



The Office of Intergovernmental and Public Liaison's Department of Justice Newsletter

Volume 2, Issue 6

July 2008

June Highlights:

- ◆ AG Visits Asia (p.1)
- ◆ Congress Passes the Protect America Act (p.2)
- ◆ DOJ Efforts to Fight Healthcare Fraud (p.2)
- ◆ Obscenity Prosecution (p.2)
- ◆ Charges in Mortgage Fraud Schemes (p.3)
- ◆ AG Addresses Naturalization Ceremony (p.3)
- ◆ Dedication of the New ATF Headquarters (p.3)
- ◆ Twenty-Six Members of MS-13 Indicted (p.4)
- ◆ False Claims Act Suit Against Honeywell (p.4)
- ◆ NDIC Adds Online Maps (p.4)

Newsletter from the Office of Intergovernmental and Public Liaison

U.S. Department of Justice
Office of Intergovernmental and Public Liaison
RFK Main Justice Building, Room 1629
950 Pennsylvania Avenue, NW
Washington, D.C. 20530

Phone: (202) 514 - 3465
Fax: (202) 514 - 2504
Email: oipl@usdoj.gov

Attorney General Visits Asia



Attorney General Mukasey is accompanied by his Indonesian counterpart, Hendarman Supandji, after a meeting in Jakarta on June 9, 2008. Photo by REUTERS/Crack Palinggi (INDONESIA).

Attorney General Mukasey traveled to Asia from June 9th to June 13th where he visited Jakarta, Indonesia; Bangkok, Thailand; and Tokyo, Japan. In Jakarta, the Attorney General met with Indonesian Attorney General Hendarman Supandji to discuss bilateral law enforcement cooperation and the signing of an agreement to provide U.S. funds to combat corruption.

In Bangkok, Attorney General Mukasey held a meeting with Thai Foreign Minister Noppadon Pattama regarding international law enforcement cooperation with Thailand. He also delivered remarks on bilateral law enforcement cooperation between the two nations at Bangkok's Judicial Training Institute.

In Tokyo, the Attorney General participated in a G-8 Ministerial Summit. The Attorney General and his foreign counterparts discussed cooperation in fighting transnational organized crime and terrorism.



Protect America Act Passes Congress

On June 20, 2008, the House of Representatives, by a vote of 293 to 129, passed a bi-partisan version of the Protect America Act that restores a critical authority to collect intelligence and includes liability protection for telecom service providers who assisted the government immediately after September 11th. The Senate has indicated that they will take up this legislation after the Fourth of July recess.

Attorney General Highlights Efforts to Combat Healthcare Fraud Nationwide

On May 28, 2008, Attorney General Mukasey delivered remarks on the Justice Department's efforts to combat nationwide healthcare fraud at the U.S. Attorney's Office in Miami.

The Department of Justice, in cooperation with the Department of Health and Human Services, has guided the enforcement efforts of the national Health Care Fraud and Abuse Control Program (HCFAC) since its inception in 1997. The program was designed to coordinate federal, state and local law enforcement on cases of health care fraud and abuse as part of the Health Insurance Portability and Accountability Act (HIPAA).

Today, the Department's efforts to investigate and prosecute the individuals and companies who commit health care fraud are as strong as ever, thanks in large part to the Department's many components working closely with partners at the Department of Health and Human Services, and state and local law enforcement.

"We must learn lessons from these prosecutions that will help us to devise ways of preventing a recurrence of these frauds," said Attorney General Mukasey. "That is one reason why the cooperative efforts of agencies such as the Department of Health and Human Services are vital to our long-term success."



On May 28, 2008, Attorney General Mukasey delivered remarks on the Justice Department's nationwide efforts to combat healthcare fraud while visiting the Southern District of Florida U.S. Attorney's Office in Miami. Pictured above, U.S. Attorney Alex Acosta greets the Attorney General prior to the remarks.

California Producer Convicted of Obscenity Crimes

A federal jury in Tampa, Fla., convicted Paul F. Little and his adult entertainment company, MaxWorld Entertainment Inc. (MaxWorld), of obscenity crimes, Acting Assistant Attorney General for the Criminal Division Matthew Friedrich and Chief Postal Inspector Alexander Lazaroff announced on June 5, 2008.

Following a seven-day trial, the Tampa jury found Little, 50, of Altadena, Calif., and MaxWorld guilty of all charged counts of transporting obscene matter by use of an interactive computer service and mailing obscene matter. At sentencing on Sept. 5, 2008, Little faces a maximum statutory penalty of up to 5 years in prison and a \$250,000 fine for each count of conviction as well as forfeiture of all domain names. MaxWorld faces a separate \$250,000 fine.

Little, a/k/a "Max Hardcore" or "Max Steiner," is a nationally-known producer, director and star of pornographic DVDs and video clips. In his films, he is shown engaging in violent and extreme sexual acts with female performers.

More Than 400 Defendants Charged For Roles in Mortgage Fraud Schemes

The Department of Justice and the Federal Bureau of Investigation announced on June 19, 2008, a national takedown of mortgage fraud schemes, the culmination of substantial coordinated efforts during the last three and a half months to identify, arrest and prosecute mortgage fraud violators through the United States. Operation Malicious Mortgage highlights the strong enforcement response undertaken by the Department of Justice and its law enforcement partners to combat the threat mortgage fraud poses to the U.S. housing industry and worldwide credit markets.

From March 1 to June 18, 2008, Operation Malicious Mortgage resulted in 144 mortgage fraud cases in which 406 defendants were charged. On March 18, 2008, 60 arrests were made in mortgage fraud-related cases in 15 districts. Charges in Operation Malicious Mortgage cases were brought in every region of the United States and in more than 50 judicial districts by U.S. Attorneys' Offices based upon the law enforcement and investigative efforts of participating law enforcement agencies. The FBI estimates that approximately \$1 billion in losses were inflicted by the mortgage fraud schemes employed in these cases.

"Mortgage fraud and related securities fraud pose a significant threat to our economy, to the stability of our nation's housing market and to the peace of mind of millions of American homeowners," said Deputy Attorney General Mark R. Filip. "Operation Malicious Mortgage and our other mortgage-related enforcement actions demonstrate the Justice Department's commitment and determination to combat these criminal schemes, hold their perpetrators accountable and help restore stability and confidence in our housing and credit markets."

An indictment is not evidence of guilt. All persons charged with a crime are presumed innocent until proven guilty beyond a reasonable doubt.



On June 19, 2008, Deputy Attorney General Mark R. Filip and FBI Director Robert S. Mueller participated in a press conference announcing the indictments in Operation Malicious Mortgage. The event was held at the Department of Justice in Washington, D.C.

On May 28, 2008, Attorney General Mukasey delivered the keynote address at the U.S. Citizenship and Immigration Services Naturalization Ceremony in Miami, Florida.



On May 29, 2008, Attorney General Mukasey delivered remarks at the dedication of the new Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) National Headquarters building in Washington, D.C. The Attorney General was also given a tour of the new facility by ATF Acting Director Michael J. Sullivan, pictured below with the Attorney General.



Twenty-Six Members of MS-13 Indicted

On June 24, 2008, Attorney General Mukasey, U.S. Attorney Gretchen C. F. Shappert, and FBI Assistant Director Kenneth W. Kaiser announced the indictments of 26 MS-13 gang members at a press conference held at the U.S. Attorney's Office in Charlotte, N.C.

On June 24, 2008, Attorney General Mukasey announced that a federal grand jury in Charlotte, N.C., charged 26 members of the violent gang known as MS-13 with federal racketeering and related crimes occurring in the United States and El Salvador. The Attorney General was joined at the announcement, held at the U.S. Attorney's Office in Charlotte, N.C., by U.S. Attorney Gretchen C. F. Shappert for the Western District of North Carolina and Assistant Director Kenneth W. Kaiser of the FBI's Criminal Investigative Division.

"Criminal gangs such as MS-13 increasingly recognize no borders, which means that international cooperation is more important today than it ever was before," said Attorney General Mukasey. "This case highlights the importance of, and the successes that flow from, such cooperation in the disruption and dismantling of violent international criminal organizations."

An indictment is not evidence of guilt. All persons charged with a crime are presumed innocent until proven guilty beyond a reasonable doubt.

For more information on the Department's comprehensive efforts to fight gang violence, visit <http://www.usdoj.gov/opa/pr/2008/June/08-ag-562.html>.

U.S. Sues Honeywell for Defective Zylon Shield Which It Marketed for Use in Bullet-Proof Vests

On June 5, 2008, The United States sued Honeywell International Inc. under the False Claims Act in connection with the company's manufacture and sale of defective Zylon Shield (Z Shield), which Honeywell marketed for use as the key ballistic material in bullet-proof vests, the Justice Department announced.

The United States alleges that Honeywell possessed scientific data showing that Z Shield degraded quickly over time, especially in hot and humid conditions, and that Honeywell knew that this degradation rendered bullet proof vests containing Z Shield unfit for use. The government further alleges that, despite this knowledge, Honeywell did not inform the United States or the manufacturer of the vests containing Z Shield, Armor Holdings Inc., of this defect.

"The United States will not tolerate a company withholding key scientific information that places our first-responders at risk unnecessarily," said Gregory G. Katsas, the acting Assistant Attorney General for the Civil Division. "The Justice Department will take the steps needed to ensure that a company providing a potentially life-saving product discloses any known defects so that the United States can make an informed decision on whether or not to buy the product."

NDIC Adds Interactive Maps to Website on National Drug Threat Data

The National Drug Intelligence Center (NDIC), a component of the United States Department of Justice and the nation's principal center for domestic strategic counter drug analysis, announced the addition of a series of interactive maps to its website that show the greatest drug threat identified by state and local law enforcement agencies across the United States. The maps are accessible from a link on NDIC's website (www.usdoj.gov/ndic/), which directs users to the Dynamic Mapping Initiative home page. The site also can be accessed directly at www.ndicgis.usdoj.gov. The Quick Tour feature found on the "Mapping Application Help" page located on the "Maps" page provides information on how to use the interactive features of the maps.

ARTICLES - Office of Public Affairs and Office of Intergovernmental and Public Liaison

PICTURES - DOJ Photography; Front page photo by REUTERS/Crack Palinggi; Page 3 photo of Mortgage Fraud Press Conference courtesy of FBI; Page 4 photo courtesy of Western District of North Carolina U.S. Attorney's Office