TOTAL</u>
Kentucky, Western	1	0	2	2	0	2	5	1	0	13
Louisiana, Eastern	N/A	N/A	6	7	8	13	4	19	9	66
Louisiana, Middle	1	0	0	1	1	3	2	5	0	13
Louisiana, Western	0	1	0	10	2	0	2	0	0	15
Maine	0	0	2	2	3	0	0	1	1	9
Maryland	2	5	20	11	11	3	2	10	8	72
Massachusetts	3	5	7	5	6	7	11	8	17	69
Michigan, Eastern	1	4	1	7	3	10	16	18	21	81
Michigan, Western	1	1	1	0	0	2	4	2	3	14
Minnesota	1	0	0	2	0	0	0	6	3	12
Mississippi, Northern	0	2	3	2	4	6	4	0	0	21
Mississippi, Southern	1	0	5	0	4	9	7	N/A	20	46
Missouri, Eastern	4	2	1	1	2	2	4	1	1	18
Missouri, Western	1	0	0	0	0	0	1	9	8	19
Montana	1	0	0	0	1	0	0	4	4	10
Nebraska	0	1	0	0	7	0	0	1	6	15
Nevada	1	1	1	3	0	2	0	2	1	11
New Hampshire	0	0	2	0	0	3	7	1	1	14
New Jersey	14	10	15	9	25	8	16	30	14	141
New Mexico	9	9	1	4	0	2	6	8	3	42

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>TOTAL</u>
New York, Northern	1	0	2	0	0	0	0	N/A	2	5
New York, Southern	0	8	3	33	17	30	36	49	64	240
New York, Eastern	21	21	7	1	22	11	11	14	28	136
New York, Western	0	5	1	5	6	1	0	5	13	36
North Carolina, Eastern	1	0	1	1	N/A	2	7	8	16	36
North Carolina, Western	0	0	0	0	0	2	0	6	13	21
North Carolina, Middle	*	*	*	0	0	0	0	1	6	7
North Dakota	0	0	0	1	0	0	0	4	0	5
Ohio, Northern	2	5	6	12	3	2	3	11	17	61
Ohio, Southern	12	18	7	21	10	2	0	4	10	84
Oklahoma, Northern	0	0	0	0	0	2	8	1	1	12
Oklahoma, Western	0	0	4	N/A	5	51	44	25	33	162
Oklahoma, Eastern	0	0	0	5	3	9	13	14	9	53
Oregon	0	0	1	0	0	0	0	6	8	15
Pennsylvania, Eastern	8	6	13	11	8	4	4	19	35	108
Pennsylvania, Middle	21	27	16	3	6	16	13	26	16	144
Pennsylvania, Western	9	39	12	7	N/A	4	7	3	12	93
Puerto Rico	1	5	0	N/A	0	0	1	2	10	19

* = District did not exist

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>TOTAL</u>
Rhode Island	N/A	N/A	0	N/A	0	4	0	2	8	14
South Carolina	19	15	8	10	11	25	8	22	9	127
South Dakota	0	0	0	2	0	0	0	2	11	15
Tennessee, Eastern	0	4	0	2	1	0	5	15	5	32
Tennessee, Middle	1	1	2	3	0	8	5	2	1	23
Tennessee, Western	2	7	3	5	7	7	4	85	12	132
Texas, Northern	6	4	4	7	5	5	15	9	7	62
Texas, Southern	8	3	6	6	1	0	1	11	12	48
Texas, Eastern	0	1	3	N/A	3	19	11	8	4	49
Texas, Western	4	2	0	N/A	3	6	8	11	21	55
Utah	0	0	2	1	N/A	4	0	5	0	12
Vermont	0	0	1	0	N/A	0	1	0	0	2
Virgin Islands	N/A	N/A	0	0	0	1	2	1	1	5
Virginia, Eastern	4	4	1	1	1	13	13	N/A	3	40
Virginia, Western	0	1	1	0	0	5	0	3	3	13
Washington, Eastern	0	0	0	0	0	0	0	0	0	0
Washington, Western	0	1	0	2	2	1	0	3	12	21
West Virginia, Northern	0	0	1	3	1	0	0	0	2	7

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>TOTAL</u>
West Virginia, Southern	2	0	6	3	N/A	0	3	2	12	28
Wisconsin, Eastern	1	4	2	0	1	2	11	13	10	44
Wisconsin, Western	0	3	0	1	1	0	0	5	0	10
Wyoming	0	0	0	0	0	0	0	2	1	3