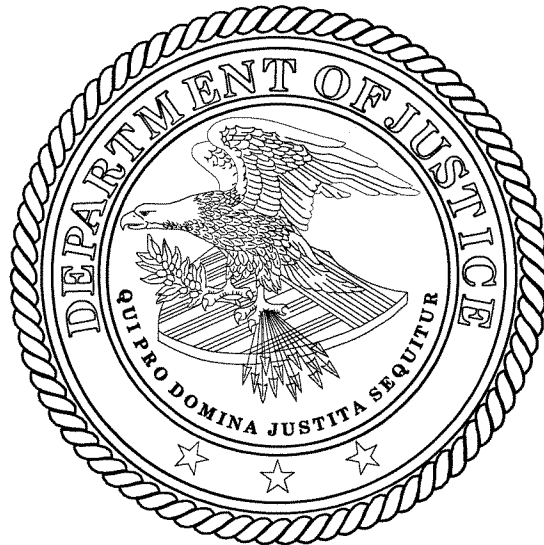


**REPORT TO CONGRESS
ON THE ACTIVITIES AND OPERATIONS
OF THE
PUBLIC INTEGRITY SECTION
FOR 2006**



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

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

INTRODUCTION

This Report to Congress is submitted pursuant to the Ethics in Government Act of 1978, which requires the Attorney General to report annually to Congress on the operations and activities of the Justice Department's Public Integrity Section. The Report describes the activities of the Public Integrity Section during 2006. It also provides statistics on the nationwide federal effort against public corruption during 2006 and over the previous two decades.

The Public Integrity Section was created in 1976 in order to consolidate into one unit of the Criminal Division the Department's oversight responsibilities for the prosecution of criminal abuses of the public trust by government officials. Section attorneys prosecute selected cases involving federal, state, or local officials, and also provide advice and assistance to prosecutors and agents in the field regarding the handling of public corruption cases. In addition, the Section serves as the Justice Department's center for handling various issues that arise regarding public corruption statutes and cases.

An Election Crimes Branch was created within the Section in 1980 to supervise the Department's nationwide response to election crimes, such as voter fraud and campaign-financing offenses. The Branch reviews all major election crime investigations throughout the country and all proposed criminal charges relating to election crime.

During the year, the Section maintained a staff of approximately 29 attorneys, including experts in extortion, bribery, election crimes, and criminal conflicts of interest. The section management included: Andrew Lourie and Edward C. Nucci, Acting Chiefs; Brenda Morris, Principal Deputy Chief; Raymond Hulser, Deputy Chief for Policy and Administration; Peter Ainsworth, Deputy Chief for Litigation; William Welch, Deputy Chief; Craig Donsanto, Director, Election Crimes Branch; and Bill Corcoran, Senior Counsel.

Part I of the Report discusses the operations of the Public Integrity Section and highlights its major activities in 2006. Part II describes the cases prosecuted by the Section in 2006. Part III presents nationwide data based on the Section's annual surveys of United States Attorneys regarding the national federal effort to combat public corruption from 1987 through 2006.

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PART I

OPERATIONAL RESPONSIBILITIES OF THE PUBLIC INTEGRITY SECTION

A. RESPONSIBILITY FOR LITIGATION

The work of the Public Integrity Section focuses on public corruption, that is, crimes involving abuses of the public trust by government officials. Most of the Section's resources are devoted to the supervision of investigations involving alleged corruption by government officials and to prosecutions resulting from these investigations. Decisions to undertake particular matters are made on a case-by-case basis, given Section resources, the type and seriousness of the allegation, the sufficiency of factual predication reflecting criminal conduct, and the availability of federal prosecutive theories to reach the conduct.

Cases handled by the Section generally fall into one of the following categories: recusals by United States Attorneys' Offices, sensitive cases, multi-district cases, referrals from federal agencies, and shared cases. These categories are discussed below, and examples of cases handled by the Section in 2006 under the categories are noted. The examples are described, along with the Section's other 2006 casework, in Part II.

1. Recusals by United States Attorneys' Offices

The vast majority of federal corruption prosecutions are handled by the local United States Attorney's Office for the geographic district where the crime occurred, a fact demonstrated by the statistical charts in Part III of this Report. At times, however, it may be inappropriate for the local United States Attorney's Office to handle a particular corruption case.

Public corruption cases tend to raise unique problems of public perception that are generally absent in more routine criminal cases. An investigation of alleged corruption by a government official, whether at the federal, state, or local level, or someone associated with such an official, always has the potential to be high profile simply because its focus is on the conduct of a public official. In addition, these cases are often politically sensitive, because their ultimate targets tend to be politicians or government officials appointed by politicians.

A successful public corruption prosecution requires both the appearance and the reality of fairness and impartiality. This means that a successful corruption case includes not just a conviction, but public perception that the conviction was warranted, not the result of improper motivation by the prosecutor, and free of conflicts of interest. In cases when the local conflict of interest is substantial, the local office is removed from the case by a procedure called recusal. Recusal occurs when the local office either asks to step aside, or is asked to step aside by Department Headquarters, as primary prosecutor. Federal cases involving corruption allegations in which the conflict is substantial are usually referred to the Public Integrity Section either for prosecution or direct operational supervision.

Allegations involving possible crimes by federal judges almost always require recusal of the local office, for significant policy as well as practical reasons. Having the case handled outside the local office eliminates the possible appearance of bias, as well as the practical difficulties and awkwardness that would arise if an office investigating a judge were to appear before the judge on other matters. Thus, as a matter of established Department practice, federal judicial corruption cases generally are handled by the Public Integrity Section.

Similar concerns regarding the appearance of bias also arise when the target of an investigation is a federal prosecutor, a federal investigator, or other employee assigned to work in or closely with a particular United States Attorney's Office. Thus, cases involving United States Attorneys, Assistant United States Attorneys (AUSAs), or federal investigators or employees working with AUSAs in the field generally result in a recusal of the local office. These cases are typically referred to the Public Integrity Section.

During 2006 the Section handled a number of significant prosecutions as a result of recusals. For example, the Section tried and obtained convictions for two prominent party officials in Puerto Rico for extorting more than \$2 million from contractors in connection with a multi-million dollar public works project; a former federal prosecutor and a Department of State Special Agent were indicted by the Section on charges of conspiracy, obstruction of justice, and making false declarations for concealing evidence and providing false testimony at trial; and, the Section tried and obtained a conviction for a former Revenue Agent for the Internal Revenue Service for his role in a scheme to avoid the filing of Currency Transaction Reports.

2. Sensitive and Multi-District Cases

In addition to recusals, the Public Integrity Section handles other special categories of cases. At the request of the Assistant Attorney General of the Criminal Division, the Section handles cases that are highly sensitive and cases that involve the jurisdiction of more than one United States Attorney's Office.

Cases may be sensitive for a number of reasons. Because of its importance, a particular case may require close coordination with high-level Department officials. Alternatively, it may require substantial coordination with other federal agencies in Washington. The latter includes cases involving classified information, which require careful coordination with the intelligence agencies. Sensitive cases may also include those that are so politically controversial on a local level that they are most appropriately handled out of Washington.

In addition to sensitive cases, this category encompasses multi-district cases, that is, cases that involve allegations that cross judicial district lines and hence fall under the jurisdiction of two or more United States Attorneys' Offices. In these cases the Section is occasionally asked to coordinate the investigation among the various United States Attorneys' Offices, to handle a case jointly with one or more United States Attorneys' Offices, or, when appropriate, to assume operational responsibility for the entire case.

In 2006, the Section continued its investigation into the activities of Washington lobbyist Jack Abramoff and obtained several significant convictions:

- Ohio Congressman Robert Ney pleaded guilty to conspiracy to commit multiple offenses, including honest services fraud, and to making false statements to the United States House of Representatives.
- Jack Abramoff pleaded guilty to conspiracy and honest services mail fraud involving a Member of the United States House of Representatives, and tax evasion.
- David Safavian, the former chief of staff for the General Services Administration (GSA), was convicted by a jury in the District of Columbia of obstruction of justice in connection with a GSA-OIG investigation; false statements made to an ethics official at the GSA; false statements to the GSA-OIG; and false statements to the United States Senate. Safavian was sentenced to 18 months of imprisonment.
- Former lobbyist Neil G. Volz pleaded guilty to a charge of conspiring with Jack Abramoff, Michael Scanlon, Tony Rudy and others to commit honest services fraud and to violate the federal one-year lobbying ban.
- Former lobbyist Tony C. Rudy pleaded guilty to a charge of conspiring with Jack Abramoff, Michael Scanlon, and others to commit honest services fraud, mail and wire fraud, and a violation of the federal one-year lobbying ban.
- U.S. Department of the Interior employee Roger G. Stillwell pleaded guilty to falsely certifying his Fiscal Year 2003 Executive Branch Confidential Financial Disclosure Report.

In 2006, the Section also worked with the Asset Forfeiture and Money Laundering Section and agents from several law enforcement agencies on a substantial investigation into corruption in the reconstruction of Iraq. Among others, the investigation netted the conviction of Coalition Provisional Authority Comptroller and Funding Officer Robert Stein, Lieutenant Colonel Bruce Hopfengardner, and contractor Philip Bloom for their roles in a wide-ranging scheme involving bribery, fraud, and money laundering in connection with more than \$8.6 million in contracts.

3. Federal Agency Referrals

In another area of major responsibility, the Section handles matters referred to it directly by federal agencies concerning possible federal crimes by agency employees. The Section reviews these allegations to determine whether an investigation of the matter is warranted and, ultimately, whether the matter should be prosecuted.

Agency referrals of possible employee wrongdoing are an important part of the Section's mission. The Section works closely with the Offices of Inspector General (OIG) of the executive branch agencies, as well as with other agency investigative components, such as the Offices of Internal Affairs and the Criminal Investigative Divisions, and also invests substantial time in training agency investigators in the statutes involved in corruption cases and the investigative approaches that work best in these cases. These referrals from the various agencies require close consultation with the referring agency's investigative component and prompt prosecutive evaluation.

As in previous years, the Section handled numerous referrals from federal agencies in 2006. The Department of Justice (DOJ), Office of Professional Responsibility, referred allegations that a former DOJ Senior Trial Attorney violated the criminal conflict of interest statute. The attorney pled guilty to a conflict of interest violation and admitted to negotiating for employment with the State of California while serving as lead counsel on a DOJ civil rights investigation involving the State.

In another case, Kenneth N. Harvey, the former Chief of Acquisition Logistics and Field Support Branch, U.S. Army, Intelligence and Security Command, and Michael G. Kronstein, the owner of Program Contract Services, Inc., were tried and convicted of bribery and honest services fraud and sentenced to 70 months and 72 months of imprisonment, respectively. This case was referred by the U.S. Army Criminal Investigation Command, Major Procurement Fraud Unit, Washington Metro Fraud Resident Agency, and the U.S. Department of Defense, Office of Inspector General, Defense Criminal Investigative Service.

The U.S. Office of Personnel Management and the Department of Veterans Affairs (VA) referred allegations of bribery and conspiracy involving a payroll technician for the VA Medical Center and a volunteer driver. They falsified government life insurance documents of a seriously ill employee and shared in the resulting insurance distribution after the employee's death. They were convicted at trial.

4. Requests for Assistance/Shared Cases

The final category of cases in which the Section becomes involved are cases that are handled jointly by the Section and a United States Attorney's Office or other component of the Department.

At times the available prosecutorial resources in a United States Attorney's Office may be insufficient to undertake sole responsibility for a significant corruption case. In these cases

the local office may request the assistance of an experienced Section prosecutor to share responsibility for prosecuting the case. On occasion, the Section may also be asked to provide operational assistance or to assume supervisory responsibility for a case due to a partial recusal of the local office. Finally, the Public Integrity Section may be assigned to supervise or assist with a case initially assigned to another Department component.

In 2006, the Section shared operational responsibility in a number of significant corruption cases. The Section worked with the United States Attorney's Office in the Middle District of Alabama and the Attorney General's Office in Alabama in the trial and conviction of former Alabama governor Don Eugene Siegelman and former HealthSouth CEO Richard M. Scrushy, and others for bribery, conspiracy, fraud, and other charges. In another case, the Section worked with the United States Attorney's Office in Columbia, South Carolina to obtain a plea from the former Chairman of the Orangeburg County Council who committed bribery and extortion under color of official right.

B. SPECIAL SECTION PRIORITIES

In addition to the general responsibilities discussed above, in 2006 the Public Integrity Section continued its involvement in a number of additional priority areas of criminal law enforcement.

1. Election Crimes

One of the Section's law enforcement priorities is its supervision of the Justice Department's nationwide response to election crimes. The purpose of Headquarters' oversight of election crime matters is to ensure that the Department's nationwide response to election crime allegations is uniform, impartial, and effective. An Election Crimes Branch, headed by a Director and staffed by Section attorneys on a case-by-case basis, was created within the Section in 1980 to handle this supervisory responsibility.

The Election Crimes Branch oversees the Department's handling of all election crime allegations other than those involving civil rights violations, which are supervised by the Voting Section of the Civil Rights Division. Specifically, the Branch supervises three types of election crime cases: 1) vote frauds, that is crimes that involve the voting process, 2) campaign-financing crimes, and 3) political shakedowns and other patronage crimes. Vote frauds and campaign-financing offenses are the most significant and also the most common types of election crimes.

The election-related work of the Section and its Election Crimes Branch falls into the following categories:

a. Consultation and Field Support. Under long-established Department procedures, the Section's Election Crimes Branch reviews all major election crime investigations, including all grand jury investigations and FBI full-field investigations, and all election crime

charges proposed by the various United States Attorneys' Offices for legal and factual sufficiency. United States Attorneys' Manual 9-85.210.

In addition to reviewing proposed grand jury investigations and charges, the Branch reviews all preliminary investigations involving possible violations of the Federal Election Campaign Act (FECA), 2 U.S.C. §§ 431-455. The increased coordination with the Section on FECA matters is the result in part of the complexity of the campaign-financing statutes. It is also due to the fact that the Department shares jurisdiction over willful violations of these statutes with another federal agency, the Federal Election Commission (FEC), which has civil enforcement authority over FECA violations.

The Section's consultation responsibility for election matters includes providing advice to prosecutors and investigators regarding the application of federal criminal laws to election fraud and campaign-financing crimes, and the most effective investigative techniques for particular types of election offenses. It also includes supervising the Department's use of the federal conspiracy and false statements statutes (18 U.S.C. §§ 371 and 1001) to address schemes to subvert the campaign financing laws. In addition, the Election Crimes Branch helps draft election crime charges and other pleadings when requested.

Vote frauds. During 2006 the Branch assisted United States Attorneys' Offices in the following states in the handling of vote fraud matters in their respective districts: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Massachusetts, Michigan, Mississippi, Missouri, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Puerto Rico, South Dakota, Tennessee, Texas, Utah, Virginia, West Virginia, and Wisconsin. This assistance included evaluating vote fraud allegations to determine whether investigation would produce a prosecutable federal criminal case, helping to structure investigations, and providing advice on the formulation of charges.

Campaign-financing crimes. During 2006 the Branch also continued its assistance in the implementation of the Department's nationwide enforcement strategy for criminal violations of the FECA. As part of this effort, the Branch assisted United States Attorneys' Offices in Alabama, Arizona, California, Connecticut, the District of Columbia, Florida, Georgia, Illinois, Kentucky, Massachusetts, Michigan, Missouri, Nevada, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Puerto Rico, West Virginia and Wisconsin in applying this strategy to campaign-financing cases in their respective districts.

b. Litigation. Section attorneys also prosecute selected election crimes, either by assuming total operational responsibility for the case or by handling the case jointly with a United States Attorney's Office or other Department component. The Section also may be asked to supervise the handling of a case in the event of a partial recusal of the local office. In 2006, the Section worked with the United States Attorney's Office for the Northern District of Ohio to obtain the conviction of Ohio fundraiser Thomas Noe for making \$45,400 in unlawful conduit campaign contributions. Noe pled guilty and was sentenced to 27 months of imprisonment.

In 2006, the Section took the lead in the prosecution of the former Sheriff of Jefferson County, Alabama, Jimmy Woodward, and his attorney, Albert Jordan, a partner with the law firm of Wallace, Jordan, Ratliff & Brandt, L.L.C. The charges included conspiracy to convert government property in the form of computer data base information in an attempt to challenge Woodward's defeat for reelection. The trial convictions resulted after several lengthy pre-trial appeals won by the government. The United States Attorney's Office, Northern District of Alabama, and the Attorney General's Office in Alabama also assisted in the successful prosecution of this matter.

c. District Election Officer Program. The Branch also assists in implementing the Department's long-standing District Election Officer (DEO) Program. This Program is designed to ensure that each of the 94 United States Attorneys' Offices has a trained prosecutor available to oversee the handling of election crime matters within the district and to coordinate district responses with Headquarters regarding these matters.

The DEO Program involves the appointment of an Assistant United States Attorney in each federal district to serve a two-year term as a District Election Officer. The District's DEOs attend annual seminars on the investigation and prosecution of election crimes and the protection of voting rights. In addition, the Program is a crucial feature of the Department's nationwide Election Day Program. The Election Day Program ensures that federal prosecutors and investigators are available both at the Department's Headquarters in Washington and in each district to receive and handle complaints of election irregularities from the public while the polls are open and, through preelection press releases, increases public awareness of how these individuals can be contacted on election day.

d. Ballot Access and Voting Integrity Initiative. Since its creation in 2002, the Public Integrity Section has assisted in the implementation of the Department's Ballot Access and Voting Integrity Initiative. This initiative includes an increased law enforcement priority for election crimes; annual training for District Election Officers in each United States Attorney's Office; press releases before the November federal elections publicizing the names and telephone numbers of the DEOs; and communications by the United States Attorneys before the November general elections with state election and law enforcement officials to coordinate the handling of election crime matters.

As part of the ongoing Ballot Access and Voting Integrity Initiative, on July 25 and 26, 2006, the Public Integrity Section and the Voting Section of the Department's Civil Rights Division co-sponsored the Department's fifth annual symposium for DEOs. Topics discussed included the types of conduct that are prosecutable as federal election crimes, the federal statutes available to prosecute such cases, and the handling of civil rights matters involving voting. Attorney General Alberto R. Gonzales delivered the keynote address, and Criminal Division Assistant Attorney General Alice S. Fisher and Civil Rights Division Acting Assistant Attorney General Wan J. Kim addressed conference attendees on election fraud and voting rights issues.

e. Inter-Agency Liaison. The Election Crimes Branch is the formal liaison between the Justice Department and the Federal Election Commission, an independent federal agency that shares enforcement jurisdiction with the Department over willful campaign-financing violations. The FEC has exclusive civil jurisdiction over all violations of FECA; the Justice Department has exclusive criminal jurisdiction over FECA violations. The relationship between the FEC and the Justice Department is defined by a formal Memorandum of Understanding entered into during 1977. The 2002 Bipartisan Campaign Reform Act contained new felony penalties for FECA crimes, as well as a directive to the United States Sentencing Commission to promulgate a strong sentencing guideline for these crimes. As a result of these enhanced FECA criminal penalties, in 2006 the Department continued to work with the FEC to ensure the effective enforcement of both FECA's civil and criminal provisions.

The Branch also serves as the Department's point of contact with the United States Office of Special Counsel (OSC). The OSC has jurisdiction over noncriminal violations of the Hatch Act, 5 U.S.C. §§ 7321-7326, §§ 1501-1508, which may also involve criminal patronage abuses that are within the Department's jurisdiction.

2. Conflicts of Interest Crimes

Conflicts of interest is a wide-ranging and complex area of law, with many layers of administrative and oversight responsibility. Moreover, the federal criminal conflicts of interest laws overlap to some extent with the sometimes broader ethics restrictions imposed by civil statutes, agency standards of conduct, Presidential orders, and, in the case of attorneys, bar association codes of conduct.

The Public Integrity Section's work in the conflicts area falls into the following categories:

a. Criminal Referrals from Federal Agencies and Recusals. The Section's criminal enforcement role comes into play with respect to a narrow group of conflicts of interest matters, namely, those that involve possible misconduct proscribed by one of the federal conflicts of interest statutes, 18 U.S.C. §§ 203-209. These crimes are prosecuted either by a United States Attorney's Office or by the Public Integrity Section. Conflicts of interest matters are often referred to the Section by the various federal agencies. If investigation of a referral is warranted, the Section coordinates the investigation with the Inspector General for the agency concerned, the FBI, or both. If prosecution is warranted, the Section prosecutes the case. If a civil remedy may be appropriate in lieu of criminal prosecution, the Section refers the case to the Civil Division of the Department of Justice for its review. In addition, on occasion the Section is asked to handle recusals and special assignments regarding conflicts matters.

b. Coordination. The Public Integrity Section works closely with the United States Office of Government Ethics (OGE) in order to coordinate conflicts of interest issues with OGE and other executive branch agencies and offices. The purpose of this coordination is

to ensure that the Administration's overall legislative and enforcement efforts in this area are both complementary and consistent. OGE has broad jurisdiction over noncriminal conduct by executive branch personnel, as well as the authority to provide guidance concerning the coverage of the federal criminal conflicts of interest statutes. The Section's coordination with OGE ensures that consistent guidance is provided with respect to the overlapping criminal, civil, and administrative interests implicated by the statutory and regulatory restrictions on federal personnel.

C. LEGAL AND TECHNICAL ASSISTANCE

In addition to its litigation and oversight responsibilities, the Public Integrity Section provides legal and technical assistance to various federal, state, and local law enforcement agencies, as well as to other Departments and international organizations, on public corruption issues. The Section's assistance falls into the following general areas:

1. Training and Advice

The Public Integrity Section is staffed with specialists who have considerable experience investigating and prosecuting corruption cases. Section attorneys participate in a wide range of formal training events for federal prosecutors and investigators. They are also available to provide informal advice on investigative methods, charging decisions, and trial strategy in specific cases.

The Section helps plan and staff the annual public corruption seminar at the National Advocacy Center. Speakers at this seminar typically include both the Section's senior prosecutors and Assistant United States Attorneys from the field who have handled significant corruption cases. The seminars provide training for federal prosecutors and FBI agents in the statutes most commonly used in corruption cases, guidance in the use of the complex and difficult investigative techniques necessary to investigate government corruption, and advice from experienced prosecutors on conducting corruption trials. In 2006, two Deputy Chiefs and a Senior Trial Attorney addressed attendees on the federal laws and prosecutive theories relating to corruption, issues at trial, and Congressional corruption.

2. Advisor to the President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency

The Public Integrity Section serves, pursuant to Executive Order 12993 (March 21, 1996), as a legal advisor to the Integrity Committee of the President's Council on Integrity and Efficiency (PCIE) and the Executive Council on Integrity and Efficiency (ECIE). The PCIE/ECIE is a body composed of the Inspectors General of the various agencies of the executive branch of the federal government. The Integrity Committee of the PCIE/ECIE is charged by the Executive Order with handling allegations against Inspectors General and senior members of their staff.

In addition, the Integrity Committee is charged by the Executive Order with establishing policies and procedures to ensure consistency in conducting administrative investigations. The Committee's procedures, drafted with the assistance of the Public Integrity Section, provide a framework for the investigative function of the Committee. Allegations of wrongdoing by Inspectors General and their senior staff are initially reviewed by the Public Integrity Section for potential criminal prosecution. In noncriminal matters, the procedures guide the Committee's discretion to investigate the alleged misconduct and to report on its findings. The Public Integrity Section also advises the Integrity Committee on matters of law and policy relating to its investigations.

3. Member of the Board of Advisors of the Election Assistance Commission

Pursuant to the Help America Vote Act of 2002 (HAVA), the Chief of the Public Integrity Section, or his or her designee, is a member of the Board of Advisors of the Election Assistance Commission. 42 U.S.C. § 15344(a)(12). The Commission was created to serve as a national clearinghouse for information and procedures relating to the administration of federal elections and is responsible for the adoption of voluntary voting system guidelines, testing and certification of voting system hardware and software, conducting studies regarding the effective administration of elections, and training on the management of federal grants to the states under HAVA. The Director of the Section's Election Crimes Branch serves as the designated member of the Board.

4. Legislative Activities

An important responsibility of the Public Integrity Section is the review of proposed legislation that may affect, directly or indirectly, the investigation and prosecution of public officials. The Section is often called upon to comment on legislation proposed by Congress, by the Administration, or by other departments of the executive branch; to draft or review testimony for congressional hearings; and to respond to congressional inquiries concerning legislative proposals. In addition, on occasion the Section drafts legislative proposals relating to various corruption matters. For example, in 2006 the Section prepared draft legislation to address election fraud and to enhance enforcement of the federal campaign financing laws.

During 2006 the Section also reviewed and commented on legislative proposals relating to public corruption, conflicts of interest, federal volunteer programs, judicial transparency and ethics, whistleblower protection, open government, biomedical research oversight, and judicial protection, among other subjects.

5. Case Supervision and General Assistance

Public corruption cases are often controversial, complex, and highly visible. These factors may warrant Departmental supervision and review of a particular case. On occasion Section attorneys are called upon to conduct a careful review of a sensitive public corruption case, evaluating the quality of the investigative work and the adequacy of any proposed indictments. Based on its experience in this area, the Section can often identify tactical or

evidentiary problems early on and either provide needed assistance or, if necessary, assume operational responsibility for the prosecution.

The Section also has considerable expertise in the supervision of the use of undercover operations in serious corruption cases. The Section's Chief serves as a permanent member of the FBI's Criminal Undercover Operations Review Committee. Additionally, a number of the Section's senior prosecutors have experience in the practical and legal problems involved in such operations, and have the expertise to employ effectively this sensitive investigative technique and to advise law enforcement personnel on its use.

6. International Advisory Responsibilities

The Section's responsibilities in the area of international law enforcement continued in 2006. In addition to its routine briefings of foreign delegations on United States public corruption issues, the Section has become increasingly involved in supporting the United States' efforts to assist the international community in its efforts to combat public corruption and election crime in foreign countries and at the international level. This work included both participation in international proceedings and coordination with other components of the Justice Department and the State Department on the Administration's position in this area.

In 2006, Section Deputy Chief for Litigation, Peter J. Ainsworth traveled to the cities of Prague and Solenice in the Czech Republic to participate in Public Corruption Seminars. Also, Deputy Chief Ainsworth traveled to Vienna, Austria, to attend the United Nation's Conference Convention Against Corruption and to Jordan to participate as a representative of the United States at the United Nations Convention Against Corruption Conference of State Parties.

The Director of the Section's Election Crimes Branch represented the Section on several international trips in 2006. He traveled to Abuja, Nigeria, and conducted a series of workshops on electoral corruption, campaign transparency, and political abuse of States resources and presented a paper entitled, "The Federal Crime of Electoral Fraud and Its Application to Nigeria." He also taught a course on the enforcement of election fraud and finance laws and delivered a series of lectures on the adjudication and resolution of election disputes under the common law standards that pertain to both the United States and Nigeria.

In addition, the Director traveled to Bosnia-Herzegovina Sarajevo and participated in workshops on enforcement priorities under the new Bosnian election financing law and the imposition of criminal penalties for aggravated election fraud and campaign finance offenses. He conducted a series of workshops there on the investigation and prosecution of election fraud offenses and the illegal use of State-owned property for political purposes. The Director of the Election Crimes Branch also traveled to Mexico to serve as an official observer for the United States at the 2006 Mexican Presidential Election.

As noted above, Section experts routinely address visiting foreign officials in connection with the detection and prosecution of public corruption offenses and continued to

do so throughout 2006. These presentations are generally conducted under the auspices of the State Department's Foreign Visitor Program and the Justice Department's Office of Overseas Prosecutorial Development Assistance and Training. During 2006 the Section made presentations on corruption topics to officials from Africa, Albania, Algeria, Angola, Bangladesh, Bhutan, Bosnia-Herzegovina, Brazil, Bulgaria, Cambodia, Cape Verde, China, Republic of Congo, Croatia, Cyprus, Czech Republic, Dominican Republic, Georgia, Ghana, Hong Kong, India, Indonesia, Iraq, Jordan, Kosovo, Krgyzstan, Mauritias, Mexico, Moldova, Montenegro, Mozambique, Nigeria, Norway, Oman, Pakistan, Phillipines, Poland, Principe, Sao Tome, Serbia, Slovakia, Sri Lanka, Turkmenistan, Ukraine, and Uganda. Also during the year the Section's Election Crimes Director addressed visiting foreign lawmakers and election officials from Australia, Bosnia-Herzegovina, Croatia, Indonesia, Mongolia and Turkmenistan on United States election crime statutes and their enforcement.

PART II

PUBLIC INTEGRITY SECTION INDICTMENTS, PROSECUTIONS, AND APPEALS IN 2006

INTRODUCTION

As described in Part I, the Public Integrity Section's role in the prosecution of public corruption cases ranges from sole operational responsibility for the entire case to approving an indictment or providing advice on the drafting of charges. Part II of the Report describes each corruption case for which the Section had either sole or shared operational responsibility during 2006. A "case" involves a person who has been charged by indictment or information; a "matter" is an investigation that has not resulted in a criminal charge. Part II also provides statistics on the number of matters closed by the Section without prosecution during 2006 and the number of matters pending at the end of the year in each category.

The Section's corruption cases for calendar year 2006 are separated into categories, based on the branch or level of government affected by the corruption. Election crime cases are grouped separately. Related cases are grouped together and unrelated cases are separated by double lines. In those cases where a conviction but not a sentence is reported, the sentencing occurred in a later year and will be included in that year's report.

FEDERAL JUDICIAL BRANCH

As of December 31, 2006, four matters involving allegations of corruption affecting the federal judicial branch were pending in the Public Integrity Section. During 2006, the Section closed three matters involving crimes affecting the judicial branch.

FEDERAL LEGISLATIVE BRANCH

As of December 31, 2006, sixteen matters involving allegations of corruption in or affecting the federal legislative branch were pending in the Public Integrity Section. During 2006 the Section handled the following cases involving the federal legislative branch, as described below:

The Abramoff Investigations District of Columbia

United States v. Abramoff

On January 3, 2006, Jack Abramoff pled guilty to the following:

- 1) conspiracy to commit bribery of public officials, honest services fraud, mail and wire fraud, and violations of a former Congressional staffer's one-year lobbying ban;
- 2) honest services mail fraud; and
- 3) tax evasion.

Abramoff's former business partner, Michael Scanlon, had previously pleaded guilty to conspiring with Abramoff.

Abramoff admitted receiving undisclosed kickbacks from Scanlon, who owned and operated the public relations firm Capital Campaign Strategies, LLC (CCS). Abramoff and Scanlon conspired to defraud four Native American Indian tribes, located in Mississippi, Louisiana, Texas, and Michigan, that either operated or were interested in operating gaming casinos. Each of these four tribes hired Abramoff through Greenberg Traurig, LLP, the lobbying firm employing Abramoff, to give advice regarding how best to limit competition from other casinos or, in one instance, to re-open a previously closed casino. Once Abramoff had established a relationship with the tribal clients, he recommended Scanlon and CCS as the primary provider for grassroots work and public relations services. As Abramoff and Scanlon knew, the clients relied on Abramoff's recommendation because of his expertise in these matters. Abramoff and Scanlon charged fees that incorporated huge profit margins and then split the net profits in a secret kickback arrangement.

In addition to defrauding these four Native American Indian tribes, Abramoff admitted to several schemes to defraud other clients as well as his former employer, Greenberg Traurig. Abramoff admitted that as one means of accomplishing results for their clients, he, Scanlon, and others engaged in a pattern of corruptly providing items of value to public officials, including trips, campaign contributions, meals, and entertainment with the intent to influence acts by the public officials that would benefit Abramoff and Abramoff's clients.

Abramoff also pled guilty to a tax evasion charge stemming from his failure to report and pay taxes through hiding income in certain nonprofit entities that he controlled. He then directed the nonprofit entities to falsify documents and file false reports with the Internal Revenue Service. These activities resulted in Abramoff evading payment of approximately \$1.7 million in federal income tax from 2001 to 2003. This is in addition to Abramoff's fraudulent activities that led to a loss for his clients of approximately \$25,000,000.

United States v. Rudy

On March 31, 2006, former lobbyist Tony C. Rudy pleaded guilty to conspiring with Jack Abramoff, Michael Scanlon, and others to commit honest services fraud and mail and wire fraud. He also pled guilty to violating the federal one-year lobbying ban.

From 1995 through December 2000 Rudy was employed in the leadership office of a member of the United States House of Representatives, described as Representative #2. Rudy then joined Abramoff in a Washington D.C. office of a law and lobbying firm from January 2001 through July 2002.

Beginning in 1997 and continuing throughout his time as the Deputy Chief of Staff in Representative #2's leadership office, Rudy corruptly accepted a stream of things of value from Abramoff and others while he repeatedly took official action on their behalf. Once Rudy became a lobbyist with Abramoff, Rudy's role in the conspiracy changed to providing a stream of things of value to other public officials, including a member of the United States House of Representatives, described as Representative #1.

During the time he was a public official, Rudy received 1) vacations, including a trip aboard a private jet to the U.S. open in Pebble Beach, California; 2) tickets to concerts and sporting events, including use of one of Abramoff's box suites and additional tickets for a bachelor party at a Washington Redskins football game; 3) regular meals and drinks at expensive restaurants in the D.C. area; 4) free golf games and golf clubs; and 4) payments to Rudy's wife for consulting services. Rudy concealed his receipt of this largesse by failing to disclose any of the numerous gifts or trips on the disclosure forms required by the rules of the House of Representatives. Rudy repeatedly took official action for Abramoff and his clients during this same period of time.

In addition, Rudy admitted that, as a lobbyist, he committed honest services fraud, along with Abramoff, Scanlon, and others, by providing a stream of things of value to other public officials with the intent to influence and reward official action. In one scheme, Rudy admitted that he, Abramoff, and Scanlon provided a stream of things of value to a public

official described as Representative #1 and members of his staff in order to influence them to take official action. During March 2002, for example, Representative #1 agreed that, as the co-chairman of a conference committee of House and Senate members of Congress, he would introduce and seek passage of legislation to lift a federal ban against gaming by a client of Rudy and Abramoff, a native American tribe in Texas. In May 2002, in order to influence and reward Representative #1, Rudy offered Representative #1 and his chief of staff a free trip to Scotland aboard a private jet, telling the chief of staff by email that the trip would involve golfing, drinking, and smoking cubans.

Rudy and Abramoff also sought to enrich themselves, according to Rudy, by defrauding their clients. Rudy admitted that he and Abramoff solicited a total of \$50,000 from two clients through falsely indicating that the money had been requested by Representative #2 to fund a charity. In fact, Representative #2 had made no such request and Abramoff and Rudy intended to use the money to partially fund the golf trip to Scotland for Representative #1 and themselves. Rudy also admitted that he and Abramoff advised several clients to make contributions totaling \$75,000 to a non-profit public policy group as part of the clients' lobbying efforts. Rudy failed to disclose to the clients, however, that approximately \$25,000 of this money was paid back to Rudy through his own company. Rudy also admitted that he received an additional \$25,000 from another client, a Native American tribe in Mississippi, although Rudy did not provide any additional services for this money.

In addition, Rudy admitted that, as a lobbyist working for Abramoff, he violated the federal one-year lobbying ban by lobbying staff members in the leadership office of Representative #2 within one year of having left his position as Deputy Chief of Staff to that office.

United States v. Volz

Former lobbyist Neil G. Volz pleaded guilty on May 8, 2006, to conspiring with Jack Abramoff, Michael Scanlon, Tony Rudy, and others to commit honest services fraud and to violate the federal one-year lobbying ban. From 1995 through February 2002, Volz was employed by a member of the U.S. House of Representatives, described as "Representative #1." In 1998, Volz became Chief of Staff and in January 2001, when Representative #1 became the Chairman of a Congressional Committee, Volz held the role of the Committee's Staff Director.

In February 2002, Volz left the House and joined Abramoff as a lobbyist in a Washington D.C. legal and lobbying firm. Volz admitted that, beginning in approximately 2000 and continuing throughout his tenure in the House, Volz accepted a stream of things of value from Abramoff and others while he took official action on their behalf. Once Volz became a lobbyist with Abramoff, Volz's role in the conspiracy changed to providing a stream of things of value to other public officials, including Representative #1.

Volz accepted complimentary tickets to concerts and sporting events, meals and drinks at expensive restaurants in the D.C. area, as well as free golf games. Volz concealed these gifts, which were in excess of the limits established by the House of Representatives, by failing to disclose them in his annual financial disclosure forms. Volz repeatedly took official action for Abramoff or his clients during this same period.

When he became a lobbyist, he, Abramoff, Scanlon, Rudy, and others continued to engage in an honest services fraud scheme by providing a stream of things of value to other public officials with the intent to influence and reward official action. The benefits included foreign and domestic travel, numerous tickets to concerts and sporting events, regular meals and drinks at expensive restaurants, and unreported use of Abramoff's box suites at the MCI Center Arena and Camden Yards Stadium for political fund raisers.

As an example, Volz admitted that the co-conspirators provided Representative #1 and members of his staff with all-expense-paid or reduced-price trips to Scotland and London in August 2002; to the Fiesta Bowl in Tempe, Arizona, in January 2003; to New Orleans, Louisiana, in May 2003; and to Lake George, New York, in 2004. In exchange for this stream of things of value, Volz and his co-conspirators sought and received Representative #1's agreement to perform a series of official acts, including Representative #1's agreement to support and pass legislation, to support or oppose actions taken by other agencies and departments of government, and to assist Abramoff in securing additional clients.

Volz also admitted that, as a lobbyist working for Abramoff, he violated the federal one-year lobbying ban by lobbying Representative #1 as well as staff members in the office of Representative #1 and the Committee staff he had previously supervised, all within one year of having left his positions in the House of Representatives.

United States v. Stillwell

On August 11, 2006, U.S. Department of the Interior ("DOI") employee Roger G. Stillwell, pleaded guilty to falsely certifying his Fiscal Year 2003 Executive Branch Confidential Financial Disclosure Report. Stillwell also resigned from his position as Commonwealth of the Northern Mariana Islands ("CNMI") Desk Officer within the DOI Office of Insular Affairs.

In December 2003, Stillwell accepted gifts from former Washington, DC, lobbyist Jack A. Abramoff, and then concealed his receipt of them from DOI ethics officials and his supervisors. Because the value of the gifts Stillwell received from Abramoff exceeded the limits established by federal regulation, Stillwell was required to report them on his annual financial disclosure form. As a result of Stillwell's failure to report these gifts, DOI ethics officials and his supervisors were deprived of critical information necessary to determine whether Stillwell had an actual or potential conflict of interest between his public responsibilities and his private interests and activities.

United States v. Ney

Congressman Robert W. Ney pleaded guilty on October 13, 2006, to conspiracy to commit multiple offenses. The charges included honest services fraud, making false statements, violations of his former chief of staff's one-year lobbying ban, and making false statements to the U.S. House of Representatives.

The named co-conspirators in the plea included Jack Abramoff, Michael Scanlon, Tony Rudy, and Ney's former chief of staff Neil Volz. All had previously pleaded guilty in this investigation and are cooperating with law enforcement officials.

Ney, a Congressman representing the 18th District of Ohio, became chairman of the House Committee on Administration, a position Ney held until January 2006. Ney admitted that he engaged in a conspiracy beginning in approximately 2000 and continuing through April 2004, in which he corruptly solicited and accepted a stream of things of value from Abramoff, his lobbyists, and a foreign businessman with the intent to be influenced and induced to take official actions to benefit Abramoff, his clients, and a foreign businessman.

Ney acknowledged accepting from Abramoff and his lobbyists all-expense-paid and reduced-price trips to play golf in Scotland in August 2002, to gamble and vacation in New Orleans in May 2003, and to vacation in New York in August 2003. The total cost of these trips exceeded \$170,000. Ney also admitted accepting meals, drinks, tickets to sporting events and concerts, and tens of thousands of dollars of campaign contributions.

Ney admitted that the actions he agreed to take, and took, to benefit Abramoff, his lobbyists and their clients included the support or opposition of legislation at Abramoff's request, the insertion of statements into the Congressional Record at Scanlon's request, and the support for an application of a license for a contract to install wireless telephone infrastructure in the House of Representatives.

In addition, Ney admitted that he accepted tens of thousands of dollars worth of gambling chips from a foreign businessman who was hoping to sell within a foreign country airplanes and airplane parts manufactured in the United States. Ney agreed to help the businessman with obtaining an exemption to the U.S. laws prohibiting the sale of these goods to the foreign country, and with obtaining a visa to travel to the United States. Ney also admitted conspiring to aid and abet violations of the federal one-year lobbying ban by his former chief of staff, Neil Volz.

United States v. Safavian

David Safavian, the former chief of staff for the General Services Administration (GSA), was convicted at trial for his false statements and obstruction of investigations involving his relationship with Jack Abramoff, a Washington, D.C. lobbyist. The jury found

Safavian guilty of obstruction of justice in connection with a GSA-OIG investigation; false statements made to an ethics official at the GSA, false statements to the GSA-OIG, and false statements to the United States Senate. Safavian was sentenced on October 27, 2006, to 18 months of imprisonment followed by two years of supervised release

Safavian, the Chief of Staff at GSA from May 2002 until January 2004, aided Abramoff in the lobbyist's attempts to acquire GSA-controlled property in and around Washington, DC. In August 2002, Abramoff took Safavian and others on a golf trip to Scotland. Safavian concealed the fact that Abramoff had business before GSA prior to the August 2002 golf trip, and that Safavian was aiding Abramoff in his attempts to do business with GSA. He concealed this fact from a GSA ethics officer, from a GSA-OIG Special Agent, and during an Office of Inspector General proceeding. In addition, Safavian made this same false statement during a Senate investigation conducted by the Committee on Indian Affairs that was investigating allegations of misconduct made by several Native American tribes against Abramoff and others.

United States v. Bobbitt, Northern District of Georgia

On November 14, 2006, Richard A. Bobbitt, an employee of Harvard Group International ("HGI"), an executive search and strategic consulting firm based in Marietta, Georgia, pleaded guilty to misusing the seal of the United States Congress. Immediately afterwards, he was sentenced to six months of probation and a \$500 fine.

Lockheed Martin Corporation ("Lockheed") sought bids from companies seeking to provide executive recruitment services for Lockheed. In response to Lockheed's request, HGI submitted a proposal. When Lockheed notified HGI of its decision to select a company other than HGI for the contract, HGI sent a letter ("the protest letter") to Lockheed to register a complaint about Lockheed's selection process and to seek reconsideration of Lockheed's decision to reject HGI's proposal. Included with the protest letter was a letter drafted by Bobbitt, on original United States Congress letterhead, on which was affixed the seal of the United Congress. The letter falsely expressed support for HGI and bore a signature that purported to be that of United States Senator Saxby Chambliss. The letter was neither created, approved, nor signed by Senator Chambliss or any authorized representative of the Senator.

FEDERAL EXECUTIVE BRANCH

As of December 31, 2006, fifty-seven matters involving allegations of corruption within the federal executive branch were pending in the Public Integrity Section. During 2006 the Section closed thirty-five such matters. Also during 2006, the Section handled the following cases involving executive branch corruption:

Corruption Related to the Reconstruction of Iraq District of Columbia

In 2006, the Section brought charges against several defendants for fraud and corruption related to the reconstruction of Iraq. Several of these cases were handled jointly with the Asset Forfeiture and Money Laundering Section.

United States v. Stein

On February 2, 2006, Robert J. Stein, a former U.S. Department of Defense (DOD) contractor, pleaded guilty to charges of conspiracy, bribery, money laundering, unlawful possession of machine guns, and possession of a firearm while a felon in connection with a scheme to defraud the Coalition Provisional Authority - South Central Region (CPA-SC) in Al-Hillah, Iraq.

From December 2003 through December 2005 while serving as the Comptroller and Funding Officer for the CPA-SC, Stein conspired along with a contractor and numerous public officials including several high-ranking U.S. Army officers, to rig the bids on federally funded contracts being awarded by the CPA-SC so that all of the contracts were awarded to Bloom. The total value of the contracts awarded to Stein's co-conspirator exceeded \$8.6 million. The information further alleges that the contractor paid Stein and others over \$2 million in money and gifts, including cars and jewelry, in return for using their official positions to award contracts to the contractor and his companies.

Stein admitted that he and others stole over \$2,000,000 of currency that had been designated to be used for the reconstruction of Iraq and smuggled a portion of that stolen currency into the United States aboard commercial aircraft. Stein and others allegedly facilitated numerous wire transfers of money, the proceeds of the fraudulently awarded bids, and at least \$2 million in stolen money from the CPA, in an attempt to conceal the source and origin of these funds. Stein also pleaded guilty to the unlawful possession of at least 50 weapons including machine guns, silencers and grenade launchers, that he purchased from misappropriated CPA funds. As a convicted felon, he pleaded guilty to a charge of being a felon in possession of a firearm.

United States v. Bloom, District of Columbia

Philip H. Bloom, a U.S. citizen who resided in Romania and Iraq, pleaded guilty to charges of conspiracy, bribery, honest services fraud, and money laundering on March 10, 2006, in connection with the scheme to defraud the CPA-SC. Bloom admitted that he paid over \$2,000,000 in money, cars, jewelry, and other items of value to numerous CPA-SC officials, including Robert Stein, so that they would use their official positions to award over \$8.6 million in contracts to Bloom and his companies. In addition, Bloom admitted that he laundered over \$2,000,000 in currency stolen from CPA-SC that had been designated to be used for the reconstruction of Iraq. He also used his foreign bank accounts in Iraq, Romania, and Switzerland to send the stolen money to Stein and other public officials in return for contracts for himself and his companies.

United States v. Hopfengardner, District of Columbia

A third case involves Bruce D. Hopfengardner, a Lieutenant Colonel in the United States Army Reserves, who pleaded guilty on August 25, 2006, to conspiracy to commit wire fraud and money laundering in connection with a scheme to defraud the Coalition Provisional Authority - South Central Region (CPA-SC) in Al-Hillah, Iraq.

In his guilty plea, Hopfengardner admitted that, while serving as a United States Department of Defense (DOD) Special Advisor to the CPA-SC, he used his official position to steer contracts to Philip H. Bloom, a U.S. citizen who owned and operated several companies in Iraq and Romania, in return for Bloom providing Hopfengardner with various items of value, including \$144,5000 in cash, over \$70,000 worth of vehicles, a \$2,000 computer, and a \$6,000 watch.

Hopfengardner admitted that he, along with his co-conspirators, rigged the bids on CPA contracts in order to award them to Bloom and his companies. Further, Hopfengardner and his co-conspirators laundered over \$300,000 for Bloom through various bank accounts in Iraq, Kuwait, Switzerland, and the United States. Finally, Hopfengardner admitted that he stole \$120,000 from the CPA-SC that had been designated to be used for the reconstruction of Iraq and smuggled the stolen currency into the United States aboard commercial and military aircraft.

United States v. Pappen, Southern District of Georgia

On October 12, 2006, Gheevarghese Pappen pleaded guilty to accepting approximately \$50,000 in illegal gratuities while detailed to the U.S. Army Area Support Group, Host Nation Office at Camp Arifjan, Kuwait, which supports U.S. military operations in Iraq. His official duties at Camp Arifjan included working with local companies in order to secure housing for U.S. Army military and civilian personnel stationed in Kuwait and en route to Iraq. While

working in Camp Arifjan securing apartments for U.S. Army employees, Pappen accepted money from a Kuwaiti realtor for assisting the realtor in obtaining contracts with the United States Army. Pappen was ordered by the U.S. Army Corps of Engineers to return to his domestic post in Georgia and was arrested on March 17, 2006, upon his return.

United States v. Murphy, Middle District of Florida

On November 7, 2006, Bonnie Murphy, a former Defense Department employee, pleaded guilty to accepting illegal compensation from an Iraqi contractor for her role in helping the contractor receive and maintain three U.S. Army service contracts. Murphy, who worked as a civilian disposal officer at Camp Victory, Iraq, accepted several pieces of gold jewelry worth \$9,000. The firm received three contracts involving the removal, storage, and disposal of soil, hazardous waste, and used batteries.

United States v. Agee, District of Columbia

On January 18, 2006, James Agee, Jr., a former Special Agent with the Drug Enforcement Administration, was sentenced to six months of home detention with electronic monitoring, four years of probation, \$10,001 in restitution, and 75 hours of community service for each of four years. Agee had previously pled guilty to making false entries and reports of moneys and had resigned his DEA position.

Agee, who worked as a DEA Special Agent from 1985-2005, served as Country Attache for DEA's Bridgetown, Barbados, Country Office from May 1997 until November 2002. As Country Attache, he enlisted local police officers from various Caribbean law enforcement agencies to participate in several DEA-funded drug enforcement operations in DEA's Caribbean Field Division. The local agencies were given DEA funds to cover their operational expenses. Agee was responsible for disbursing these funds and maintaining true and accurate accounts of the disbursements.

Agee admitted that over the course of four operations with the Caribbean Field Division between 1999 and 2002 Agee forged the signatures of several local police and/or subordinate DEA officials whose names and purported signatures appeared on the vouchers. In addition, he submitted to the DEA Fiscal Unit, and caused to be submitted, fraudulent reimbursement and expenditure reports that included at least 18 fabricated payment vouchers for amounts greater than the amounts actually disbursed. The amount of funds that were not disbursed as a result of Agee's conduct totaled between \$10,000-\$30,000.

United States v. Andrews & Turner, District of Columbia

On July 31, 2006, a jury convicted Peter R. Turner and LaTanya Andrews of bribery, conspiracy to defraud the United States, and conspiracy to commit mail fraud and bribery.

Andrews was a payroll technician for the Department of Veterans Affairs Medical Center (DVAMC), and Turner was a volunteer driver for the DVAMC. The Federal Employees Group Life Insurance (FEGLI) program is a term life insurance program operated by the Office of Personnel Management (OPM) for federal employees, including employees of the DVAMC. The jury found that Turner and Andrews conspired to file a forged FEGLI form falsely designating Turner as a life insurance beneficiary for a seriously ill employee of the DVAMC in that employee's official personnel folder at the DVAMC. Turner then filed a fraudulent claim when the employee died and obtained payment from the FEGLI program of approximately \$20,500, funds that should have been paid to the deceased employee's parents. Andrews used her official position within the DVAMC payroll office to access the official personnel folder of the deceased employee and cause the false beneficiary form to be placed in that folder. In return for Andrew's assistance in the scheme, Turner paid her \$1,000 from the proceeds of his fraudulent claim.

United States v. Anjakos, Chavez, Hollier, & Lopez, Central District of California

Four members of the California Army National Guard pleaded guilty on November 13, 2006, to conspiracy charges related to their embezzlement of money from the U.S. Army. The defendants, Jennifer Anjakos, Lomeli Chavez, Derryl Hollier, and Luis Lopez, each pled guilty to conspiracy to commit wire fraud. They were all members of the 223rd Finance Detachment, a unit of the California National Guard that processes pay for Army National Guard members, and were deployed together to Iraq from March 2004 to February 2005.

Beginning in March 2005 and continuing through December 2005, a co-conspirator accessed a Department of Defense pay-processing computer system and entered over \$340,000 in unauthorized pay and entitlements for himself and the defendants. In return, the defendants kicked back at least \$150,000 to the co-conspirator, who then laundered those funds through various domestic banks.

United States v. Blowers, Western District of North Carolina

On June 15, 2006, Erik B. Blowers, a former Supervisory Special Agent and Chief Division Counsel for the Federal Bureau of Investigation (FBI), was sentenced to two years of probation and four hundred hours of community service.

Blowers previously pleaded guilty to a criminal information charging that he knowingly made and submitted a materially false writing to the FBI. As part of his plea

agreement, Blowers resigned from the FBI and agreed not to seek or accept employment with any Department or Agency of the United States Government in the future.

Blowers admitted that he accepted benefits worth no less than \$6,000 from David Simonini, a former cooperating witness for the FBI under Blowers's supervision. Blowers also admitted that the FBI squad that he was then charged with supervising was conducting a preliminary investigation into allegations of financial institution fraud and wire fraud against Simonini. Blowers further admitted that Simonini fully funded trips to Las Vegas that he and Simonini took in April and August 2000.

Blowers also admitted that he filed his confidential financial disclosure report in 2000, as mandated by the Ethics in Government Act. Although he was required to report all gifts and travel reimbursements received from a single source totaling more than \$260, and he knew he was required to report his trips to Las Vegas with Simonini, he falsely checked the box marked "none."

United States v. Chaudhary, District of Columbia

Basit Chaudhary, a former Supervisory Program Manager for the Employment and Training Administration (ETA) of the United States Department of Labor, was sentenced in connection with his theft of government property on April 19, 2006, to four months of imprisonment followed by four months of home detention with an electric monitoring device, three years of supervised release, and was ordered to pay a fine of \$2,000 and \$8,069 in restitution.

Chaudhary previously pled guilty to stealing 12 laptop computers belonging to the ETA that were valued at approximately \$24,000. At the time of his thefts, the defendant's official responsibilities included supervising the purchase of computers and ensuring they were used only for official purposes. Chaudhary agreed to pay restitution for those computers the government did not recover.

United States v. Childree and Stayton, Middle District of Alabama

On March 1, 2006, Jeffrey Howard Stayton and William Curtis Childree were indicted in the Middle District of Alabama on honest services wire fraud and bribery charges. The indictment also charges Stayton with obstruction of justice.

Stayton was the Chief of the Aviation Division for the United States Army Test and Evaluation Command (ATEC), and Childree was the sole owner and operator of Maverick Aviation (Maverick), a business that is engaged in the purchase and distribution of helicopters for its clients.

The government had selected Maverick to procure and modify two helicopters for use by the United States government. The contract was worth approximately \$4.7 million. According to the indictment, Stayton took actions that favored Maverick's selection as the eventual contract recipient and misled government officials about Maverick's performance under the contract. In exchange for Stayton's actions, Childree secretly wired a third party \$61,071.75 from a Maverick bank account to satisfy the entire amount on a mortgage for Stayton's personal residence in Spotsylvania, Virginia. Stayton failed to disclose his solicitation or receipt of this payment either to other ATEC or Army personnel or in his financial disclosure statements.

United States v. Convertino and Smith, Eastern District of Michigan

A former federal prosecutor and a Department of State Special Agent were indicted on March 29, 2006, on charges of conspiracy, obstruction of justice, and false declarations in the *United States v. Koubriti* terrorism trial.

According to the indictment, Richard G. Convertino was the lead federal prosecutor in *United States v. Koubriti*, a criminal case in Detroit, in which four defendants were charged with providing material support for terrorism as well as document fraud. Harry Raymond Smith III was an assistant regional security officer with the Diplomatic Security Service of the U.S. Department of State at the U.S. Embassy in Amman, Jordan, from 1999 through July 2002. In that capacity, he assisted in the investigation of the *Koubriti* case and testified as a government witness at trial.

The indictment alleges that the defendants concealed photographs of a key site from the defendants and others at trial and presented false testimony indicating that they were unable to obtain photographs of the Queen Alia Hospital. In fact, the indictment alleges, at the time Smith testified, he had already taken photographs of this site and he asked colleagues to take additional photographs for Convertino. The indictment charges that Convertino received additional photographs of the hospital but concealed them from the defense and others. According to the indictment, the existence of the photographs was material to Convertino's argument in *Koubriti* that the hospital closely matched a sketch, an alleged terrorist target, found in the apartment of three of the *Koubriti* defendants.

Convertino is also charged with obstructing justice in a second criminal case, *United States v. John Doe*, in which it is alleged that Convertino presented false information in a sentencing hearing of a narcotics case in order to obtain an unusual downward departure for a defendant, from a guidelines range of 108 to 135 months of imprisonment to just eight months with credit for time served.

United States v. Davidson & Frazier, Northern District of Georgia

On November 14, 2006, a federal grand jury sitting in Atlanta returned a six-count indictment against Bridgette L. Davidson, a former Social Work Associate for the Department of Veterans Affairs (“VA”), and Darrick O. Frazier. The indictment charges both defendants with four counts of honest services mail fraud, and further charges Davidson with violating the criminal conflict of interest statute and making a false statement.

For two years beginning in September 2000, Davidson was a VA Social Work Associate employed by the VA Medical Center in Atlanta and worked full time for the Mental Health Intensive Case Management Program. Among her responsibilities were securing suitable out-patient housing and daily care for mentally ill and disabled military veterans.

Both Davidson and Frazier are charged with devising and engaging in a fraudulent scheme to deprive the U.S. Government, specifically the VA, of Davidson’s honest services, and using the U.S. mail in furtherance thereof. The indictment alleges that, from November 2001 through April 2002, Davidson and Frazier rented a single-family home in Marietta, Georgia, and operated an assisted living facility on the premises. Davidson then moved four veterans in her official charge into the home at a profit. The veterans’ rent money came from their federally-funded VA and/or Social Security benefits. The indictment alleges that Davidson represented to VA officials as well as the attorneys appointed to serve as the fiduciaries for the military veterans that the facility was independently owned and operated, and that it was a certified personal care home suitable to house and care for the veterans. The four counts of honest services fraud alleged in the indictment account for each of the four affected veterans.

The facility was shut down in April 2002 following the sudden death of one of the veterans. When VA officials began an administrative investigation into Davidson’s connection to the facility she falsely denied under oath that she had any financial or proprietary interest in the home, despite the facts that she had rented the property, secured the business license for the facility as the “owner” and “sole proprietor,” and shared the profits with Frazier.

United States v. Donaven, Eastern District of Michigan

A misdemeanor charge was filed against Sierra Donaven, Special Agent with the Bureau of Alcohol, Tobacco, Firearms, and Explosives. Donaven was charged with exceeding her authorized access to a computer to gather information on a person with whom she had a personal relationship. The case was later dismissed.

United States v. Harvey and Kronstein,
Western District of Virginia - Charlottesville Division

On December 12, 2006, a federal jury convicted Kenneth N. Harvey and Michael G. Kronstein, of two counts each of honest services wire fraud. On March 6, 2007, Harvey was sentenced to 70 months and Kronstein was sentenced to 72 months of imprisonment. Both defendants received three years of supervised release and also were assigned joint liability for more than \$383,000 in restitution.

From 1998 through May 18, 2001, Harvey was the Chief of the Acquisition Logistics and Field Support Branch within the U.S. Army Intelligence and Security Command (“INSCOM”) at Fort Belvoir, Virginia. In this position, Harvey was responsible for, among other things, recommending the award, modification, and payment of maintenance and logistics contracts in support of INSCOM missions around the globe. Kronstein was the owner and Chief Executive Officer of Program Contract Services, Inc. (“PCS”), a private company he founded to receive government contracts.

At trial, the evidence showed that during November 1998 Harvey recommended that INSCOM award a sole-source, multi-million dollar maintenance and logistics contract to PCS. Following the contract award, Harvey recommended various modifications to the contract, many of which increased the total contract payout to Kronstein’s company. Harvey also reviewed and approved payments to PCS, which resulted in the U.S. Army paying PCS more than \$4.7 million dollars. In exchange for these acts, Kronstein caused payments totaling more than \$40,000 to be made to Harvey’s spouse and third parties for Harvey’s benefit. Ultimately, Kronstein offered Harvey a position of employment with PCS at the same time Harvey oversaw a final modification to the contract. Harvey and Kronstein concealed these payments and offer of employment from Harvey’s superiors at INSCOM.

On October 23, 2006, the defendants’ co-conspirator, Karla Kronstein, pled guilty to illegally supplementing Harvey’s salary. On February 12, 2007, Mrs. Kronstein was sentenced to three years of probation for illegally supplementing the salary of a government employee. Mrs. Kronstein was involved in four of the seven monetary payments from Mr. Kronstein to Mr. Harvey.

United States v. Herron, District of New Jersey - Newark Division

On March 24, 2006, Godwin Herron, a Special Agent with the Bureau of Alcohol, Tobacco, Firearms, and Explosives (“ATF”), was sentenced to two years of probation, six months of home confinement, and ordered to pay \$18,127 in restitution for theft of government property.

Herron began working for ATF as a Special Agent in December 1983. From December 1989 through July 2004, he served as New York Metropolitan Regional Coordinator for the Organized Crime Drug Enforcement Task Force (OCDETF), an

investigative unit comprised of local, state, and federal law enforcement officers based in New York and New Jersey. In 1997, Herron opened Boss Motors, Inc., a licensed car dealership in Perth Amboy, New Jersey. Herron admitted that from May 14, 2003, through June 16, 2004, he stole \$18,000 from ATF by submitting fraudulent time and attendance forms certifying that he had spent the requisite time period in the performance of his official duties as OCDETF Coordinator, when in fact, he had spent a portion of that time operating and attending to the operations and management of Boss Motors, Inc.

United States v. Johnson, Eastern District of Virginia

On September 29, 2006, Robert E. Johnson, Chief of Quality Assurance, Contracting Officer's Technical Representative ("COTR") for the United States Department of the Army ("Army") Information Technology Agency, was sentenced to twenty-four months of imprisonment followed by supervised release for three years and \$150,049.42 in restitution for honest services wire fraud. Johnson pled guilty to using his official position to obtain more than \$150,000 from the Army by: 1) directing prime contractors to subcontract with two companies in which Johnson secretly held a financial interest, and; 2) falsely certifying that the prime contractors and their subcontractors had provided services to the government when, in fact, such services were not provided.

United States v. Marmolejo, Western District of Texas

On March 8, 2006, Richard Marmolejo, owner and operator of R. Marmolejo Studio Cuts located in San Antonio, Texas, was sentenced to two years of probation after pleading guilty to making a false statement to the Internal Revenue Service. Marmolejo provided false testimony and documents to a 2002 Austin grand jury when he served as a witness. The grand jury was investigating potential tax violations of two private attorneys in San Antonio. Marmolejo, a friend of these two individuals, falsely testified that he did not discuss with the subjects his grand jury appearance and that he was not coached by the subjects on what to say to the grand jury. Marmolejo also previously filed fraudulent tax returns and presented false testimony about his own finances.

United States v. Medve, Eastern District of Arkansas

On November 20, 2006, Richard A. Medve, a retired U.S. Postal Inspector, was sentenced to 24 months of imprisonment for possession of a silencer, a weapon included within the unregistered National Firearms Act that requires special registration.

Medve had been a federally licensed firearms dealer since the 1980s. He came under investigation by agents of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) during an undercover operation. ATF agents then executed a search warrant at his home and

found numerous unregistered firearms, including several silencers. Medve admitted to knowingly possessing an unregistered silencer, one compatible with Uzi-type machine guns, which was found in his home.

As a condition of his plea, Medve agreed to surrender his Federal Firearms License and to forfeit all his firearms, ammunition, and other destructive devices.

United States v. Noe, Northern District of Ohio

On September 12, 2006, former political fundraiser Thomas W. Noe was sentenced to 27 months of imprisonment, a fine of \$136,200, and two years of supervised release. Noe pled guilty to conspiring to make illegal campaign contributions, causing a false statement to the Federal Election Commission (FEC), and knowingly and willfully making \$45,400 in illegal campaign contributions to President George W. Bush's 2004 re-election campaign.

Noe admitted that he made contributions to Bush-Cheney '04, Inc., over and above the limit established by the Federal Election Campaign Act (FECA). He also admitted that he disguised these contributions by recruiting and providing money to friends and associates who then used Noe's money to make contributions in their own names. Noe contributed \$45,400 of his own money through 24 such individuals. To avoid suspicion, he gave several individuals checks in amounts slightly less than the maximum allowable and instructed several of these individuals to falsely characterize the checks as loans.

Noe pleaded guilty to each of the three counts in the indictment including:
1) conspiring to violate the FECA's anti-conduit provision by making contributions in the names of others, and with conspiring to fraudulently disrupt and impede the public disclosure and enforcement responsibilities of the FEC; 2) violating the FECA's anti-conduit provision; and 3) causing the submission of a false statement to the FEC, which occurred when Noe caused Bush-Cheney '04, Inc., to unknowingly submit a campaign finance report listing the conduit donors as contributors when the contributions actually came from Noe.

This case was handled jointly with the United States Attorney's Office, Northern District of Ohio.

Operation Lively Green District of Arizona (Tucson Division)

In 2006, fifteen individuals, mostly current or former military personnel and law enforcement officials, pleaded guilty to participating in a widespread bribery and extortion conspiracy. The convictions arose from Operation Lively Green, an undercover investigation conducted by the Federal Bureau of Investigation that began in December 2001. Forty defendants have already pleaded guilty in this ongoing prosecution.

The defendants admitted to conspiring to enrich themselves by obtaining cash bribes from persons they believed to be narcotics traffickers (but who were in fact Special Agents of the FBI) in return for using their official positions to assist, protect, and participate in the activities of an illegal narcotics trafficking organization engaged in the business of transporting and distributing cocaine from Arizona to other locations in the southwestern United States. In order to protect the shipments of cocaine, the defendants wore their official uniforms and carried their official forms of identification, used official vehicles, and used their authority to prevent police stops, searches, and seizures of the narcotics as they drove the cocaine shipments through checkpoints manned by the United States Border Patrol, the Arizona Department of Public Safety, and Nevada law enforcement officers. Many of the defendants also accepted additional cash bribes in return for recruiting other public officials they believed to be corrupt to further facilitate the activities of the ostensible narcotics trafficking organization.

The defendants who pled in 2006 are:

- Ronricco M. Allen, a Staff Sergeant in the United States Air Force (USAF);
 - Curtis W. Boston II, formerly a Sergeant in the USAF;
 - Danielle Browders, a Specialist in the United States Army (USA);
 - Derreck J. Curry, a Staff Sergeant in the USA;
 - Barnum G. Haitshan, a corrections officer with the Arizona Department of Corrections;
 - Viviana Hernandez, a civilian;
 - Joy S. McBrayer-Graham, a Specialist in the Arizona Army National Guard (AANG);
 - Rodney E. Mills, a Staff Sergeant in the USA;
 - Doyle R. Morrison, a Sergeant First Class in the USA;
 - Darius W. Perry, formerly a Sergeant First Class in the AANG;
 - Travor J. Richardson, a civilian;
 - Rocky D. Rios, formerly a Private First Class in the AANG;
 - Gustavo C. Soto, a Sergeant in the AANG;
 - Christine P. Thomas, a former test examiner with the Office of Personnel Management;
 - Manny J. Vaughn, a Specialist in the AANG.
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United States v. Rainey, District of Columbia

On September 15, 2006, former Department of Justice (“DOJ” or “Department”) Senior Trial Attorney Ryan H. Rainey, was sentenced to one year of probation and ordered to pay a \$3,000 fine for violating the federal criminal conflict of interest statute.

Previously, on June 14, 2006, Rainey pleaded guilty to violating the federal criminal conflict of interest statute. Rainey served as a Senior Trial Attorney in the DOJ Civil Rights Division, Special Litigation Section, from January 2002 through April 1, 2005. His responsibilities included investigating alleged civil rights abuses of persons confined in certain institutions owned or operated by, or on behalf of, state and local governments. Just preceding this employment he served as an Assistant United States Attorney in the District of Columbia for seven years.

On April 3, 2003, the DOJ Civil Rights Division opened an investigation into alleged civil rights abuses at a juvenile correctional facility located in Stockton, California. From its inception, Rainey served as lead counsel in the Department’s investigation. Rainey was recused from handling the matter on June 7, 2004, when his supervisors became aware of Rainey’s previously undisclosed conflict of interest. Specifically, Rainey admitted that, from February 2004 through June 2004, while serving as lead counsel in the Department’s civil rights investigation, he was negotiating for employment with the State of California to serve as a Special Master appointed to monitor and oversee the state’s reform of its juvenile facilities, including the facility that was the subject of the on-going DOJ probe. Rainey further admitted that he attempted to obstruct the Government’s investigation into his criminal conduct by lying to investigators and then contacting a witness in an effort to conceal his lie.

United States v. Taylor, Northern District of Illinois

Jerry D. Taylor, a former General Services Administration (“GSA”) employee, was sentenced on March 30, 2006, to five years of probation and ordered to pay \$28,000 in restitution for his role in a GSA bribery scheme. Taylor had previously pleaded guilty to mail fraud. Taylor admitted to receiving kickbacks from contractors, as well as outright bribery payments, in exchange for awarding the contractors valuable GSA contracts. The charges resulted from a five-year undercover investigation. During the course of the investigation, a total of nineteen defendants were charged and all have pled guilty. Taylor was the last of the defendants to be sentenced.

United States v. Walker, Northern District of California

Clarence Walker, a former Revenue Agent for the Internal Revenue Service, was sentenced to 40 months of imprisonment to be followed by 12 months of home confinement and a \$30,000 fine on November 28, 2006. Walker was convicted at trial of conspiracy and causing the failure to file Currency Transaction Reports (“CTRs”).

Despite his obligation to educate businesses about and ensure their compliance with the CTR laws and regulations, Walker entered into a conspiracy to hide cash transactions. Walker cashed and attempted to cash over \$500,000 in checks written by his co-conspirators at the businesses he monitored and instructed the owners of those businesses not to file CTRs. Walker received bribery payments from his co-conspirators in exchange for cashing checks in this manner. Through this conspiracy, Walker provided his co-conspirators with more than \$400,000 in cash through concealed means.

United States v. Zolik, District of Columbia

On December 12, 2006, Master Sergeant Pauline T. Zolik of the United States Army stationed in Seoul, Korea, pleaded guilty to making a false statement on a federal housing form. Zolik admitted that she made a false statement as to the value of a parcel of real estate on a form used by the Department of Housing and Urban Development (HUD). Specifically, Zolik admitted that she and her husband bought the real estate, located in Florida, during 1996 and sold it in 2003. In August 2004, on a HUD form used to provide and track information relating to real estate transactions, Zolik falsely stated that the sale price was \$40,000, when in fact it was \$115,000.

STATE AND LOCAL GOVERNMENT

At the end of 2006, twenty-one matters of alleged corruption involving state or local government were open in the Public Integrity Section. In 2006 the Section closed five such matters. Also during 2006, the Section prosecuted the following cases involving state or local corruption:

Alabama State Government Middle District of Alabama

United States v. Siegelman & Scruschy

On June 29, 2006, a jury convicted former Alabama governor Don Eugene Siegelman and former HealthSouth CEO Richard M. Scruschy of bribery, conspiracy, and fraud. Siegelman was also convicted of obstruction of justice.

Siegelman and Scruschy were both convicted of crimes arising from a bribery scheme in which Scruschy made two disguised payments totaling \$500,000 to Siegelman in exchange for a seat on a state regulatory board governing HealthSouth.

After a two-month trial, Siegelman was convicted on seven of the 33 counts against him: one count of federal program bribery, one count of conspiracy to commit honest services mail fraud, four counts of honest services mail fraud, and one count of obstruction of justice. Siegelman was acquitted on charges of racketeering, honest services wire fraud, extortion, obstruction of justice, and sixteen counts of honest services mail fraud.

Scruschy was convicted on all of the six counts with which he was charged: one count of federal program bribery, one count of conspiracy to commit honest services mail fraud, and four counts of honest services mail fraud. Siegelman's former Chief of Staff, Paul Hamrick, and his former Highway Director, Gary "Mac" Roberts, were acquitted.

Siegelman's obstruction of justice conviction arose from efforts to conceal a pay-for-play scheme in which he exchanged official acts and influence for cash, property, and services from Alabama businessman and consultant Clayton "Lanny" Young. Siegelman endeavored to mislead federal investigators by transferring funds in a sham transaction to conceal his receipt of property from Young.

The prosecution was jointly handled with the United States Attorney's Office, Middle District of Alabama.

United States v. Young

On November 14, 2006, Clayton “Lanny” Young was sentenced to two years of imprisonment, a \$25,000 fine, and three years of supervised release. Young previously pled guilty to conspiracy, tax fraud, and extortion, brought in two separate cases, for his role in a corruption scheme involving former Alabama Governor Don Siegelman.

United States v. Bailey

On November 14, 2006, Nicholas D. Bailey was sentenced to 18 months of imprisonment and three years of supervised release. Bailey previously pled guilty to two counts of conspiracy and one count of providing false tax information for his role in various corruption schemes involving former Alabama Governor Don Siegelman.

United States v. Kirsch

On November 16, 2006, William C. Kirsch was sentenced to five years of probation, one year of home confinement, and 200 hours of community service. Consideration was given in his sentencing for his substantial assistance in the broader investigation and because of his extreme ill health and his advanced age of 72. He had previously pled guilty to conspiracy.

In the late 1990s, Kirsch was an architect working in Alabama. His plea arose from a corrupt scheme by which Governor Siegelman and others entered into agreements including the awarding of a multi-million dollar construction contract to Alabama businessman and Siegelman associate Clayton “Lanny” Young.

United States v. Anderson, District of Alaska

On December 6, 2006, Thomas T. Anderson, a member of the Alaska State House of Representatives, was indicted on charges of extortion, bribery, conspiracy, and money laundering in connection with the use of a sham corporation to hide the identity of bribery payments. The indictment further alleges that Anderson solicited and received money from an FBI confidential source in exchange for Anderson’s agreement to perform official acts to further a business interest represented by the confidential source.

The indictment alleges that from July 2004 to March 2005, Representative Anderson, along with an individual identified as “Lobbyist A,” solicited and received \$26,000 in payments from an FBI confidential source, in exchange for Anderson’s agreement to take official acts as a member of the Alaska State Legislature. According to the indictment,

Anderson and Lobbyist A participated in the creation of a sham corporation to conceal the existence and true origin of the payments, and used the sham corporation to funnel a portion of the \$26,000 to Anderson.

This case is being handled jointly by the Public Integrity Section and the U.S. Attorney's Office in the District of Alaska.

United States v. Armstrong, Huff, and Thompson, Northern District of Alabama
(Middle Division)

On August 17, 2006, three defendants pleaded guilty to participating in a bribery and honest services wire fraud conspiracy. The charges arise from Operation Costly Influence, a covert investigation conducted by the Federal Bureau of Investigation (FBI). The defendants, Jimmy L. Armstrong and Fred L. Huff, were members of the Gadsden City Council, and Larry R. Thompson, was a private political consultant.

The charges relate to a bribery scheme in which Thompson, working with an individual who was cooperating with the FBI, made cash payments to influence and reward members of the Gadsden City Council for their votes in connection with a real estate development. They both cast votes that aided a mixed-use real estate development along the banks of the Coosa River in Gadsden. Armstrong and Huff admitted to accepting \$800 and \$1,800 respectively for their votes supporting this development.

United States v. Cathy E. Back, Northern District of Alabama
(Middle Division)

In a related case, on August 29, 2006, Cathy E. Back, the former Director of the Gadsden Commercial Development Authority, pleaded guilty to bribery and honest services wire fraud conspiracy. Back, who worked with Larry Thompson, admitted that she conspired with Thompson to offer cash payments to four Members of the Gadsden City Council with the intent to influence and reward them in connection with a real estate development in Gadsden. They attempted to disguise the nature of the cash payments by describing them as "campaign contributions." Back also admitted that she allowed a witness, who was cooperating with the FBI, to leave cash intended for Thompson in her office.

United States v. Brewley, Griffin, & Modeste, District of the Virgin Islands

On September 26, 2006, Hollis L. Griffin, the former Director of the U.S. Virgin Islands Department of Planning and Natural Resources (DPNR), Division of Environmental Protection, pleaded guilty to conspiring to defraud the Virgin Islands government of over \$1.4 million in federal and local funds in an elaborate bribery and kickback scheme. Previously,

on July 12, 2006, Earl Brewley and Esmond Modeste pleaded guilty to these same charges. Brewley was a former Virgin Islands fire service employee and Modeste was the purported project manager of a fictitious company by the name of Elite Technical Services (Elite).

In early 2000 and continuing for five years, Griffin, Brewley, Modeste, and others formed Elite and used the fictitious company, as well as other companies, to seek and obtain awards on at least seven government contracts. These contracts were awarded by DPNR and the Virgin Islands Department of Property and Procurement (DP&P) on behalf of DPNR and the Virgin Islands fire service. Although little or no actual work was performed on the contracts, payments totaling over \$1.1 million were made to Elite and the other companies. Once these contract proceeds were paid, Brewley, Modeste, and others paid bribes and kickbacks totaling between \$300,000 and \$350,000 to at least four territorial government officials including Griffin.

United States v. Jackson, Eastern District of Louisiana

On June 8, 2006, Gilbert Jackson was sentenced to 27 months of imprisonment followed by three years of supervised release, a \$5,000 fine, and \$179,380 in restitution to the IRS. He had previously pleaded guilty to one count of tax evasion. Jackson admitted that he knowingly and willfully failed to pay income taxes on consulting income totaling in excess of \$504,000.

Jackson further admitted that Nathaniel Gray, an Ohio business man, and businesses owned by Mr. Gray paid Mr. Jackson approximately \$145,150 of those unreported funds. The payments Gray and his businesses made to Jackson were in large part from the participation of Jackson in the activities for which both men were convicted along with others on charges of RICO conspiracy, Hobbs Act extortion, and honest services mail and wire fraud. This case is one of several stemming from a multi-district probe of public corruption by city officials relating to contracting services in Cleveland, East Cleveland, New Orleans, and Houston.

In addition to tax charges, Jackson was convicted of RICO conspiracy, Hobbs Act extortion, and honest services mail and wire fraud. He was sentenced to 82 months of imprisonment, which runs concurrently with his June 2006 sentence, and ordered to pay \$100,000 in restitution to the City of Cleveland based on this conviction.

United States v. Thacker, Southern District of Texas

On January 18, 2006, Floyd Gary Thacker pleaded guilty to conspiracy to engage in honest services mail and wire fraud. Thacker is the owner of Thacker Operating Company, an Atlanta-based construction and building services company, that provided energy-related services for municipal governments in Houston and Atlanta.

Thacker admitted that he established personal relationships with public officials in Atlanta and the former Director of Building Services in Houston. Between December 1998 and July 2000, Thacker provided Atlanta public officials with secret cash payments, meals, entertainment, and trips totaling over \$55,000, in exchange for favorable influence for Thacker's company seeking to do business in Atlanta. Between June 2002 and December 2002, Thacker established a similar relationship with Monique McGilbra, then Director of Building Services for the City of Houston, and provided her with cash, gifts, meals, and trips in hopes of obtaining government contracts. In April 2003, Thacker signed a Master Agreement with the City of Houston for his company to provide energy services to Houston. Thacker cooperated with the United States Attorney's Office in Atlanta and the Public Integrity Section.

United States v. Pagan-Santini and Marquez-Figueroa, District of Puerto Rico

On June 14, 2006, the convictions were affirmed for Rafael Pagan-Santini, a doctor licensed to practice medicine in Mexico, and Hector Luis Marquez-Figueroa, a lawyer licensed to practice in Puerto Rico who was employed as General Counsel in a multi-national health care business owned and controlled by defendant Yamil Kouri. They were previously convicted for conspiring to obstruct justice, commit perjury, and suborn perjury in connection with a federal grand jury investigation and the subsequent criminal trial of Kouri, et al. The Kouri case involved allegations of theft of \$1.4 million in government funds from the San Juan Aids Institute. Among the expenditures from these funds were payments for bribes to public officials. They were previously sentenced to eighteen months of imprisonment each.

United States v. Reynolds, Southern District of West Virginia

On August 30, 2006, Mark Anthony Reynolds, an unsuccessful candidate for the West Virginia State Senate, was re-sentenced on remand to eight years of imprisonment, three years of supervised release, and restitution of \$32,000 following his trial conviction for wire fraud and obstruction of justice.

Reynolds and co-defendant Carl R. Mapel, Jr., were charged with a "rainmaking" scheme in which Mapel and Reynolds falsely claimed they were purchasing favorable official action on a federal criminal defendant's sentencing before a United States District Court Judge. Mapel and Reynolds took \$32,000 from the defendant in the underlying case as either purported bribe payments or as legal fees for Mapel's unlicensed representation.

Mapel, who appeared as the federal criminal defendant's attorney and negotiated a guilty plea accepted by the Court, had repeatedly demanded \$50,000 during recorded interstate telephone calls to fix the defendant's sentencing. Mapel traveled from Arizona to Pineville, West Virginia, where he took \$9,000 in FBI funds immediately prior to his arrest. Mapel pled guilty and was sentenced to 66 months of imprisonment, three years of supervised

release, a fine of \$2,000, as well as joint responsibility for the \$32,000 in restitution. He died in prison shortly after he began to serve his sentence.

Reynolds, who had previously demanded at least \$250,000 to fix the defendant's case and who acted as Mapel's paralegal and assisted Mapel with filings in the defendant's case, took \$9,000 in FBI funds to effect this scheme.

United States v. Rickenbacker, District of South Carolina

John H. Rickenbacker, the former Chairman of the Orangeburg County Council, South Carolina, pled guilty to bribery and extortion under color of official right on December 19, 2006.

Rickenbacker, who succeeded to the position of Chairman of the Council, admitted receiving bribes totaling \$50,000 between December 2005 and May 2006. The payments were made by an undercover FBI agent posing as a consultant to a company interested in acquiring the Regional Medical Center of Orangeburg and Calhoun Counties. Rickenbacker admitted that in exchange for the money, he provided the undercover FBI agent with a copy of a valuation report analyzing the financial condition of the hospital. The report had been prepared at the request of the Orangeburg County Council and would assist the company as it prepared to bid on the hospital. Rickenbacker also agreed to provide the necessary political support to get the sale approved by the Orangeburg County Council.

This case was handled jointly with the United States Attorney's Office, District of South Carolina.

United States v. Vazquez-Botet & Morell-Corrada, San Juan, Puerto Rico

A federal jury in San Juan, Puerto Rico returned guilty verdicts on 11 of 14 charges against defendants Rene Vazquez-Botet and Marcos Morell-Corrada, including conspiracy, extortion, and tax fraud on November 3, 2006. Vazquez-Botet held campaign leadership positions for the Governor of the political party that controlled the executive branch in Puerto Rico from 1992-2000. Morell-Corrada served as the Secretary-General of the same political party as Vazquez from 1991 until his resignation in 1996.

Beginning in early 1995, the defendants, together with Jose Granados-Navedo, the Vice President of the Puerto Rico House of Representatives, extorted money from a group of contractors in Puerto Rico who ultimately obtained sub-contracts as part of construction of a public works project costing \$372 million that included a 40-mile water pipe from Northwest Puerto Rico to San Juan. Vazquez-Botet, Morell-Corrada and Granados-Navedo demanded more than \$2 million from the contractors for assistance in securing and preserving their sub-contracts.

Under the extortion scheme, Vazquez-Botet demanded and received cash payments totaling over \$300,000 and directed that additional payments be made to third parties totaling approximately \$60,000 before the scheme was terminated prematurely in May 1999. Morell-Corrada demanded and received approximately \$125,000 until May 1999, mostly under the guise of a sham retainer agreement for legal services. Jose Granados-Navedo had pled guilty to conspiracy prior to indictment for his role in the scheme to extort money from the local contractors. Granados-Navedo admitted that \$175,00 in payments were made to himself and to third parties during the scheme.

United States v. Woodward & Jordan, Northern District of Alabama

On April 11, 2006, Jimmy Woodward, the former Jefferson County Sheriff, and Albert Jordan, a partner with the law firm of Wallace, Jordan, Ratliff & Brandt, L.L.C., were each sentenced to six months of probation and ordered to pay a fine of \$500 for conspiring to illegally run background checks on absentee voters. A federal jury had previously convicted them on the following charges: conspiracy to defraud the United States, illegal conversion of government records for personal use, and conduct that was misleading towards potential witnesses with the intent to influence future testimony. Woodward was also convicted of illegally converting government information to his own use and Jordan was convicted of receiving and retaining converted government information.

On November 3, 1998, Woodward, as the incumbent Jefferson County Sheriff, lost his election to challenger Mike Hale by 37 votes. Woodward challenged the election and hired Jordan to represent him. As part of the challenge, Jordan filed pleadings that alleged convicted felons, who were ineligible to vote, had cast absentee ballots for Hale in the cities of Bessemer and Birmingham. Jordan and Woodward directed Jefferson County Sheriff's Department personnel to use a criminal database to conduct blanket criminal history searches on the absentee voters.

Media reports soon appeared that indicated that law enforcement personnel were conducting indiscriminate criminal history checks of private citizens. To conceal this illegal activity, Woodward falsely alleged to the media and other law enforcement agencies that District Attorney David Barber had authorized the blanket checks as part of a valid criminal investigation of voter fraud. Woodward then initiated a voter fraud task force to further conceal his misuse of public office.

FEDERAL ELECTION CRIMES

As described in Part I, during 2006 the Public Integrity Section continued its nationwide oversight of the handling of election crime investigations and prosecutions. The Section also continued to assist in the implementation and execution of the Department's Ballot Access and Voting Integrity Initiative. The purposes of this ongoing Initiative are to increase the Department's efforts to deter and prosecute election crimes, and to protect voting rights. As a result of the Initiative, during 2006 the number of election crime matters investigated by federal prosecutors and investigators throughout the country continued to increase, as did the Section's operational involvement in election crime matters. At the end of 2006, the Section was supervising and providing advice on 224 election crime matters nationwide. The Section also concurred in the closing of an additional 10 election crime matters nationwide during the year. As of December 31, 2006, 19 matters involving possible election crimes were pending in the Section.

United States v. Dugatkin and Dugatkin, District of Columbia

William Dugatkin and Blanche Dugatkin were sentenced on February 8, 2006, in connection with their guilty pleas to making fraudulent misrepresentations for the purpose of soliciting of campaign contributions for a bogus fundraiser related to the 2004 presidential campaign of former Congressman Richard A. Gephardt. They were initially indicted on charges of wire fraud and attempted wire fraud and were subsequently charged by information with making fraudulent misrepresentations to solicit contributions and conspiring to make these misrepresentations.

William Dugatkin was sentenced to one year of probation and 100 hours of community service and Blanche Dugatkin was sentenced to two years of probation, 100 hours of community service, and certain employment restrictions. The sentences were the first imposed under a new anti-fraud provision of the Federal Election Campaign Act enacted as part of the Bipartisan Campaign Reform Act of 2002.

The information alleged that the defendants, acting under the aliases Bill Baulding and Jade Newhart, and through a company they controlled called Never Stop Dreaming, Inc., fraudulently misrepresented themselves as authorized to act for Congressman Gephardt's presidential campaign for the purpose of soliciting contributions to a Gephardt fundraiser at the National Museum for Women in the Arts in Washington, DC. In fact, neither Congressman Gephardt nor his campaign had ever heard of the defendants or their company, and no one on the campaign had authorized the fundraiser. Ultimately, the fundraiser did not take place.

United States v. LeBlanc, District of Columbia

On March 24, 2006, David B. LeBlanc, former President and CEO of a private health care company located in Plano, Texas, pleaded guilty to illegally contributing approximately \$50,000 in corporate money over a five-year period to federal political campaigns in violation of the Federal Election Campaign Act. LeBlanc agreed to pay a \$100,000 penalty to the Federal Election Commission.

During approximately April 1997 through December 2002, LeBlanc and the company's Director of Government Relations, Donald M. Boucher, obtained corporate funds and then used those funds to make approximately \$50,000 in prohibited corporate contributions to political committees, using their individual names. LeBlanc obtained funds for these contributions, in part, by his approving periodic bonus payments for Boucher, a portion of which Boucher would return to LeBlanc.

United States v. Boucher, District of Columbia

In a related case, Donald M. Boucher, Director of Government Relations for the private health care company discussed above, pled guilty on May 15, 2006, to causing the submission of false statements to the Federal Election Commission (FEC). Boucher, who reported to the President of the company, David LeBlanc, worked with LeBlanc in funneling corporate money, under the guise of using their own names, to federal political campaigns. Boucher subsequently caused numerous political committees to submit materially false statements to the FEC because these committees were not identifying the company as the true source of these contributions.

United States v. Thomas, District of Columbia

Jack Thomas, former Campaign Manager for the Robert Lamutt for Congress Committee, was sentenced to \$42,000 in restitution, six months of home confinement with electronic monitoring, and four years of probation. Thomas had previously pled guilty to mail fraud.

The Committee, which was federally registered, raised money to support the 2004 candidacy of Georgia State Senator Robert Lamutt for the United States House of Representatives in the 6th District of Georgia. In his capacity as Campaign Manager, Thomas supervised the day-to-day operations of the Committee's activities and its employees and was ultimately responsible for the Committee's finances, including collecting and recording political contributions to the committee and reporting this information to the Federal Election Commission (FEC) in accordance with its rules and regulations.

Thomas admitted that, between September 2003 and February 2004, he wrote unauthorized campaign checks to himself and others, including his wife and brother, and withdrew funds from the Committee's bank account for personal expenses through the use of a secret bank debit card. He claimed to have forged the candidate's signature on most of these checks. In total, Thomas stole over \$40,000 from the Committee. These check payments and credit charges were not authorized by the candidate, members of the campaign, or the Committee. They were also concealed and not reported to the FEC on the pertinent forms that Thomas prepared and mailed from the Committee's office to the FEC.

United States v. Tobin, District of New Hampshire

On December 15, 2005, a federal jury convicted James Tobin, the former New England Regional Director of the Republican National Committee of charges stemming from a scheme to disrupt phone service to five Democratic Party offices and a firefighters' ride-to-the-polls program on Election Day in November 2002. He was convicted of conspiring to commit interstate telephone harassment and making repeated and continuous interstate phone calls with intent to harass.

On May 18, 2006, Tobin was sentenced to 10 months of imprisonment to be followed by two years of supervised release, and a fine of \$10,000.

The prosecution was jointly handled by the Criminal Division's Computer Crime and Intellectual Property Section as well as the Public Integrity Section.

United States v. Hansen, District of New Hampshire

In a related case, on November 16, 2006, Shaun Hansen pled guilty to conspiring to commit interstate telephone harassment, and to making repeated and continuous interstate phone calls with intent to harass.

The prosecution was jointly handled by the Criminal Division's Computer Crime and Intellectual Property Section as well as the Public Integrity Section.

PART III

NATIONWIDE FEDERAL PROSECUTIONS OF CORRUPT PUBLIC OFFICIALS

INTRODUCTION

The tables in this section of the Report reflect data that is compiled from annual nationwide surveys of the United States Attorneys' Offices by the Public Integrity Section.

As discussed in Part I, most corruption cases are handled by the local United States Attorney's Office in the district where the crime occurred. However, on occasion outside prosecutors are asked either to assist the local office on a corruption case, or to handle the case entirely as a result of recusal of the local office due to a possible conflict of interest. The figures in the following tables include all public corruption prosecutions within each district.

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TABLE II: Progress Over the Past Two Decades:
Nationwide Federal Prosecutions of Corrupt Public Officials

TABLE III: Federal Public Corruption Convictions by District
Over the Past Decade

TABLE I
NATIONWIDE FEDERAL PROSECUTIONS
OF CORRUPT PUBLIC OFFICIALS
IN 2006

Federal Officials

Charged	463
Convicted	407
Awaiting Trial	112

State Officials

Charged	101
Convicted	116
Awaiting Trial	38

Local Officials

Charged	291
Convicted	241
Awaiting Trial	141

Others Involved

Charged	295
Convicted	266
Awaiting Trial	148

Totals

Charged	1,150
Convicted	1,030
Awaiting Trial	439

TABLE II

**PROGRESS OVER THE LAST TWO DECADES:
NATIONWIDE FEDERAL PROSECUTIONS OF CORRUPT PUBLIC OFFICIALS**

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
FEDERAL OFFICIALS										
Charged	651	629	695	615	803	624	627	571	527	456
Convicted	545	529	610	583	665	532	595	488	438	459
Awaiting Trial as of 12/31	118	86	126	103	149	139	133	124	120	64
STATE OFFICIALS										
Charged	102	66	71	96	115	81	113	99	61	109
Convicted	76	69	54	79	77	92	133	97	61	83
Awaiting Trial as of 12/31	26	14	18	28	42	24	39	17	23	40
LOCAL OFFICIALS										
Charged	246	276	269	257	242	232	309	248	236	219
Convicted	204	229	201	225	180	211	272	202	191	190
Awaiting Trial as of 12/31	89	79	122	98	88	91	132	96	89	60
PRIVATE CITIZENS INVOLVED IN PUBLIC CORRUPTION OFFENSES										
Charged	277	303	313	208	292	252	322	247	227	200
Convicted	256	240	284	197	272	246	362	182	188	170
Awaiting Trial as of 12/31	135	109	109	71	67	126	99	95	91	80
TOTALS										
Charged	1,276	1,274	1,348	1,176	1,452	1,189	1,371	1,165	1,051	984
Convicted	1,081	1,067	1,149	1,084	1,194	1,081	1,362	969	878	902
Awaiting Trial as of 12/31	368	288	375	300	346	380	403	332	323	244

TABLE II (continued)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Totals
FEDERAL OFFICIALS											
Charged	459	442	480	441	502	478	479	424	445	463	10,811
Convicted	392	414	460	422	414	429	421	381	390	407	9,574
Awaiting Trial as of 12/31	83	85	101	92	131	119	129	98	118	112	2,230
STATE OFFICIALS											
Charged	51	91	115	92	95	110	94	111	96	101	1,869
Convicted	49	58	80	91	61	132	87	81	94	116	1,670
Awaiting Trial as of 12/31	20	37	44	37	75	50	38	48	51	38	709
LOCAL OFFICIALS											
Charged	255	277	237	211	224	299	259	268	309	291	5,164
Convicted	169	264	219	183	184	262	119	252	232	241	4,230
Awaiting Trial as of 12/31	118	90	95	89	110	118	106	105	148	141	2,064
PRIVATE CITIZENS INVOLVED IN PUBLIC CORRUPTION OFFENSES											
Charged	292	364	302	256	266	249	318	410	313	295	5,706
Convicted	243	278	306	242	261	188	241	306	311	266	5,039
Awaiting Trial as of 12/31	106	128	89	109	121	126	139	168	136	148	2,252
TOTALS											
Charged	1,057	1,174	1,134	1,000	1,087	1,136	1,150	1,213	1,163	1,150	23,550
Convicted	853	1,014	1,065	938	920	1,011	868	1,020	1,027	1,030	20,513
Awaiting Trial as of 12/31	327	340	329	327	437	413	412	419	453	439	7,255

TABLE III

**FEDERAL PUBLIC CORRUPTION CONVICTIONS BY DISTRICT
OVER THE PAST DECADE**

U.S. Attorney's Office	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Totals
Alabama, Middle	6	4	2	3	9	7	6	7	9	11	64
Alabama, Northern	4	1	17	9	15	11	6	4	17	33	117
Alabama, Southern	9	0	6	0	2	10	2	2	0	7	38
Alaska	3	1	4	16	6	5	0	0	1	3	39
Arizona	8	5	7	8	1	4	10	9	48	16	116
Arkansas, Eastern	4	4	5	7	0	0	18	18	4	8	68
Arkansas, Western	1	1	0	1	0	3	1	0	0	2	9
California, Central	58	39	58	31	33	35	45	22	42	36	399
California, Eastern	17	18	17	18	18	20	20	39	30	18	215
California, Northern	7	14	9	18	3	4	5	14	3	4	81
California, Southern	2	4	4	7	12	5	5	2	10	7	58
Colorado	0	2	1	3	22	16	7	8	11	4	74
Connecticut	4	6	8	8	14	3	12	8	24	11	98
Delaware	1	4	2	1	8	7	3	5	2	7	40
District of Columbia	32	72	60	46	43	44	20	33	15	25	390
Florida, Middle	15	12	24	28	8	9	14	10	13	39	172

TABLE III (continued)

U.S. Attorney's Office	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Totals
Florida, Northern	8	5	4	8	5	5	4	2	5	17	63
Florida, Southern	31	79	106	71	83	38	37	78	24	27	574
Georgia, Middle	6	3	2	2	11	1	8	4	7	3	47
Georgia, Northern	Not Reported	1	6	Not Reported	10	26	12	9	21	6	91
Georgia, Southern	38	6	3	0	3	6	1	0	4	0	61
Guam & NMI	7	6	7	19	19	13	16	9	5	2	103
Hawaii	4	6	2	3	2	10	4	14	4	5	54
Idaho	3	7	5	5	4	7	4	3	1	1	40
Illinois, Central	7	8	2	3	2	5	5	14	3	6	55
Illinois, Northern	55	55	53	49	24	19	54	22	51	30	412
Illinois, Southern	2	4	5	7	4	6	1	6	20	2	57
Indiana, Northern	14	3	8	7	4	4	10	13	9	5	77
Indiana, Southern	4	4	1	4	2	2	10	4	5	4	40
Iowa, Northern	1	3	2	0	0	1	1	1	3	0	12
Iowa, Southern	0	1	0	0	0	2	8	1	1	2	15
Kansas	3	3	6	8	5	6	0	5	3	0	39
Kentucky, Eastern	11	8	17	25	15	25	22	27	10	23	183
Kentucky, Western	4	6	8	0	2	2	4	1	4	4	35
Louisiana, Eastern	24	17	19	18	20	19	17	29	26	26	215

TABLE III (continued)

U.S. Attorney's Office	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Totals
Louisiana, Middle	4	13	3	2	6	2	2	0	8	13	53
Louisiana, Western	11	9	2	3	6	9	6	1	4	10	61
Maine	4	0	0	5	2	0	5	2	3	4	25
Maryland	3	5	7	8	8	6	12	28	17	36	130
Massachusetts	12	27	21	6	15	8	22	17	15	28	171
Michigan, Eastern	10	14	18	7	18	14	10	17	11	13	132
Michigan, Western	3	0	8	4	9	10	14	13	11	12	84
Minnesota	1	14	8	4	8	8	3	9	3	6	64
Mississippi, Northern	3	0	42	9	5	7	14	9	5	5	99
Mississippi, Southern	4	8	17	14	19	13	13	5	0	2	95
Missouri, Eastern	7	15	16	3	4	10	3	4	8	12	82
Missouri, Western	18	1	10	9	6	3	7	6	13	8	81
Montana	1	4	5	16	3	13	2	7	1	8	60
Nebraska	1	0	0	0	0	1	2	2	4	3	13
Nevada	1	7	9	6	5	6	6	0	0	3	43
New Hampshire	0	1	1	2	0	5	3	0	2	0	14
New Jersey	21	58	43	28	28	28	41	44	39	47	377
New Mexico	Not Reported	0	Not Reported	7	2	2	2	5	3	6	27
New York, Eastern	39	17	18	21	10	38	7	25	31	20	226

TABLE III (continued)

U.S. Attorney's Office	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Totals
New York, Northern	9	9	9	8	11	5	22	16	11	9	109
New York, Southern	43	61	33	48	34	33	28	28	28	16	352
New York, Western	11	3	7	4	13	6	6	7	12	6	75
North Carolina, Eastern	9	5	4	0	7	4	9	18	2	20	78
North Carolina, Middle	4	8	7	4	5	12	6	0	3	2	51
North Carolina, Western	8	3	3	5	1	3	5	7	8	2	45
North Dakota	5	6	0	2	2	5	16	5	9	2	52
Ohio, Northern	29	90	25	36	34	29	28	32	28	31	362
Ohio, Southern	11	10	29	20	17	21	9	26	21	12	176
Oklahoma, Eastern	3	7	3	2	10	0	0	0	2	5	32
Oklahoma, Northern	4	4	2	3	2	5	3	0	2	3	28
Oklahoma, Western	1	0	7	4	0	2	1	4	17	10	46
Oregon	0	1	3	4	3	1	3	0	4	6	25
Pennsylvania, Eastern	35	25	37	30	36	57	57	26	26	30	359
Pennsylvania, Middle	14	7	12	14	20	9	13	12	19	27	147
Pennsylvania, Western	2	4	8	7	5	6	4	3	11	10	60
Puerto Rico	2	0	13	10	9	101	24	31	6	20	216
Rhode Island	2	1	3	5	2	6	0	2	4	2	27
South Carolina	6	13	11	13	8	5	8	8	0	3	75
South Dakota	7	7	1	2	2	4	3	2	3	13	44

TABLE III (continued)

U.S. Attorney's Office	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Totals
Tennessee, Eastern	6	Not Reported	4	3	2	9	8	6	9	7	54
Tennessee, Middle	1	0	6	0	0	4	6	8	5	9	39
Tennessee, Western	13	7	12	8	13	8	11	16	22	19	129
Texas, Eastern	2	9	3	4	14	5	5	8	5	3	58
Texas, Northern	26	7	9	6	3	13	33	14	22	16	149
Texas, Southern	34	22	31	29	30	10	17	11	25	21	230
Texas, Western	2	15	10	5	15	21	16	27	17	9	137
Utah	5	2	5	2	2	8	5	0	6	1	36
Vermont	0	1	2	2	2	0	3	0	2	0	12
Virgin Islands	5	8	11	6	4	6	2	2	2	8	54
Virginia, Eastern	9	32	17	22	22	17	8	21	23	38	209
Virginia, Western	2	2	8	7	3	13	3	16	2	13	69
Washington, Eastern	1	0	1	1	0	3	2	3	6	1	18
Washington, Western	6	10	10	16	10	3	1	15	7	1	79
West Virginia, Northern	1	1	3	0	0	0	0	0	3	0	8
West Virginia, Southern	2	8	3	6	3	4	8	10	14	9	67
Wisconsin, Eastern	6	11	4	8	10	10	8	10	18	11	96
Wisconsin, Western	0	0	0	4	3	0	3	3	2	5	20
Wyoming	3	0	1	1	0	0	2	1	8	0	16