US Attorneys Roundtable

NAPABA Conference
November 7, 2015
Agenda

• Introduction
• The Districts and U.S. Attorneys
• The Appointment Process
• Trends & Cases
• Policies
• Conclusion
Introduction

• US Attorneys are the “local” office for the Department of Justice
  • District have a large geographic footprint, large population
• Post-financial crises, there is a renewed focus on criminal and civil enforcement
• Provide information on:
  • US Attorneys
  • Trends
  • Cases
  • Better understand the offices
  • Familiarity in resolving cases
US Att’y for S.D. Ohio: Carter Stewart

• Appointed in 2009
• US Attorney for S.D. Ohio
  • District covers the southern half of Ohio, including Columbus, Dayton, Cincinnati
  • Population of over 5 million
• Member of AG’s Advisory Committee
• Child Exploitation Working Group
U.S. Att’y for D. Hawai’i: Florence Nakakuni

- Appointed in 2009
- US Attorney for D. Hawaii
  - District covers Hawaii
  - Population of 1.4 million
  - Over 150,000 square miles of protected federal lands and ocean
- Over 35 years in federal service
US Atty. For D. Guam & N. Mariana Islands: Alicia Anne Garrido Limtiaco

- Appointed in 2010
- Jurisdiction cover D. Guam and D. N.M.I.
  - Population of over 210,000
  - Includes 8 pacific islands
  - 750 sq. miles and over 350,000 sq. miles of territorial waters
- Former A.G. of Guam
The U.S. Attorney Appointment Process

• What attracted you to the position
  • Public service
  • Management
  • Prosecutorial discretion
  • Wide-angle Impact

• Like most federal positions, an open application process
• Approved by home state Senator
• Vetted by DOJ
• Appointed by President
Getting Noticed

• Reputation as lawyer
  • Civil v. criminal

• Experience in federal service

• Relationships
  • With Senate staff
  • With the presidential administration
  • With state government
The Application

• Detailed FBI background check
• Voluminous and detailed disclosures
  • Every place you have lived
  • Every case you have litigated
  • Every place you have worked
    • Every supervisor you had
  • Every speech you’ve made, every writing you have published
• Recommendations
The Home State Interview: Hawaii

• Staff Interview
  • Detailed inquiry into past work performance
  • Making sure had substantial litigation experience
  • Relationships

• Sen. Inouye Interview

• Sen. Akaka Interview
The Home State Interview: S.D. Ohio

• Vetting by Sen. Brown Staff
• Judicial appointment panel interview
  • Over a dozen prominent attorneys from the N.D. Ohio
  • Competitive interview process
  • Detailed inquiry into background and work history
• Sen. Brown Interview
• Sen. Voinovich
  • Management experience
  • Record as AUSA and in private practice
The Home State Interview: D. Guam & N.M.I.
DOJ Interviews

• Staff Interview
  • Background and Work History
  • David Margolis
    • Policy questions
    • Legal heroes

• AG Interview
  • Questions about background
  • Skeletons
  • Ideas for the Office
Appointment Takeaways

• Keep great historical records
• Disclose everything up front
  • Policy position at odds with current administration
  • Prior indiscretions
• Reputation and standing in local community matters a lot
Trends & Cases

• National Security
• Environmental
• Public Corruption
• Human Trafficking
• White Collar Cases
• Drugs & Violent Crime
National Security

- Every district’s top priority
- Terrorism
- Foreign intelligence officers
- Industrial espionage
National Security: Cases: Ohio

• United States v. Abdirahman Mohamud
  • 23 year old Columbus resident
    • Charged with providing material support to terrorists
    • Travelled to Syria to obtain terrorist training
    • Instructed to return to U.S. to commit an act of terrorism

• United States v. Cornell
  • 21 year old Cincinnati resident
    • Charged with attempting to provide material support to ISIL
National Security: Cases: Hawaii

• United States v. Noshir Gowanda
  • Stealth bomber engineer with Northrup
  • Selling defense information to China and other countries
  • Assisted PRC in designing a low observable cruise missile exhaust system nozzle capable of rendering missile less susceptible to detection and interception
  • 17 counts including espionage, conspiracy, money laundering, and tax offenses
  • Serving 32 year federal sentence
National Security: Cases: Hawaii

• United States v. Benjamin Bishop
  • 59 year old Hawaii resident
  • Lt. Col in Army Reserve
  • Charged with disclosing classified information to 27 year old Chinese graduate student with whom he had a romantic relationship
  • Information relating to nuclear weapons systems, early-warning radar systems and other U.S. Defense programs
  • 87 month sentence
National Security: Cases: Guam & N.M.I.
National Security: Trends

• Increased military resources in the Pacific
  • More foreign intelligence activity
  • Industrial espionage

• Terrorism
  • Traveler cases
  • Domestic radicalization
  • Use of social media
    • Terrorist propaganda is slick, targeted, and appealing to youth
Environmental: Cases: Guam & N.M.I.
Environmental: Cases: Hawai‘i

• **Matson Terminals, Inc.**
  - Underwater pipe that transported molasses to disposal area
  - Pipe was leaky
  - 233,000 gallon molasses spill in September 2013
  - Killed more than 25,000 fish and other marine life
  - Agreement to pay $1 million restitution

• **Keoje Marine Co., Ltd.**
  - Chief Engineer of an oil tanker and assistant engineer were convicted of dumping oily waste into Hawaii waters
  - $1.15 million criminal penalty, $250k to Nation Fish and Wildlife Foundation to support projects to protect and restore marine resources

• **Hawaiian Accessories Inc.**
  - A Hawaii company, its owner, and other employees were indicted in June 2015 for conspiracy to smuggle: walrus ivory carvings; whale bone carvings; and black coral carvings
  - Trial set for 2016
Environmental: Cases: Ohio

• United States v. Daniels
  • Defendants New Energy Fuels and Chieftan Biofuels purported to produce biodiesel, which would have earned tradeable energy credits and tax credits worth $1 per gallon.
  • Defendants were not producing biodiesel, but a cheaper, lower quality fuel known as “cutter” or “bunker.”
    • Improperly claimed $7 million in tax credits; $15 million in tradeable energy credits

• United States v. Beatty
  • First prosecution under Native American Grave Protection Act in Southern Ohio.
  • 4 Defendants charged with digging up Native American bones and artifacts
Environmental: Trends

• Interagency coordination and community outreach
  • Resulting in more effective environmental enforcement.
    • Example: Coast Guard

• Large scale agriculture may result in significant adverse effects
  • Fertilizer and manure run-off

• Illegal harvesting of fish
  • Ohio River: harvesting of paddlefish and catfish for roe is endemic.
  • Coordination is difficult due to differing state laws covering this activity

• Oil spills and pollution
  • Fracking boom
Public Corruption: Cases: Ohio

• United States v. Amer Ahmad
  • Former Deputy Treasurer to State of Ohio, pleaded guilty to federal program bribery and conspiracy
  • Ahmad directed brokerage work for the Ohio treasury to Douglas Hampton, a securities broker in return for payments.
  • Hampton received $3.2 million in commissions
  • Ahmad and other co-conspirators received $500k from Hampton
  • Fled to Pakistan
  • Awaiting extradition
Public Corruption: Cases: Hawai’i

• Ofc. Roddy Tsunezumi
  • Former HPD police officer
  • Extortion and protection racket relating to local businesses
  • 33 months

• Ofc. Feso Malufau
  • Conspired to smuggle meth through USO Family prison gang
  • 97 months
Public Corruption: Cases: Guam
Public Corruption: Trends

• Increased use of camera phones and surveillance video making public corruption cases more viable
  • “Under color of law” – no longer officers words against victim
• Uptick in bribery involving federal programs
  • Usually involving large dollar amounts to incentivize public officials
Human Trafficking: Cases: Guam & N.M.I.
Human Trafficking: Cases: Hawai‘i

• Mac Farms, Kauai Coffee Co., Kelena Farms, Captain Cook Coffee
  • Enforcement action brought in conjunction with EEOC
  • Over 500 Thai workers
  • Debt bondage, unsanitary conditions, threats of violence
  • One of largest labor trafficking cases in U.S.
  • $2.4 million settlement

• Rodney D. King
  • Sex trafficking case involving minors and adults
  • 25 year sentence
Human Trafficking: Cases: Ohio

• United States v. Arrick
  • Father and son advertised services for prostitutes
  • Coerced victims through heroin, threats of force
  • Son serving 10 year sentence
  • Father serving 13 year sentence

• United States v. Alexander
  • 16 year old victim introduced by Thomasina Howard to sex trafficker (Valerio Alexander) in exchange for drugs
  • Trafficker took photos of the victim and posted on sex services website, backpage.com
  • Victim was made to engage in intercourse for money at trafficker’s direction
  • 15 year prison sentence
Human Trafficking: Trends

• Increasing understanding of sex trafficking, with sex workers being viewed as victims, rather than perpetrators
  • Greater number of cases being investigated and prosecuted

• Better investigative techniques and coordination
  • Uncovering organized crime’s involvement in trafficking
  • More international cooperation
    • Thai Judges and Prosecutors
White Collar: Cases: Ohio

• United States v. Harrison
  • Fraud case involving scam product OXY Water, similar to Vitamin Water
  • Victims included: R&B artist Ne-Yo, Greg Jennings (NFL), other professional athletes
  • Defendants used investors funds to support lavish lifestyle
  • Victims lost over $9 million

• United States v. Zafar
  • $10.1 million fraud scam involving investments into purported Pakistani real estate
  • Defrauded over $3.5 million from employees of the Miami Heat
  • 72 month sentence
White Collar: Cases: Guam & N.M.I.
White Collar: Cases: Hawai’i

• Mahealani Ventura Oliver
  • Hawaiian woman who ran a charitable organization focused on benefitting Native Hawaiians
  • Defrauded $468k in mortgage, credit card, and debt elimination scams
  • 6 ½ year sentence

• George Lindell and Holly Hoaeae
  • Ponzi scheme involving $26 million invested by 166 Maui residents.
  • Over $9 million lost in scheme.
  • Using radio and TV ads, urged investors to attend weekly workshops to “harness” the equity in their homes by investing in secure corporate bonds.
  • In fact, Defendants invested in “junk” bonds, and used the remainder to support their luxurious lifestyle.

• Andy Yip
  • Businessman who operated an off the books business that sold watches.
  • Failed to report income from off the books business.
  • Hong Kong bank accounts in wife’s name that were not reported
  • Civil audit finds unexplained deposits of $600k
  • 2 counts of failure to commit report foreign financial agency transactions
White Collar: Trends

• Increase in cyber-crime.
  • For companies, governments, and other institutions, not a question of “if,” but “when”
  • Increased use of scamming, phishing, and other fraudulent email scams to companies
    • Coordination between private sector and government
  • Credit card fraud rings
    • 4-5 day shopping spree to buy high-end merchandise

• Use of off-shore accounts
  • U.S. can issue subpoenas to identify taxpayers in tax havens
  • Logical next focus is in the Asian Pacific region, such as Singapore

• Affinity frauds
  • Members of closely knit ethnic, cultural, religious or professional groups are targeted by con artists.
  • Con community leaders, and then rest of the community follows
Drugs & Violent Crime: Cases: Hawai‘i

• Naeem Williams
  • Only capital case in Hawai‘i, which has no state death penalty
  • Convicted of killing 5-year old daughter
    • Repeated child abuse
  • Jury could not agree on death sentence; received LWOP
Drugs & Violent Crime: Cases: Ohio

• United States v. Fletcher; United States v. Ledbetter (the “Short North Posse Cases”)
  • *Fletcher* involves 22 person conspiracy charged with distributing cocaine, oxycodone, crack, and marijuana
  • *Ledbetter* is the largest federal murder indictment in Ohio, involving 20 co-conspirators.
    • Covers 13 previously unsolved murders.
    • Involves wide ranging drug enterprise.

• United States v. Temperance
  • Involves father and daughter physicians who allegedly operated a pill mill in Portsmouth, Ohio.
  • Seeing 20 customers a day, and charging cash for opioids
Drugs & Violent Crime: Guam & N.M.I
Drugs & Violent Crime: Trends

• Prescription opiates are becoming pricey
  • “Pill mill” prosecutions of corrupt doctors and service providers have been successful
  • Cartels are flooding the market with cheap heroin to meet demand

• In Hawaii, 95% of cases involve methamphetamine or “Ice”
  • Has gotten cheaper, purer, more prevalent over time
    • 99% pure meth is common
    • Five pound seizure was rare 6 years ago
    • Ten pound seizure is now routine
Policy Developments

• National Security
  • More frequent and effective coordination
    • Joint Terrorism Task Force
  • Use of data monitoring

• Public Corruption
  • Federal programs account for $500 million in tax incentives
  • Increasing risk of bribery
  • Creation of multi-jurisdiction tax forces in state capitals to focus on corruption
Policy Developments

• Cyber-crime
  • Corporate hacking
  • Identity theft
  • Child pornography
  • Partnering with private sector
    • Access of phone data
Conclusion

• Questions?
• Thank You!