

**UNITED STATES ATTORNEY'S OFFICE  
DISTRICT OF NEBRASKA  
2010 ANNUAL REPORT**



**DEBORAH R. GILG  
UNITED STATES ATTORNEY**





## TABLE OF CONTENTS

Message from the United States Attorney	1
Contact Information	3
Mission Statement	4
Welcome to the District of Nebraska	5
United States Attorney's Office	7
CRIMINAL DIVISION	9
Anti-Terrorism	10
Gun Violence Reduction	12
Project Safe Neighborhoods	14
Project Safe Childhood	16
Other Criminal Division Priorities	18
Drug Enforcement	24
CIVIL DIVISION	33
Civil Litigation	34
Collection of Judgments	40
LAW ENFORCEMENT & COMMUNITY COORDINATION	41
Victim / Witness	41
HIDTA	43
Calendar of Training Events	44
2010 LECC Awards	45
Websites of Interest	54

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## MESSAGE FROM THE UNITED STATES ATTORNEY

The year 2010 marked another year of significant accomplishments within the United States Attorney's Office for the District of Nebraska. The summaries of case reports in this report are highlights of cases handled by this office.

In cooperation with federal and local law enforcement and prosecutors, Project Safe Neighborhoods continues to be a high priority of this office. In 2010, 860 guns were recovered as part of Project Safe Neighborhoods. The Grand Jury returned numerous indictments which included firearms associated with the delivery or conspiracy to deliver controlled substance.



In 2010, as in years past, cooperation among federal and local law enforcement agencies and prosecutors resulted in 573 criminal indictments and criminal informations filed. Inter-department law enforcement cooperation also resulted in the criminal forfeiture of 12 vehicles, 84 guns and cash with a total value of more than \$805,000. \$775,635 resulted from civil forfeitures.

Project Safe Childhood also remains a high priority for this office. The disturbing reality of child pornography as distributed through the Internet cannot be ignored nor can the online predators who seek to rob children of their innocence go without punishment. We continue to request mandatory minimum sentencing on child pornography cases, wherever appropriate.

The Civil Unit had a phenomenal year. The civil cases included foreclosures, bankruptcy, medical malpractice, employment discrimination, federal employee liability, immigration, and Social Security issues. A major function of the Civil Division is to collect debts owed to the United States. Those debts include criminal restitution and fines. In 2010, the Civil Division had a banner year and collected more than \$9 million dollars, more than \$1.8 million dollars was court-ordered criminal restitution and fines and \$6.2 million dollars in civil collections. Our Affirmative Civil Enforcement program, designed to collect civil monetary penalties and damages for violation of federal law and to recover costs incurred by agencies as a result of those violations, recovered more than \$1.2 million dollars.

Our office was fortunate to have received additional funding for our prosecutorial duties for the three Indian reservations, the Winnebago, Omaha Nation, and Santee Sioux. This enabled us to dedicate a team of Assistant United States Attorneys from the General Crimes Unit (Sandy Denton) and Drug Unit (Justin Dawson), under the leadership of Assistant United States Attorney Tribal Liaison, Doug Semisch. This team, along with our Indian Country Victim-Witness Specialist, Erin Richardson, regularly visits the reservations and participates in the Multidisciplinary Child Abuse



## MESSAGE FROM THE UNITED STATES ATTORNEY

and Neglect Team meeting. The team has also made itself available to the Tribal Nations for training and has collaborated with the tribal prosecutors, tribal law enforcement and the Federal Bureau of Investigation in strengthening the crime reporting and investigative process to ensure the public safety of all those living on the reservations. Reducing crime and, in particular, reducing the rate of violence against Native American women, continues to be a top priority of our office. In addition, we have continued to have quarterly tribal sovereign nation consultations with each of the tribal councils

The enforcement of civil rights was strengthened this past year by the appointment of Assistant United States Attorney, Fred Franklin, as Hate Crimes Coordinator. AUSA Franklin monitors the Nebraska hate crimes reporting data to ensure that any violations of the Shephard-Byrd Act are investigated and prosecuted, if appropriate. The USAO hosted the first Nebraska Hate Crimes Seminar in July, 2010, that was attended by over 140 Nebraska law enforcement professionals and community leaders. United States Assistant Attorney General for the Civil Rights Division, Tom Perez, facilitated an enthusiastic and inspiring discussion on the status of civil rights enforcement in the United States with a focus on hate crimes pertaining to race, religion, ethnicity, sexual gender/orientation.

As a follow-up to the Hate Crimes training, both myself and members of my staff have traveled across Nebraska and met with many local law enforcement and county attorneys to provide training and discussion on hate crimes as well as other topics of interest to local law enforcement and county attorneys. This is a continuing initiative of this office and our travels across Nebraska will be ongoing throughout the next year.

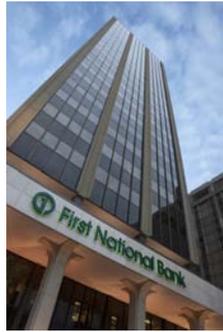
We recognize that it is our duty to protect national security and enforce the law for the benefit of all Americans. In order to do our jobs, we conduct outreach efforts with many local groups and individuals, including the Arab American and Muslim American communities as well as the Hispanic communities. This outreach is intended to improve our ability to perform our duties in a manner that is consistent with core American values such as respect for civil liberties, embracing diversity and commitment to religious freedom. These are values that are found in the Constitution and laws of the United States. We have initiated regular and continuing contact with the Mexican Consulate in Omaha. Also, in partnership with the FBI, we have engaged leaders of Arab American and Muslim American organizations to make sure that these groups are being afforded the full rights and responsibilities of U.S. citizens consistent with our American values.

The accomplishments in this report are the product of enormous hard work of the entire staff of the United States Attorney's Office for the District of Nebraska and to all federal, state and local agencies that are vital to our joint success.



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(800) 889-9123  
FAX: (402) 437-5390

ON THE INTERNET:



<http://www.usdoj.gov/usao/ne/>

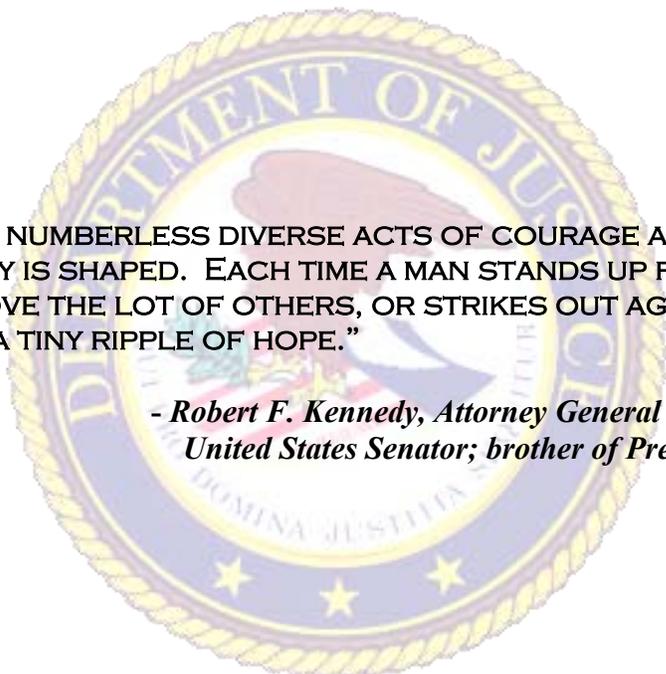


*Commentary On Prosecutorial Ethics, 13 Hastings Const. L.Q. 537-539 (1986).*

" The difference in our roles as advocates derives from the degree of our authority and the disparity of our obligations. Defense counsel's legitimate and necessary goal is to achieve the best possible result for his client. His loyalty is to the individual client alone. The prosecutor, however, enters a courtroom to speak for the People and not just some of the People. The prosecutor speaks not solely for the victim, or the police, or those who support them, but for all the People. That body of "The People" includes the defendant and his family and those who care about him. It also includes the vast majority of citizens who know nothing about a particular case, but who give over to the prosecutor the authority to seek a just result in their name."

**"IT IS FROM NUMBERLESS DIVERSE ACTS OF COURAGE AND BELIEF THAT HUMAN HISTORY IS SHAPED. EACH TIME A MAN STANDS UP FOR AN IDEAL, OR ACTS TO IMPROVE THE LOT OF OTHERS, OR STRIKES OUT AGAINST INJUSTICE, HE SENDS FORTH A TINY RIPPLE OF HOPE."**

***- Robert F. Kennedy, Attorney General of the United States and United States Senator; brother of President John F. Kennedy.***



### **OUR MISSION STATEMENT**

To enforce the law and defend the interests of the United States according to the law; to ensure public safety against threats foreign and domestic; to provide federal leadership in preventing and controlling crime; to seek just punishment for those guilty of unlawful behavior; and to ensure fair and impartial administration of justice for all Americans.

### **OUR CORE VALUES**

Equal Justice Under the Law  
Honesty and Integrity  
Commitment to Excellence  
Respect for the Worth and Dignity of Each Human Being



## WELCOME TO THE DISTRICT OF NEBRASKA



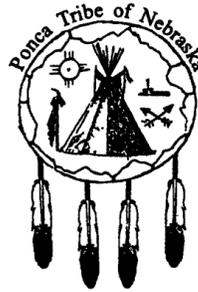
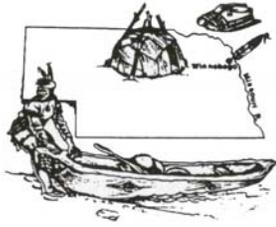
Nebraska, the 16th largest state geographically, became the 37th state to join the Union on March 1, 1867. Its 77,000 square miles encompass 93 counties, and a population of over 1.8 million people. As one of the 26 states with only one federal judicial district, Nebraska boasts a diversity and variety of topography, geography and economy.

The Omaha metropolitan area with a population area of approximately 865,000, accounts for a large majority of the district's population. Lincoln, the state's capital, is home to over 247,000 residents. Much of the state, however, is rural, with over 90% of Nebraska's cities and towns having fewer than 3,000 people.



The state has a mixed economic base with substantial agricultural and agri-business sectors, as well as significant manufacturing, technical and service sectors. More than 96% of Nebraska's land is farm and ranch land, and the state is a national leader in production of beef, pork, corn, and soy beans. Other economic sectors include freight transport by rail and truck, manufacturing, telecommunications, information technology, and insurance. Several Fortune 500 companies, including Berkshire Hathaway, ConAgra, Union Pacific, Mutual of Omaha, and Peter Kiewit & Sons are headquartered in Nebraska, and many others have substantial operations in the District.

The United States Strategic Command is headquartered at Offutt Air Force Base, located just south of Omaha in Bellevue. Various other federal enclaves, including the Niobrara Scenic River, the Missouri National Recreational River, several national monuments, historic sites, National Wildlife Refuges, and U.S. Army Corp of Engineers recreational sites are located throughout Nebraska. The U.S. Department of Agriculture operates several facilities in the District, including research national forests, and a national grassland.



In addition to the Veterans Affairs Hospital in Omaha, the Department of Veterans Affairs operates outpatient clinics in Lincoln and Grand Island, and the Indian Health Service operates a hospital in Winnebago.

The Omaha, Winnebago, and Santee Sioux tribes have reservations located in northeast Nebraska, and federal criminal jurisdiction has been retroceded to the United States for each. As a result, the United States Attorney's Office works closely with those tribes to address crime occurring on the reservations. It should be noted that the Ponca Tribe, although it does not have a reservation in Nebraska, is federally recognized.

Numerous federal law enforcement agencies maintain offices in Nebraska and work extensively with the United States Attorney's Office. These agencies include the Federal Bureau of Investigation, Drug Enforcement Administration, Bureau of Alcohol, Tobacco, Firearms and Explosives, U.S. Marshals Service, Secret Service, Internal Revenue Service, Postal Service, Department of Agriculture, Department of Defense, Department of Homeland Security, National Park Service, Social Security Administration, Department of Veterans Affairs, and others. The United States Attorney's Office also works with federal agencies located outside of Nebraska, such as the Department of Education, Environmental Protection Agency, Social Security Administration, and the Department of Health and Human Services.

In addition to its work with federal agencies, the U. S. Attorney's Office works very closely with state and local law enforcement agencies, addressing the needs of the District. For many years, the citizens of Nebraska have benefitted from the very cooperative relationships between federal, state, and local law enforcement agencies throughout the District. A number of multi-agency joint law enforcement task forces have been created to facilitate effective investigation and prosecution of criminal offenses, especially those involving drugs and violent crime, as well as civil enforcement in the areas of health care fraud and environmental enforcement. Some of the accomplishments of those groups are described in this report.





The United States Attorney serves as the chief federal law enforcement officer in the District of Nebraska, and is responsible for coordinating multiple agency investigations within the District. The United States Attorney and her Assistants represent the federal government in virtually all litigation involving the United States in the District of Nebraska, including all criminal prosecutions for violations of federal law, civil lawsuits in which the United States is a party, and actions to collect judgments and restitution on behalf of victims and taxpayers.

Deborah R. Gilg was sworn in as the 32nd United States Attorney for the District of Nebraska on October 1, 2009. She is the first female United States Attorney for the District of Nebraska and a native of Omaha. Ms. Gilg serves on Attorney General Holder's Subcommittees on National Security, Civil Rights Enforcement, and Indian Country issues. Ms. Gilg served as the Keith County Attorney from 1987-2002. After relocating to the Omaha area, she worked in the Saunders County Attorney's Office as the chief felony prosecutor until 2009. Ms. Gilg has also served as a Special Prosecutor, Special Deputy County Attorney and/or County Attorney in 21 Nebraska counties as well as maintained a private civil practice. Ms. Gilg taught criminal law and procedure, employment law and wills and trusts at Metropolitan Community College as adjunct faculty from 2004-2009. During several of her years as a county prosecutor, she was on the Board of Directors of the Nebraska County Attorney Association and served as President. She is the recipient of several public service awards including the Nebraska Women's Bar Association Outstanding Contributor to Women in the Law; Nebraska Bar Foundation Award for Outstanding Public Service; the Nebraska State Patrol Award for Exceptional Public Service and the Nebraska County Officials Association Award for Outstanding Public Service. Ms. Gilg received her Juris Doctorate degree in 1977 from the University of Nebraska College of Law, and her Bachelor of Arts degree (major in Latin-American Studies) from the University of Nebraska-Lincoln in 1974.

As United States Attorney for the District of Nebraska, Ms. Gilg oversees a staff of 26 Assistant U.S. Attorneys (AUSAs) and more than 40 support staff working in offices located in Omaha and Lincoln. Five attorneys from the County Attorney's offices, in Douglas, Lancaster, and Hall Counties have offices in the U.S. Attorney's Office, and 22 attorneys from the Northern District of Iowa, Nebraska Attorney General's Office, Internal Revenue Service, Social Security Administration, Small Business Administration, Judge Advocate General's Office and Department of Homeland Security, also serve as Special Assistant U.S. Attorneys (SAUSAs) to assist with criminal and civil litigation in the District.

The Criminal Division of the office, which includes the General Crimes Unit and the Drug Prosecution Unit, prosecutes violations of federal criminal law. The attorneys in the General Crimes Unit are supervised by Jan Sharp, Criminal Chief, while Susan Lehr, Organized Crime Drug Enforcement Task Force (OCDETF) Chief, supervises the Drug Unit and Asset Forfeitures. The Civil Division is headed by Robert Homan, and Joseph Jeanette coordinates the Law Enforcement and Community Coordination (LECC) Unit, which maintains partnerships between law enforcement agencies, provides services to crime victims and witnesses, and coordinates training conferences. The Administrative Unit, which supports the operations of all components of the office, is supervised by Denise Smith, Administrative Officer. Robert C. Stuart, serves as First Assistant United States Attorney.

## **STRATEGIC GOALS**

### **Prevent Terrorism and Promote the Nation's Security**

Strengthen Partnerships to Prevent, Deter and  
Respond to Terrorist Incidents

### **Prevent Crime, Enforce Federal Laws and Represent the Rights and Interests of All Americans**

Reduce the Threat, Incidents and Prevalence of Violent Crime  
Prevent, Suppress and Intervene in Crimes Against Children

**Reduce the Threat, Trafficking, Use  
and Related Violence of Related Drugs**

**Combat Public/Corporate Corruption, Fraud, Economic Crime  
and Cybercrime**

**Vigorously Enforce and Represent the Interests of the United States  
in All Matters Over Which the Department of Justice has jurisdiction**

**Ensure the Fair and Efficient Administration of Justice**

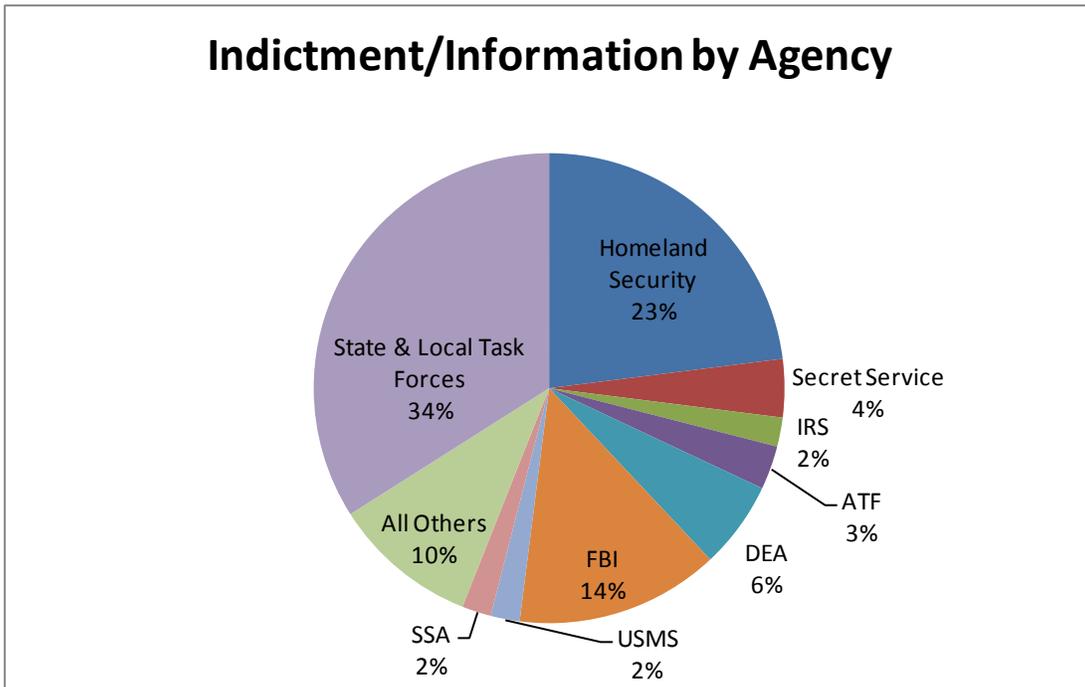
**Uphold the Rights and Improve Service to Victims of Crime  
Ensure Public Safety in Indian Country**

**Uphold and Protect our Civil Rights with Special Emphasis on Hate  
Crimes**



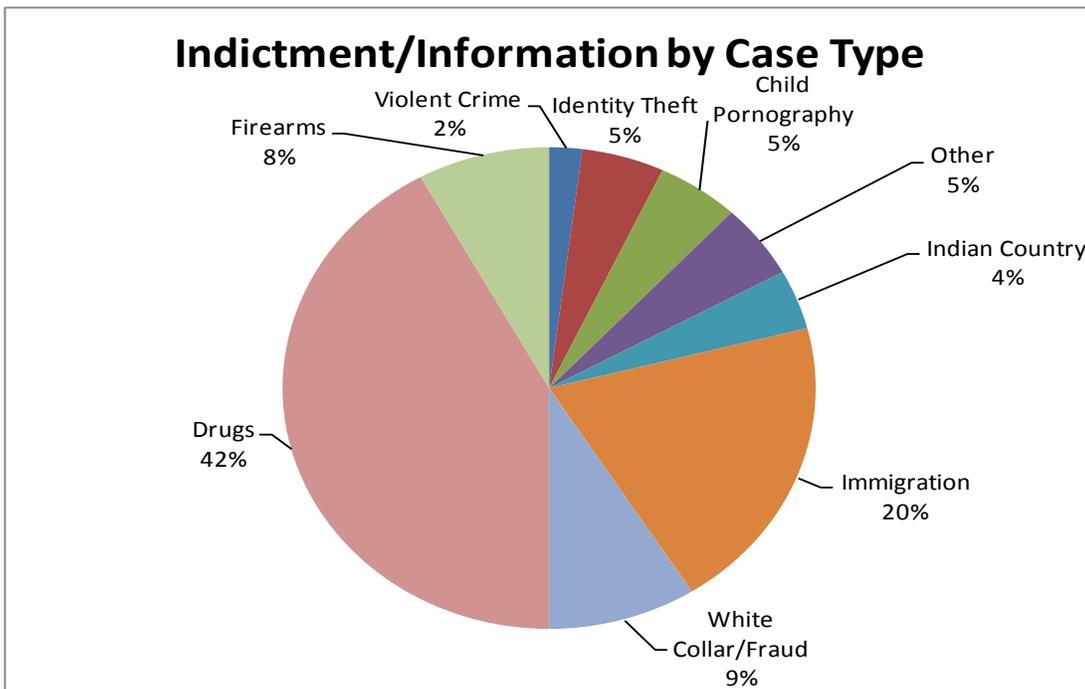
In 2010, the Criminal Division continued to focus its efforts on areas identified as national priorities by the Department of Justice; anti-terrorism, assuring the safety of our communities, and drug enforcement. Working closely with federal, state, tribal, and local law enforcement agencies, the 26 Assistant United States Attorneys and 5 Special Assistant United States Attorneys in the office's general criminal and drug units prosecuted violations of federal criminal statutes in federal district courts in Omaha, Lincoln, and North Platte.

### Indictment/Information by Agency



The number of defendants who faced federal charges in 2010 totaled 573, the majority of these cases related to illegal drugs; however, firearms cases, immigration cases, and offenses involving identity theft and fraud comprised a significant portion of the criminal cases filed.

### Indictment/Information by Case Type



## ANTI-TERRORISM

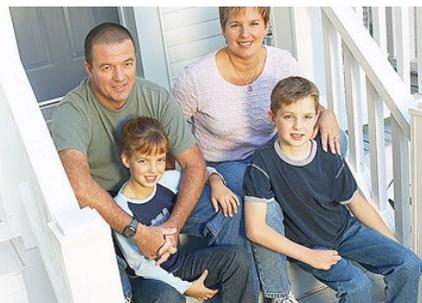
The fight against terrorism, both international and domestic, continues to be the first priority of the Department of Justice. The United States Attorney's Office Criminal Division, in the District of Nebraska, has committed significant resources to this effort. Working closely with the FBI and other federal, state, and local law enforcement agencies, office personnel continue their active membership in the Joint Terrorism Task Force (JTTF) to detect indications or warnings of terrorist



activities, identify and protect potential targets of terrorist activities within the District, disrupt activities that support terrorism, and prevent, through aggressive prosecution, any crimes that may in some way contribute to terrorism. Other particularly notable efforts include: sponsorship of the United States Attorney's Anti-Terrorism Advisory Council (ATAC), co-hosting the annual Lt. Governor's Nebraska Infrastructure Protection Conference, chairing the multi-agency Suspicious Activity Report Review Team, formation of a Counter Proliferation Task Force (CPTF), and providing training to educators across Nebraska.

The United States Attorney's Anti-Terrorism Advisory Counsel (ATAC), composed of nearly 70 government, industry and community partners, continues to foster information sharing and networking between various sectors through training presentations and open-source intelligence updates at our quarterly meetings. The United States Attorney's Office held two separate two-day training sessions (one in eastern Nebraska and one in western Nebraska) scheduled, to conduct training on "pre-incident indicators", "the consequences of being a victim", and the threat of suicide bombers to a total of 200 of our ATAC partners.

  
**Ready**  
Prepare. Plan. Stay Informed.





This year's Nebraska Infrastructure Protection Conference (NIPC) continued, for the sixth consecutive year under the joint sponsorship of the United States Attorney's Office and the Lieutenant Governor's Office, to provide a forum for representatives from every sector of the infrastructure to recognize and enhance the inter-dependencies between sectors. This year's conference highlighted International and Domestic Threats, Workplace Violence: Threat Assessment and Preparedness, Cyber-Security, Agricultural Bioterrorism and the Food Industry, Business and Community Plan Development, Jihad and the Muslim Community, and Drug and Violent Crime.

This year, our office continued to chair the Suspicious Activity Report (SAR) Review Team. The difference between criminals and terrorists is that criminals' activities are motivated by acquisition of money, whereas, terrorists must have money to further their destructive ideologies. The SAR Review Team is comprised of members from nearly a dozen different federal, state, and local law enforcement agencies. Monthly, each member reviews the previous month's SAR(s) through their respective organizational filters and shares information that arises from their investigative efforts. This has been successful in bringing investigative and prosecutorial resources to bear on individuals and entities engaging violations of the Bank Secrecy Act and de-confliction with ongoing investigations.

A new area of involvement is the creation of the Counter Proliferation Task Force (CPTF). This effort combines the resources of the United States Attorney's Office, U.S. Dept. of Commerce, U.S. Immigration and Customs Enforcement (ICE), the Federal Bureau of Investigation (FBI), and Defense Criminal Investigative Service (DCIS) to prevent sensitive weapons of mass destruction and other dual-use technology from falling into the hands of those who wish to harm America. An important aspect of the CPTF is assisting and participating in established outreach programs of our other federal law enforcement partners to assist industry to identify and mitigate attempts to inappropriately obtain such technology.

The United States Attorney's Office also serves as a member of the U.S. Strategic Command Threat Working Group, whose mission is to identify and mitigate threats to the command and its supporting Department of Defense elements, including innumerable private contractors. Attenuation of these threats requires a concerted effort which includes information-sharing and networking among law enforcement personnel at every level. Elimination of a threat for this important partner only serves to protect the entire community.

TERRORISM FORCES  
US TO MAKE A  
CHOICE. WE CAN BE  
AFRAID. OR  
WE CAN BE READY.

**READY**

[WWW.READY.GOV](http://WWW.READY.GOV)

## GUN VIOLENCE REDUCTION

Reducing the threat and incidence of violent crime, especially from the illegal use of guns, continues to be a national priority of the Department of Justice and the District of Nebraska. Project Safe Neighborhoods (PSN), a nationwide initiative that encourages the strategic use of federal prosecution of gun crimes, remains a mainstay in those efforts.

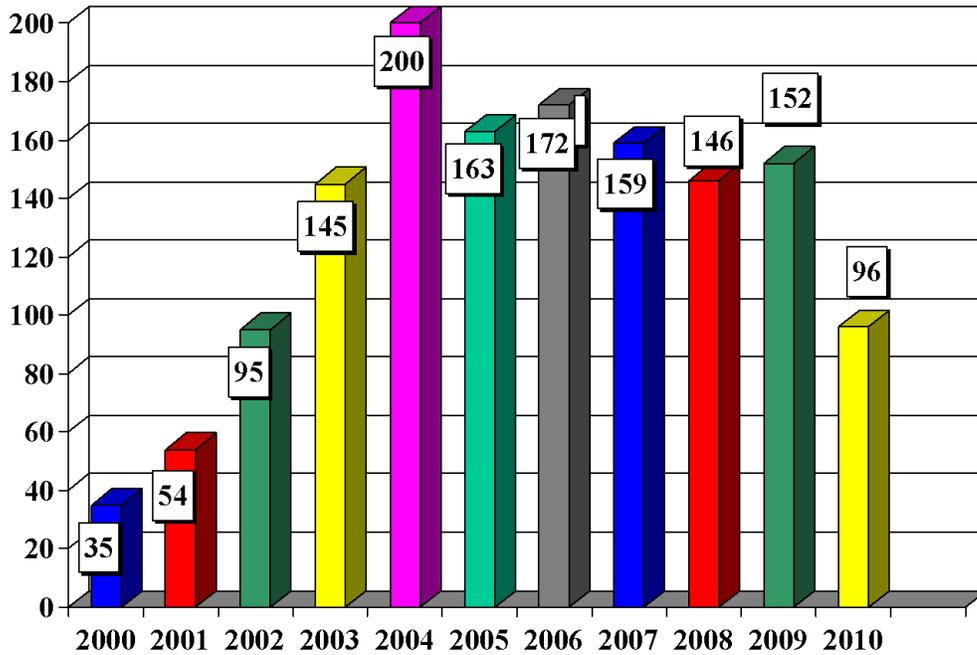
In order to build an effective partnership with state and local counterparts, a statewide Project Safe Neighborhoods Task Force was created within the District, which includes participants from local, state, and federal law enforcement agencies, as well as media and community outreach partners, focused on identifying and aggressively prosecuting those offenders involved in targeted gun offenses. Prosecution of members of criminal street gangs and organizations, illegal gun traffickers, felons in possession of firearms, and those using firearms in narcotics trafficking are at the core of the PSN Strategy.

In Omaha, an action-oriented committee of law enforcement and prosecutors from federal and state offices meets monthly to identify and present individuals involved in illegal weapons and drug offenses for prosecution. Additionally, police, probation and parole officers conduct notification and intervention meetings, and home visits to ensure those under court supervision are not involved with or associated with persons involved with gun violence. An incident review team meets monthly to discuss recent gun violence events, and to identify and formulate an appropriate law enforcement and prosecutive response. Lincoln law enforcement officers and prosecutors also meet monthly and identify firearm-related cases for prosecution in state or federal court.

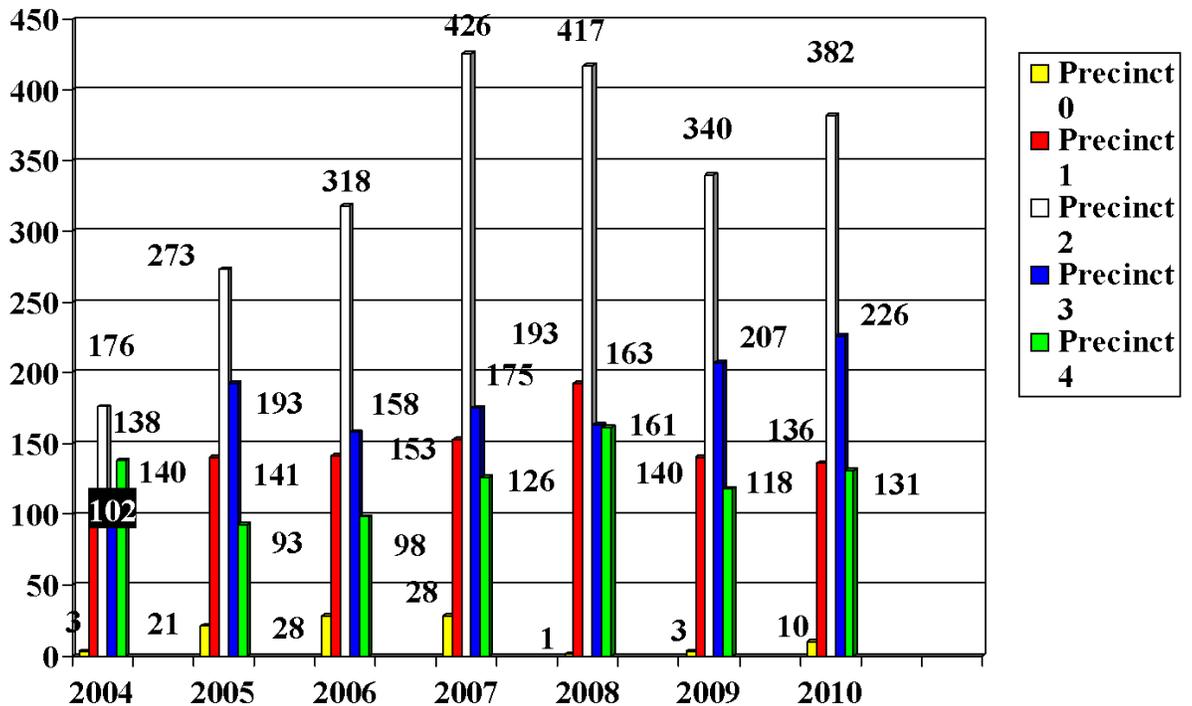
The United States Attorney and staff hosted a series of meetings and trainings for local, state, and federal law enforcement officers and prosecutors. A Firearms Tracing Project was developed and first implemented in 2004, which traces all firearms recovered by Omaha Police for any type of offense.



## Federal Gun Indictments



## Firearms Seized By Omaha Police Precinct



## PROJECT SAFE NEIGHBORHOOD CASES

Some of the significant cases presented in 2010 include:

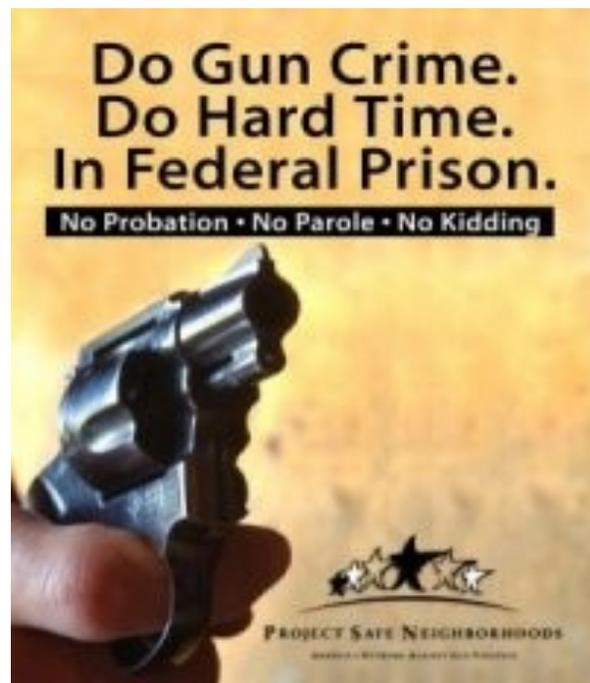
**James Greer** was sentenced to 188 months in prison following his jury conviction for being an Armed Career Criminal. Omaha Police had gone to his home in search of a person who was wanted on misdemeanor warrants. During a search of the residence officers located a handgun belonging to Greer. Greer was previously convicted of burglary, robbery, use of a firearm to commit a crime of violence and assault on a correctional officer.

**A.J. Kelly** was sentenced to 115 months in prison following his jury conviction for being an Armed Career Criminal. Omaha Police had received information from an informant that crack cocaine could be bought from Kelly at his Omaha home. Two controlled purchases of drugs from Kelly were made over the next several days. Police then obtained a search warrant. When the warrant was served police found a .22 caliber pistol in the basement rafters. The federal sentence was ordered to be served consecutively to an unrelated Douglas County sentence of 35 to 50 years in prison for the first-degree sexual assault of an 11-year-old girl. Kelly had at least three prior felony convictions.

**John Gerald Giessinger** was sentenced to fifteen years in prison following his conviction for being an Armed Career Criminal. In March of 2009, Omaha Police served a search warrant at Giessinger's residence looking for stolen goods. Officers found

a .22 caliber rifle in Giessinger's bedroom. Giessinger had previously been convicted of Possession with Intent to Distribute a Controlled Substance on three separate occasions.

**Timothy Alan Seidel** was sentenced to fifteen years in prison following his conviction for being an Armed Career Criminal. In September of 2009, Omaha Police were dispatched to 13<sup>th</sup> and Pierce to investigate a man trying to sell firearms from a green van. Seidel was driving the van and two rifles were found behind the passenger seat. Seidel had multiple felony convictions to include several convictions for burglary and a conviction for first degree sexual assault.



**LEGALLY  
RETAILS FOR \$500**



**Bought on the  
Street it'll  
Cost You  
5-10 years in a  
Federal Prison.**

**PROJECT SAFE** ★★  
NEIGHBORHOODS ★★  
America's Network Against Gun Violence ★★  
www.ProjectSafeNeighborhoods.gov

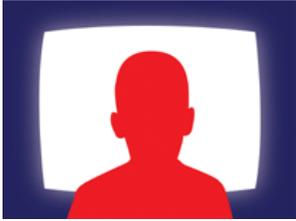
**Austin Buerer** was sentenced to 24 months in prison following his conviction for being a felon in possession of a firearm. Kearney area law enforcement officers recovered over 23 handguns and shotguns, ammunition, knives, and holsters taken in various burglaries during its investigation of Buerer. Four of the handguns were located in his possession.

**Joshua Beebee** was sentenced to 48 months in prison following his conviction for possession of a short shotgun. Police were called to Beebee's residence on a disturbance call and heard a gunshot from within the house shortly after their arrival. Beebee was taken into custody and a later search of his home disclosed a .12 gauge shotgun, with a barrel length of 16 inches.



**A 9MM LEGALLY RETAILS FOR \$500.  
ON THE STREET IT'LL  
COST YOU 5-10 YEARS  
IN FEDERAL PRISON.**

**ILLEGAL GUNS JUST GOT MORE ILLEGAL**



Project Safe Childhood (PSC) is a Department of Justice initiative launched in 2006 that aims to combat the proliferation of technology-facilitated sexual exploitation crimes against children. The threat of sexual predators soliciting children for physical sexual contact is well-known and serious; the danger of perpetrators who produce, distribute, and possess child pornography is equally dramatic and disturbing. As technology advances and as the Internet becomes more accessible, the number of computer facilitated sexual exploitation crimes committed against children, including child pornography offenses and enticement crimes, is expected to grow.

The Department of Justice is committed to the safety and well-being of every child and has placed a high priority on combating sexual exploitation of minors. Through a network of federal, state, and local law enforcement agencies and advocacy organizations, PSC coordinates efforts to protect our children by investigating and prosecuting online sexual predators.

PSC is implemented through a partnership of U.S. Attorneys; Internet Crimes Against Children (ICAC) task forces; federal partners, including the FBI, U.S. Postal Inspection Service, Immigration and Customs Enforcement and the U.S. Marshals Service; advocacy organizations such as the National Center for Missing & Exploited Children; and state and local law enforcement officials in each U.S. Attorney's district.

The Project recognizes the response to these growing problems must be coordinated, comprehensive and robust. Authorities must investigate and prosecute vigorously and protect and assist victimized children. The Project further recognizes the need for broad community-based efforts to protect our children and guarantee to future generations the opportunities of the American Dream.

The U. S. Attorney's Office for the District of Nebraska maintains aggressive investigation and prosecution of these offenses facilitated through the Internet or other electronic media and communications devices. Partnerships with federal, state and local law enforcement agencies have helped coordinate the investigation and prosecution of child exploitation cases, and identify and rescue victims. Training for law enforcement officers who investigate the crimes, of community representatives, educators, and parents, has been accomplished, and community awareness and education programs have been instituted to raise awareness about the threat of online sexual predators and child pornographers, and to provide information to parents and youngsters seeking to use the Internet responsibly, or to report possible violations.

In calendar year 2010, thirty individuals were indicted in the District of Nebraska for crimes involving the exploitation of children via the Internet. Those indictments included charges for the receipt and distribution of child pornography, the enticement and manufacture of child pornography and interstate travel to engage in a sexual act with a juvenile. During this same time period 27 defendants appeared before the United States District Court for sentencing on crimes involving the exploitation of children via the Internet.



## PROJECT SAFE CHILDHOOD CASES

A number of the Project Safe Childhood cases resolved in 2010 include:

**Shawn Sinner** was sentenced to 27 years in prison following his conviction for manufacturing child pornography. Sinner recorded a video of himself sexually assaulting a 3 year old child.

**Roy Lee Hickmon**, was sentenced to prison for 20 years for manufacturing child pornography. Roy Hickmon came to the attention of the FBI during the course of an investigation into the distribution of child pornography through Limewire, an online file sharing service. Agents of the FBI's Innocent Images Task Force were able to download numerous images of child pornography from a computer of Hickmon's by accessing Hickmon's Limewire account through the internet. That information was then provided to the FBI field office in Omaha, Nebraska, for the execution of a search warrant leading to the seizure of Hickmon's computer. An analysis of his computer revealed images of child pornography which were taken by Hickmon of a minor female.

**Channon Crites** was sentenced to a prison term of 96 months for receiving child pornography. The Nebraska State Patrol accessed child pornography stored on Crites' home computer by using a Peer to Peer network program. A later search warrant at Crites' residence revealed 11 videos and 64 images of child pornography stored on his computer.

**Michael A. Norton** was sentenced to 12 years in prison following his conviction for receiving child pornography. A search warrant executed at Norton's residence revealed 58 videos of child pornography. After his indictment, Norton fled Nebraska and became a fugitive. When arrested in Arizona, Norton was found in possession of yet another computer which was found to have 40 videos of child pornography.

**Theodore Manos** was sentenced to 10 years in prison following his conviction for possessing child

pornography. Manos had a prior conviction in Cook County, Illinois, for Solicitation of a Child. A search warrant executed at his residence revealed the presence of numerous videos and images of child pornography stored on his computer.

**Sean Porter** was sentenced to 72 months in prison following his conviction for receipt of child pornography. Porter came to the attention of the FBI and Lincoln Police Department during the course of a nationwide investigation into the distribution of child pornography through e-mail accounts. Porter was found to have been involved in the distribution and receipt of child pornography between October 9, 2008 and February 23, 2009. In all, Porter had over 4,000 images of child pornography on various computers.

**Derrick Gartner** was sentenced to 168 months in prison following his conviction for receipt of child pornography. Gartner came to the attention of the Lincoln Police Department after child pornography was viewed by a third party on a computer owned by Gartner. Forensic analysis determined that hundreds of images and videos of child pornography were stored on his computers.

**Donald Leemhuis** was sentenced to 63 months in prison following his conviction for receipt of child pornography. Mr. Leemhuis was identified as a purchaser of child pornography following the raid of a Los Angeles company involved in the distribution of child pornography. The United States Postal Inspection Service set up a sting and Leemhuis, once again, ordered child pornography. Items seized during a search of his residence included the recovered controlled delivery package, the original undercover catalogs mailed to Leemhuis to order child pornography and numerous DVDs and CDs containing pornography. In addition, investigators found collages Leemhuis made which included cut out pictures of little boys body parts surrounding a picture of Leemhuis.

## VIOLENT CRIME

The violent crime cases prosecuted in 2010 included:

**Danny Reaves** was sentenced to 30 years in prison and ordered to pay restitution in the sum of \$123,410.10 following his convictions for robbing an armored car, bank robbery and use of a weapon during a crime of violence. Reaves was convicted after a jury trial for his involvement in the robbery of a Rochester Armored Truck. During the robbery an armored car guard was “tasered”. As the guard unholstered his weapon to exchange fire with the assailants he was shot in the leg. Blood at the scene of the robbery was identified through DNA testing as that of Reaves. After his conviction on the Armored Car Robbery, Reaves entered a plea of guilty to the robbery of a Tier One Bank branch in Omaha. A torch was used to cut a hole in the bank door an hour before the bank opened for business. After the first teller arrived at the bank and deactivated the alarm, Reaves entered the bank through the back door and robbed the teller. A pair of welding goggles found outside a nearby business was found to have traces of Reaves’ DNA on it. Reaves made off with \$32,790.00 from the bank.

**Michael McCroy and Shannon Jackson** were sentenced, respectively, to fifteen and ten years in prison following their convictions for the attempted robbery of a First National Bank branch in Omaha. Jackson and McCroy struck a guard, “tasered” him and threatened a teller with what appeared to be a gun.

**Vincent Gepson** was sentenced to 140 months in prison following his conviction for robbing six different financial institutions in Omaha and Council Bluffs, Iowa, during 2008. The robberies were conducted in a similar fashion. Gepson would enter the banks and present a note demanding money from the teller. He would brandish a bb gun or show the teller an air pistol suggesting that was carrying a firearm. Gepson had two previous federal convictions for bank robbery.

**Traves Rush, Marcus Short, & Curtis Cotton** were sentenced to 14 years, 70 months, and 60 months in prison, respectively, following their convictions for bank robbery. On the morning of October 6, 2008, Cotton and Rush walked away from the Omaha Correctional Center and were transported to Lincoln, Nebraska, by Short where the three robbed a bank obtaining \$26,500.00.

## IMMIGRATION

The United States Attorney's Office prosecutes violations of the immigration laws that occur in the State of Nebraska. These violations can involve simple presence in the country following deportation, possession of false documents, identity theft, human smuggling, possession of firearms and false claims to United States citizenship. Approximately 100 people were convicted in 2010 of immigration offenses. Scores of other undocumented aliens were convicted of non-immigration offenses such as identity theft, drug trafficking and firearms crimes. The immigration cases prosecuted in 2010 included:

**Ricardo Sanchez** was sentenced to two years in prison following his conviction for transferring false identification documents. Sanchez sold a counterfeit social security card and a counterfeit Lawful Permanent Resident Card to a government informant. He subsequently also sold counterfeit documents to an undercover Immigration and Customs Enforcement Agent. Sanchez's residence was searched and officers

found photographs and signature blocks in the names of approximately 941 individuals, templates for producing documents and various other accessories for producing false identification.

**Marco Zavala-Moreno** was sentenced to 51 months in prison following his conviction for being an illegal alien in possession of a firearm and being an alien present in the United States after having been removed following a conviction for an aggravated felony. Zavala-Moreno had been previously convicted of Attempted Transportation of a Narcotic, Cocaine.

**Gregorio Mosqueda-Herrera** was sentenced to 63 months in prison following his conviction for being an alien unlawfully present in the United States after being removed from the United States following a conviction for an aggravated felony. Mosqueda-Herrera had previously been convicted of Possession of Cocaine Base with Intent to Sell.



## WHITE COLLAR CRIME

Other criminal cases prosecuted in 2010 include:

**Jaisankar Marimuthu**, a native of Chennai, India, was sentenced to 57 months in prison following his conviction for conspiracy to commit wire fraud, securities fraud, computer fraud and aggravated identity theft. He was also sentenced to an additional 24 months in prison for his conviction for aggravated identity theft. Marimuthu was part of a “pump and dump” conspiracy operated out of Thailand and India from February 2006 through December 2006. The scheme involved the manipulation of trading prices for thinly-traded securities. The scheme was executed by hacking into brokerage accounts in the United States including those of TD Ameritrade in Omaha, Nebraska. Marimuthu and his co-conspirators would illegally use the accounts to make large unauthorized purchases of securities in the name of unsuspecting customers. After the price of the securities had been artificially increased or “pumped up” through the bogus trading, Marimuthu and his co-conspirators would then “dump” the conspirators’ own holdings of the securities at a profit. At least 95 customers and nine brokerage firms in the United States were identified as victims. Marimuthu was extradited from Hong Kong to Nebraska for prosecution.

**Mary R. Wong**, was sentenced to 63 months in prison and ordered to pay restitution in the amount of \$3,035,000.00 following her conviction for Securities Fraud. Wong, a Financial Investment Advisor, devised and executed a Ponzi-like scheme to defraud various investors

and clients by soliciting millions of dollars of funds under false pretenses, failing to invest the investors’ funds as promised, and misappropriating and converting investors’ funds to herself and other business entities under her control without the knowledge or authorization of her victim/investors. As a result of the scheme to defraud, victims suffered a loss of approximately \$3,035,000.00.

**Matthew Anselmo** was sentenced to 48 months in prison and ordered to pay restitution in the amount of \$3,712,500.00 upon his conviction for Mail Fraud. Anselmo, a former police officer and one-time Officer of the Year with the Papillion, Nebraska Police Department, devised and executed a Ponzi-like scheme to defraud various family members, friends and business acquaintances out of approximately \$3,700,000.00. Anselmo solicited funds purportedly for the purpose of funding apparel purchases for existing apparel contracts and orders. He promised 20, to in some cases, 100 percent returns on invested monies. The funds were used, instead, to pay off previous investors, pay off other existing business debts and underwrite gambling activities both in Las Vegas and in Council Bluffs, Iowa.

**Bryan S. Behrens** was sentenced to five years in prison and ordered to pay restitution in the amount of \$6,800,000.00 upon his conviction for Securities Fraud. Behrens, an Investment and Financial Advisor, conducted a scheme to defraud approximately 20 of his clients and business acquaintances out of \$6,800,000.00. The scheme involved Behrens soliciting millions of dollars in

funds under false pretenses, failing to invest investors' funds as promised and misappropriating investors' funds to pay for his and his family's personal expenses and to support a lavish lifestyle. This lavish lifestyle included the purchase of a second home, upgrades and renovations to two homes, the purchase of several luxury automobiles and jewelry.

**Richard Palmer** was sentenced to 21 months in prison and ordered to pay restitution in the amount of \$159,000.00 following his conviction for Mail Fraud. Palmer, the Director of Security and Asset Protection for Gordmans, a multi-state clothing department store headquartered in Omaha, Nebraska, during the period 2004 through 2008, conducted a scheme to defraud Gordmans by creating false expenditure requests to make unauthorized purchases of various security equipment, mainly electronic video gear, and sold the equipment on E-Bay, keeping the proceeds for his own personal use.

**Sherri Cuddeford** was sentenced to serve fifteen months in prison following her convictions for wire fraud and check fraud. Cuddeford, an accountant with a Lincoln CPA firm, made 45 unauthorized withdrawals from her employer's account and forged signatures on 40 checks all of which she deposited to her bank account. Cuddeford's crimes caused a total loss of over \$100,670.00.

**Rhonda Thayer Smith** was sentenced to 30 months in prison and ordered to pay restitution in the amount of \$119,793.27 following her conviction for her involvement in a welfare fraud and identity theft scheme. Thayer-Smith operated a

day care business and as a part of the operation of that business submitted forms for meal reimbursement which ultimately reached the United States Department of Agriculture. An investigation determined that Thayer-Smith submitted numerous forms for meal reimbursement for children who were not actually in her care. In another scheme, Thayer-Smith stole and used the name and social security number of an acquaintance to receive unauthorized benefits from the Nebraska Department of Health and Human Services.

**Edna Heft** was sentenced to 10 months in prison and ordered to pay restitution in the amount of \$123,443.56 following her conviction for social security fraud. Heft was a recipient of SSI benefits from the Social Security Administration. In order for her to secure those benefits, she represented to Social Security that she had been separated from her husband and that they had not lived together in the last 15-18 years. Her representations were untrue and for that reason she was not eligible for benefits.

**Christian Quevedo and Carlos Carpio** were sentenced to 46 months and 24 months, respectively, following their convictions for making false claims against the United States. In 2006 and 2007 they filed false United States income tax returns on 30 occasions on behalf of themselves and 26 other individuals, all from the Republic of Peru. These false tax returns claimed bogus refunds totaling more than \$247,000.00, and the Internal Revenue Service paid out \$79,746.00 before catching onto the scheme and halting payment of the bogus refunds.

## INDIAN COUNTRY

Cases prosecuted in Indian Country in 2010 included violent crime and public corruption:

**Duane Whipple** was sentenced to five years probation following his conviction for embezzlement from an Indian tribal organization. Whipple was further ordered to pay restitution to the Santee Sioux Tribe of Nebraska in the amount of \$21,515.84. Whipple was an employee in the finance office of the Santee Sioux Tribe. Over a 16 month period Whipple obtained unauthorized payroll advances and otherwise wrote or caused tribal checks to be made payable to him. In many instances the signatures on the tribal checks were forged. Whipple also caused checks to be issued to third parties to pay for his personal expenses.

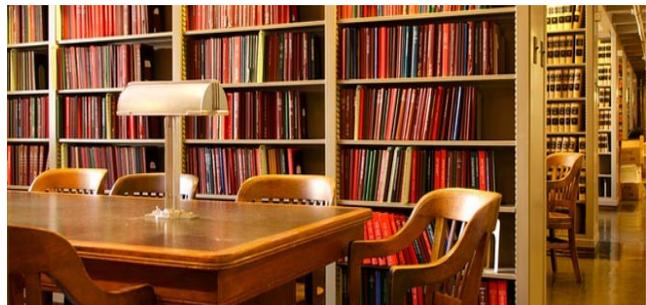
**Karen Red Owl** was sentenced to five years probation following her conviction for embezzlement from an Indian tribal organization. Red Owl was further ordered to pay restitution to the Santee Sioux Tribe of Nebraska in the amount of \$9,174. Red Owl was an employee of the Santee Sioux Tribal Court and her duties included making deposits of funds received by the court. During a one year period, Red Owl embezzled \$9,174.00 in cash received from the payment of court fines.

**Shannon Thomas** was convicted by jury of first degree murder after he shot and killed his ex-girlfriend during an argument on the Santee Sioux Indian Reservation. Thomas fired a rifle at her at least 10 times, striking her with 5 bullets. Thomas will be sentenced to life in prison in early 2011 as a result of the conviction.

**Inessa Lyons** was convicted of manslaughter and assault with a dangerous weapon after she stabbed two friends, one of whom died, during an argument on the Omaha Indian Reservation. Lyons was a juvenile at the time of the stabbings but was prosecuted as an adult. Pursuant to the terms of a plea agreement Lyons will be sentenced to 100 months in prison in early 2011.

**Wakaja Harden** was sentenced to 97 months in prison following his conviction for sexual abuse occurring on the Winnebago Indian Reservation. Harden carried the victim, who was highly intoxicated and passed out, into a field where he sexually assaulted her.

**Thomas Knifechief** was sentenced to 60 months in prison following his conviction for assault causing serious bodily injury on the Winnebago Indian Reservation. Knifechief violently attacked his girlfriend during an argument. Knifechief used shoelaces to bind her wrists with one hand and choked her around the throat with his other hand.

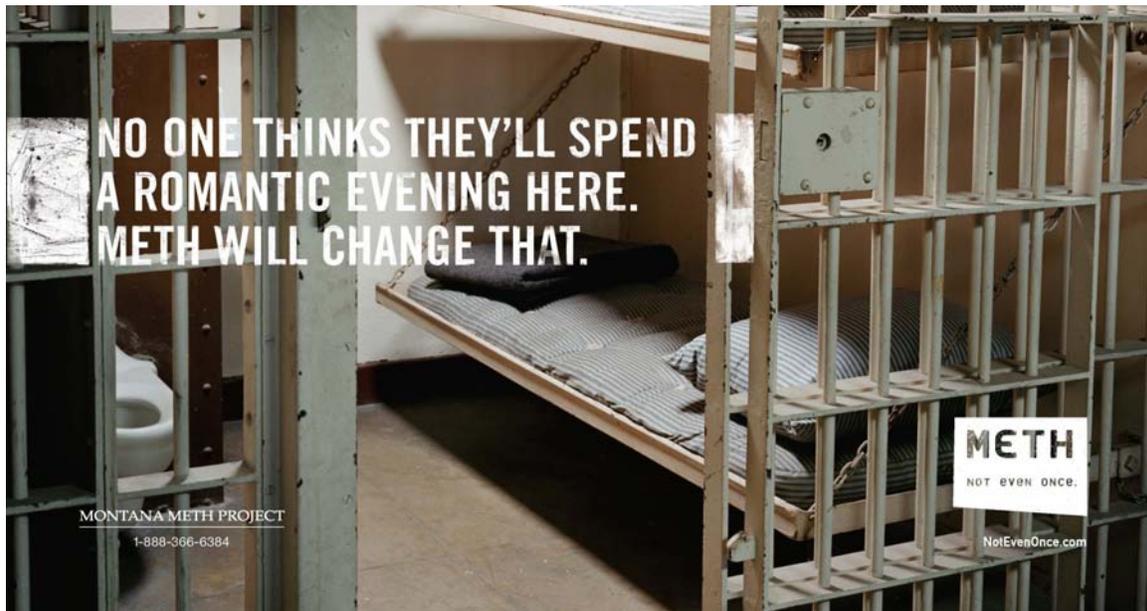


## DRUG ENFORCEMENT

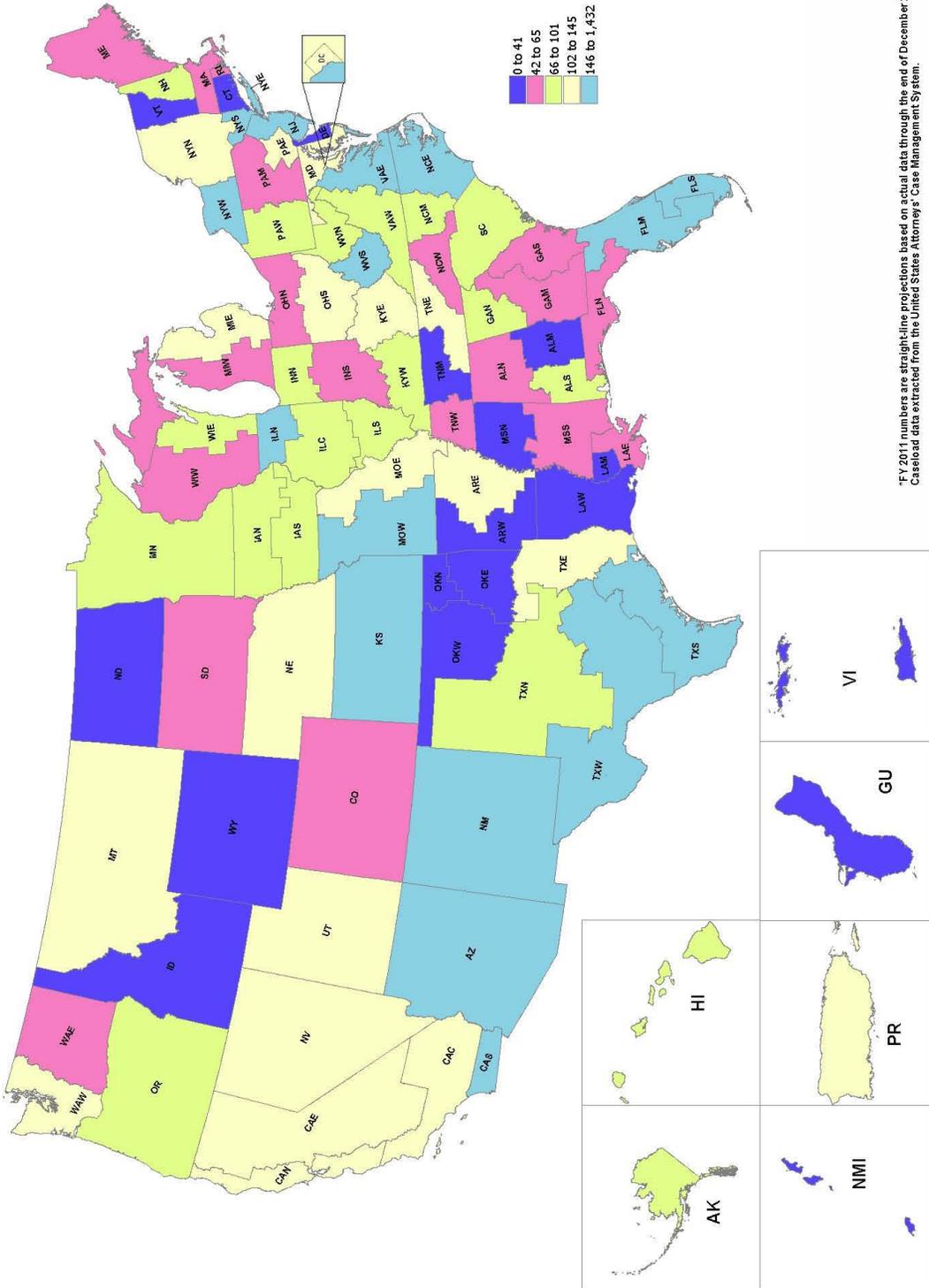
The fight against illegal drug use and distribution continued to be a major priority of the United States Attorney's Office in 2010. Nebraska, with its location in the central United States, between western and eastern drug sources and markets, and with a large number of major interstate and other highways which pass through the State, is a significant trans-shipment area for drug traffickers. Omaha, Lincoln, Grand Island, and other Nebraska cities serve as redistribution points for drug markets within Nebraska and neighboring states and markets, and to smaller rural communities within the District.

The coordinated efforts of Assistant United States Attorneys (AUSAs) and Special Assistant U.S. Attorney's (SAUSAs), addressed the comprehensive threat posed to the United States and the District of Nebraska, by the trafficking, diversion and abuse of illegal drugs. The Drug Unit comprises the largest unit of the office and appointment of SAUSAs from the Douglas, Lancaster, and Hall County Attorney's Offices has greatly expanded the prosecutorial resources dedicated to this effort. Attorneys who prosecuted drug cases were supported by extra-ordinary cooperative investigative efforts of federal, state and local enforcement agencies throughout the District.

To address the issues related to the investigation and prosecution of drug-related offenses, the United States Attorney's Office filed approximately 224 indictments and informations charging 290 defendants in 2010.



**United States Attorneys - Criminal Caseload Statistics  
All Drugs  
Cases Filed per District - FY 2011\***



## DRUG ENFORCEMENT CASES

### Corey Carr

On September 25, 2009, officers with the Omaha Police Department utilized a cooperating witness (C/W) to make a controlled purchase of crack cocaine from Corey Carr. The C/W placed a call to Carr, and Carr indicated to the C/W to meet in the area of 36th and Leavenworth. The C/W then went to that location and met with Carr, and the C/W purchased the crack cocaine. The transaction was both audio and video recorded. A subsequent lab test did determine that the substance was crack cocaine with a weight of .9 grams. During a *Mirandized* interview on November 12, 2009, the Carr admitted to selling 8-ball to half-ounce quantities of crack cocaine numerous times per week for six months.

**Carr was sentenced to 151 months imprisonment.**

### Jose Lopez-Aispuro

Officers with the Omaha Police Department utilized a Cooperating Witness (C/W) to set up the CW's supplier in a buy/bust operation. On September 30, 2009, the CW made arrangements to buy 6 ounces of methamphetamine ICE from Jose Lopez-Aispuro. The transaction was to take place at the CW's apartment in the area of 99th and 'U', in Omaha. Lopez-Aispuro arrived and accompanied the CW to the CW's bedroom to complete the transaction. Officers entered the bedroom and made the arrest. The methamphetamine was located in the bedroom on a dresser where Lopez-Aispuro put it. These events were recorded on video. Lab reports confirm 166.5 grams methamphetamine with 40% purity. **Lopez-Aispuro was sentenced to 120 months imprisonment.**

### Eurvin Morgan

On August 20, 2009, officers with the Omaha Police Department utilized a Cooperating Witness (C/W) to purchase crack cocaine from Eurvin Morgan. The CW made arrangements with Morgan to purchase 1/4 ounce of crack cocaine. Morgan then made contact with his source, and the CW drove Morgan to the Walgreens on Ames and Fontenelle Streets. The CW gave Morgan the money, and Morgan then met with his source and returned to the CW with the crack cocaine. The CW then drove Morgan back to the CW's residence. Morgan removed a .45 cal pistol out of his waistband that he was carrying and gave it to the CW to inspect. Lab tests confirm the substance obtained during the transaction as crack cocaine, with a weight of 5. **Morgan was sentenced to 108 months imprisonment.**

### Daniel Zendejas et al

In September 2009, agents and officers with the Bureau of Alcohol, Tobacco, Firearms and Explosives and the Omaha Police Department arranged through cooperating individuals to have approximately 10 pounds of methamphetamine delivered to Omaha. A distributor accompanied the shipment. Both the distributor and the shipment were seized upon arrival, and the distributor agreed to cooperate.

The distributor told officers that additional methamphetamine was already en route to Omaha. The distributor directed Zendejas, who was transporting the methamphetamine, to a particular location in Omaha, where they were arrested. There was an additional 12 pounds of methamphetamine stored

in hidden compartments within the engines of Zendejas's and another vehicle. The distributor pled guilty and was sentenced to 240 months in June 2010. Zendejas likewise pled guilty and was sentenced to 168 months. The other transporter was released by the Court over objection, fled and is now a fugitive.

### **Pier Pressure**

Using the help of a CI the Central Nebraska Drug and Safe Streets Task Force was able to work their way into the East Side Locos (ESL) gang in Grand Island. The CI attended regular gang meets helping the investigators and agents develop useful intelligence on the operations of the gang and prevent some of their crimes along the way. At one point the gang was planning to commit an armed robbery of the Sanchez Market (which is directly across the street from the County Attorney's Office). The police were able to warn the owner of the potential robbery. Later the gang planned a robbery of a couple of drug dealers working out of a bar in Grand Island, Nebraska. The Task Force received confirmation of this plan when they talked to another ESL member who was arrested shortly before the robbery was planned to take place. Acting on the information, there was a heavy police presence in the area where the robbery was to take place. The investigators and agents with the task force believe that the presence of the police prevented the robbery.

The CI made numerous controlled buys of methamphetamine, cocaine and firearms from fellow members of the ESL gang. This led to 9 people connected to the ESL gang being indicted on drug trafficking and various firearms offenses.

Some related State charges were also developed against 4 other defendants. A few State search warrants were served and all but one of the defendants were arrested in a coordinated operation involving more than 100 personnel from local, state and federal agencies. One of the 9 indicted defendants was later arrested when he entered the U.S. at the El Paso, Texas port of entry. Of the 9 federal defendants, four face charges that carry with them penalties of at least 10 years imprisonment and possibly up to life.

### **Operation Cabello de Troya**

This investigation was initiated in September 2009. Since that time, agents identified Jose Aguilera-Galindo of Bayard, Nebraska as a La Familia cell head who was a methamphetamine source of supply in western Nebraska. Agents also identified Luis Leon-Aguirre and his brother, Jesus Leon-Aguirre, of Arizona, as other methamphetamine sources of supply in Scottsbluff, Nebraska.

To date, Aguilera-Galindo and 12 other members of his organization have been arrested on charges ranging from user of a controlled substance in possession of a firearm to conspiracy to distribute more than 500 grams of methamphetamine. Of these 12 individuals 7 of them are illegal aliens from Mexico.

Two CS's in September 2010 were purchasing methamphetamine from Luis and Jesus Leon-Aguirre. The two CS's were able to make 2 methamphetamine controlled purchases from Jesus Leon-Aguirre. After the second controlled purchase on 10-5-2010, Jesus Leon-Aguirre was arrested and a search warrant was conducted on his residence.

Approximately 1.6 pounds of methamphetamine was seized from his residence.

Seizure totals in this case are: 15 grams of cocaine, 3.5 pounds of methamphetamine, two (2) SKS assault rifles, one (1) AK-47 assault rifle (stolen), 2 (two) .22 caliber rifles (1 stolen), one (1) .357 caliber pistol, two (2) sawed off shotguns, a Cadillac Escalade, a Chevrolet Silverado pickup, \$9,000 U.S. currency and \$16,000 worth of stolen jewelry.

Thus far 4 people have been sentenced with sentencing ranges from 60 months to 188 months. This is consistent with the anticipated range of sentences for all of the defendants. The minimum range on the remaining defendants should be 120 months and the maximum 188 months.

The operations of this organization in Western Nebraska have been disrupted. On June 29, 2010, Aguilera-Galindo and 11 members of his organization were arrested. After the arrests were made, drug seizures for the next few months dropped to almost zero. The Western Intelligence and Narcotics Group (WING) in Gering, Nebraska, compiles drug seizure information from eight reporting agencies representing several surrounding counties. A slow month may only yield 30 grams of methamphetamine being seized. The total amount of methamphetamine seized by those agencies in July 2010 was .5 grams. The total amount of methamphetamine seized by those agencies in August was 1.5 grams. We are still waiting on September's seizure numbers. During our investigation, one ounce of methamphetamine could be purchased for \$1,400 to \$1,600. After

the arrests in June 2010, the price for one ounce of methamphetamine increased to \$2,000 per ounce. WING has also had great difficulty in recruiting CS' since the June arrests. Potential CS' told WING investigators that all the methamphetamine suppliers had been or were arrested in June 2010.

### **Jesus Perdoma - 8<sup>th</sup> Circuit Appeal**

The Jesus Perdoma appeal was significant in that Perdoma attempted to have the rule announced in Arizona v. Gant, (which no longer permits a search of a vehicle incident to the arrest of a detained occupant) expanded upon and applied to the facts of his case.

Facts: Perdoma was arrested at the Omaha bus station after running from officers who attempted to speak with him after detecting the odor of marijuana emanating from his person. After being hand-cuffed and taken into custody, Perdoma was taken to a rear room where his carry-on bag was searched incident to arrest and found to contain one pound of methamphetamine.

On appeal, Perdoma argued that he was in custody just like defendant Gant and had no way of accessing his searched bag, therefore the search of his bag was unreasonable without a search warrant. In response and at oral argument, the government argued that Perdoma's case was distinguishable from Gant and that the long standing rule established in United States v. Robinson, 414 U.S. 218 (1973) governed ("It is well settled that a search incident to a lawful arrest is a traditional exception to the warrant requirement of the Fourth Amendment." Id. at 224). Further the government argued that the Gant decision was limited in that the Supreme Court simply rejected a broad reading of New York v.

Belton, 453 U.S. 454 (1981), that would permit a vehicle search incident to a recent occupant's arrest even if there were *no possibility* the arrestee could gain access to the vehicle at the time of the search. A majority panel agreed (there was one dissenting Judge, however, a petition for rehearing en banc was denied). It's a good thing too because had the Eighth Circuit agreed with *Perdoma*, virtually every search or seizure incident to a lawful custodial arrest would be challenged unless officers first obtained a search warrant. Such a holding would have complicated future evidence preservation and unnecessarily endangered law enforcement officers after arresting suspects.

### **Crack cocaine is not only in Omaha**

Seven individuals were indicted in four separate indictments regarding a cocaine and crack drug distribution ring that took place in Nebraska from 2005 into 2008. Jonair Moore, and his cousins Jobita Avery and her brother Jaktine Moore, were convicted of conspiracy to distribute crack and cocaine in Nebraska. Tyreece Jsames was convicted of conspiracy to distribute crack. Kevin Moore, Jonair's little brother, was acquitted of conspiracy to distribute crack charges. Carlos Silva pled guilty to conspiracy to distribute crack. A seventh defendant remains at large.

The Moores operated out of several locations in Lincoln, including a small house at the busy intersection of 40<sup>th</sup> and South Streets and an apartment in south Lincoln. Jonair Moore, a self-proclaimed Rap Artist, would bring cocaine to Lincoln from his city of residence, Aurora, Colorado. Once in Lincoln, Jaktine Moore would rock the cocaine into crack and he, along with Jobita Avery, would distribute the crack. On occasion, the group also

sold cocaine that was then rocked up by the buyers.

Tyreece Jsames, who helped import the cocaine and then sell it and/or crack in Nebraska, pled guilty to his indictment and was sentenced to 11 years and eight months in federal prison. Jsames was accountable is 4.2 kilos of cocaine and 1.8 kilos of crack. Carlos Silva, who was the first to be indicted, was sentenced to 14 years in federal custody for conspiring to distribute over 600 grams or crack.

During Jonair Moore's trial, a number of witnesses testified to conspiring with Moore to distribute cocaine and crack cocaine in Nebraska. Some of them bought cocaine from Moore which they converted into crack. Other witnesses made multiple purchases of crack cocaine from Moore in amounts that ranged from a quarter of an ounce to multiple ounces at a time. YouTube videos of the defendant performing rap music during which he referenced his association with cocaine and drugs, were also submitted into evidence for the jury's consideration along with photographs from Moore's social-networking sight of someone holding large amounts of currency with the statement "two days before federal warrant was issued". In another video, Jonair Moore boasted he didn't snitch and warned others not to either. Prior to trial, the Moores, along with other members of their family, protested outside the Lancaster County Hall of Justice, attempting to get people to sign petitions calling for an end to prosecution of "dry" conspiracy cases (cases proven through cooperating witness testimony when there are no drugs seized or discovered by law enforcement).

11.5 kilos of cocaine and 1.2 kilos of crack. He was sentenced to 24 years

Over the course of the conspiracy, Jonair Moore was responsible for importing over 11.5 kilos of cocaine and 1.2 kilos of crack. He was sentenced to 24 years and four months prison. His sentencing range was increased following a ruling by Judge Urbom that Moore had obstructed justice by committing perjury at trial when he testified he did not know any of the witnesses against him and he had never sold drugs.

For her part, Jobita Avery was sentenced to 11 years and three months in prison after a federal jury returned guilty verdicts against Jobita Avery and Jaktine Moore, for conspiring to distribute the drugs. The evidence presented by the United States showed the brother and sister were involved with 15.6 kilos of crack and 2.3 kilos of cocaine.

At sentencing, the court found that Jaktine Moore had obstructed justice by threatening a witness – in view of a narcotics officer. But as Jaktine Moore had two prior felony drug convictions, the court entered the statutorily mandated sentence of life imprisonment without release.

Word on the street is that the remaining Moore family has moved to Colorado.

#### Operation Armadillo

This case resulted from an investigation which began into a group of persons who were distributing larger quantities of methamphetamine as well as cocaine and marijuana in the Lincoln area. In 2009 and into the early part of 2010, Melissa Ripley of the Lincoln/Lancaster County Narcotics Unit made a number of undercover controlled buys from persons involved in this conspiracy.

On April 1, 2010, the Narcotics Unit, along with DEA, FBI, and HSI made consensual contact with persons at five locations in Lincoln. As a result of those operations, eight persons were arrested for narcotics and/or immigration violations. On April 2, 2010, a complaint was filed in federal court in Lincoln charging Marvin Solis; Alfredo Hernandez-Lopez; Jorge Arreaga; Wilson Garcia-Panama; and Dante Vicharra with conspiracy to distribute 50 grams or more of a mixture containing methamphetamine and an unspecified amount of cocaine. On April 19, 2010, an indictment charging conspiracy was returned against those five co-defendants. To date, Hernandez-Lopez; Arreaga; Garcia-Panama; and Vicharra have all pled guilty. Arreaga received a sentence of 37 months in federal prison. Hernandez-Lopez was sentenced to five years. Vicharra was sentenced to 70 months, and Garcia-Panama was sentenced to 87 months in prison. Solis remains set for trial on February 14, 2011.

On May 19, 2010, the Narcotics Unit, along with DEA, FBI, and HSI, executed federal search warrants at five Lincoln residences. As a result of these searches, five persons were arrested on narcotics and/or immigration violations. Jesus Ortiz-Menchaca was arrested after over 1/4 pound of methamphetamine was found in his apartment and approximately a pound of methamphetamine was found in a power washer in the garage he rented at his apartment complex. On May 20, 2010, Delfino Rodriguez was arrested by DEA at his workplace in Omaha after approximately 1 pound of methamphetamine and \$2560 cash were found in a safe in a vehicle parked in a garage rented by Rodriguez at 231 Adams

in Lincoln. Complaints were filed against Ortiz-Menchaca and Rodriguez on May 21, 2010. On June 23, 2010, indictments were returned charging Rodriguez and Ortiz-Menchaca with conspiracy to distribute 500 grams or more of methamphetamine and forfeiture of \$2560 cash (Rodriguez) and forfeiture of \$1644 cash (Ortiz-Menchaca). Both pled guilty. Ortiz-Menchaca was sentenced to 108 months and ordered to forfeit the \$1644 to the United States. Rodriguez is scheduled for sentencing on February 24, 2011.

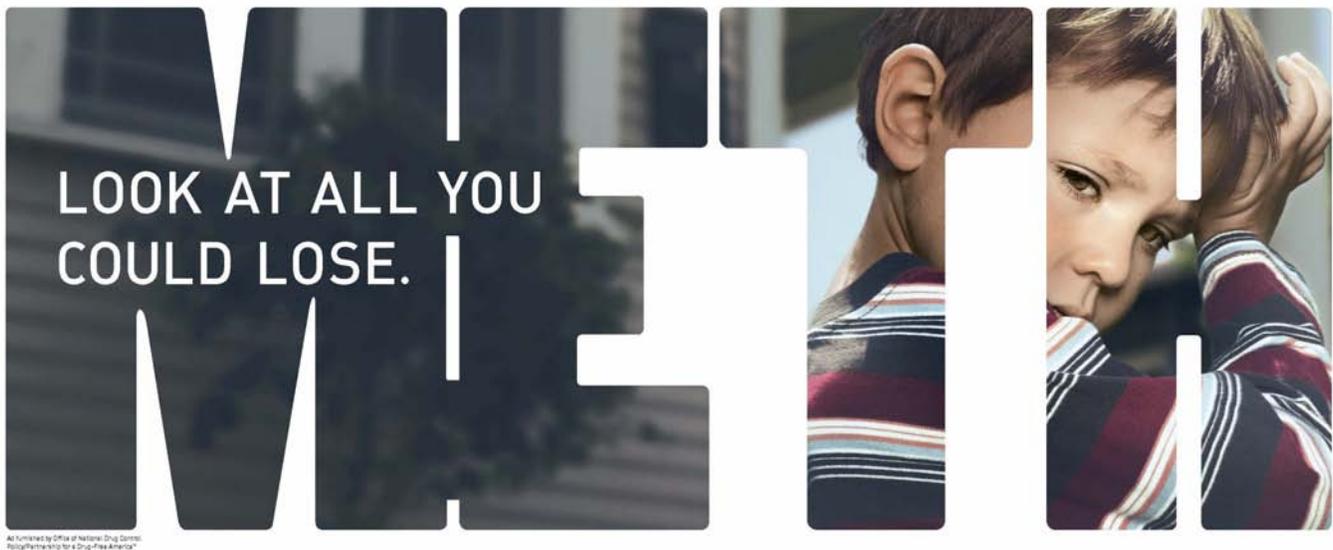
Delfino Rodriguez proffered and entered into a cooperation plea agreement. Due in part to his information, an indictment was returned on December 14, 2010, charging Javier Garcia-Hernandez a/k/a Alberto Perez with conspiracy to distribute 500 grams or more of methamphetamine. Garcia-Hernandez's residence was one of the residences searched on May 19, 2010. He was stopped after leaving his residence and was found in possession of a small amount of marijuana. He was arrested for illegal reentry, and later pled to a federal charge of illegal reentry. He was sentenced on that charge to 46 months in federal prison in November of 2010. Documentation in the name of "Alberto Perez" was found in the same safe as the pound of methamphetamine and the \$2560 cash which were located in Delfino Rodriguez's garage on May 19, 2010. Garcia-Hernandez's case is currently set for trial beginning February 28, 2011.

This investigation has resulted in the disruption of a fairly large-scale methamphetamine distribution organization. For example, Delfino

Rodriguez admitted in his plea agreement to being responsible for the distribution of at least 15 kilograms of methamphetamine, at least 500 grams of methamphetamine (actual), and at least 5 kilograms of cocaine between January of 2003 and May of 2010. The persons arrested as a result of the April 1, 2010, contacts were connected to Rodriguez, Ortiz-Menchaca, and Garcia-Hernandez, through an Hispanic male suspect, (who has reportedly returned to Mexico,) who was obtaining methamphetamine from the Rodriguez group and selling it to Marvin Solis, who then distributed it among and through Arreaga, Hernandez-Lopez, Garcia-Panama, and Vicharra, and ultimately, on several occasions, to Inv. Ripley. A number of other persons associated with this distribution organization are also believed to have returned to Mexico due to the arrests and prosecutions resulting from this case.

This case involved joint efforts between the local task force and the federal agencies and also involves persons prosecuted and investigated in the District of South Dakota as well as the District of Nebraska.





## **METHAMPHETAMINE LABS**

The passing of state legislation that requires individuals to show identification and sign for pseudoephedrine pills has been a tremendous tool in prosecution. Pharmacists and clerks have been proactive in notifying law enforcement when an individual is violating the statute or brings other individuals with them to the store to purchase pills. It is also been great piece of evidence to have the defendant's signature on the numerous pseudoephedrine logs showing the purchases they have made.

In the past year, the United States Attorney's Office has prosecuted lab cases from numerous counties in Nebraska including Scottsbluff County, Lancaster, Gage, Johnson, Colfax, Butler, Platte, Boone, Dodge, and Douglas Counties. During 2010, more than 17 individuals were indicted for the manufacture of methamphetamine. The majority of the cases are still pending sentencing. Skyler Spear from Lancaster County was sentenced to 140 months imprisonment. Alan Volner from Gage and Johnson Counties received 120 months imprisonment. The pseudoephedrine pills purchased by the defendant are converted into methamphetamine. This allows the court to hold the defendant responsible for the methamphetamine they did or could have manufactured. This can result in severe penalties.

The significant amount of these type of prosecutions has been a cooperative effort of local law enforcement, the Nebraska State Patrol and the local county attorney's offices.

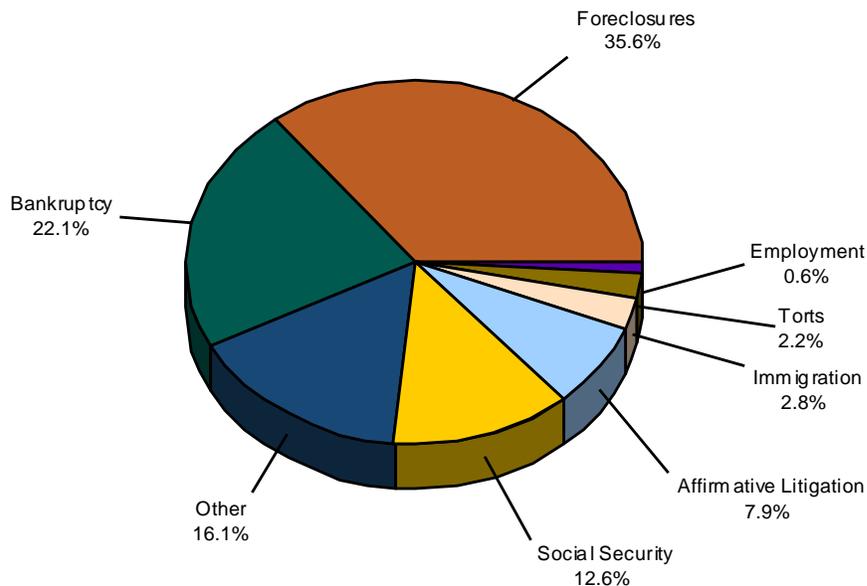


Attorneys in the Civil Division of the United States Attorney's Office represent the United States, as well as federal agencies, officers, and employees, in civil litigation in federal and state courts throughout Nebraska. Civil Division AUSAs work closely with lawyers from the federal agencies involved in each case to develop and present the position of the federal parties to the suit. Attorneys from the Department of Justice also assist in some civil litigation in the District of Nebraska.

Work on 280 civil cases and matters was completed in 2010. Included in that number were defensive cases in which the validity of federal laws, or the acts of federal agencies and employees, were challenged. Also included were affirmative cases brought to enforce federal statutory and regulatory requirements, and to collect debts owed to the United States. The chart below depicts the types of civil cases and matters completed during 2010.

## Civil Cases Closed

By Cause of Action



The Internal Revenue Service, Social Security Administration and the U.S. Department of Agriculture continued to be the agencies involved in the largest number of civil cases in the District during 2010. The number of foreclosures and affirmative litigation cases increased sharply in 2010, while the number of bankruptcy cases decreased. A variety of cases involving the agencies within the Department of Justice also made up a significant portion of the overall civil workload. The number of cases completed for various federal agencies is reflected in the chart on the next page.

## Civil Litigation

A primary function of the Civil Division is to provide quality representation to the United States and its agencies and officers in defensive litigation in federal and state court. During 2010, Civil Division AUSAs defended a number of cases brought in federal court to set aside or modify the actions of federal agencies and officers. Civil Division AUSAs also handled several cases seeking damages for alleged negligence or other wrongful conduct by federal employees, as well as cases alleging discrimination in federal employment.

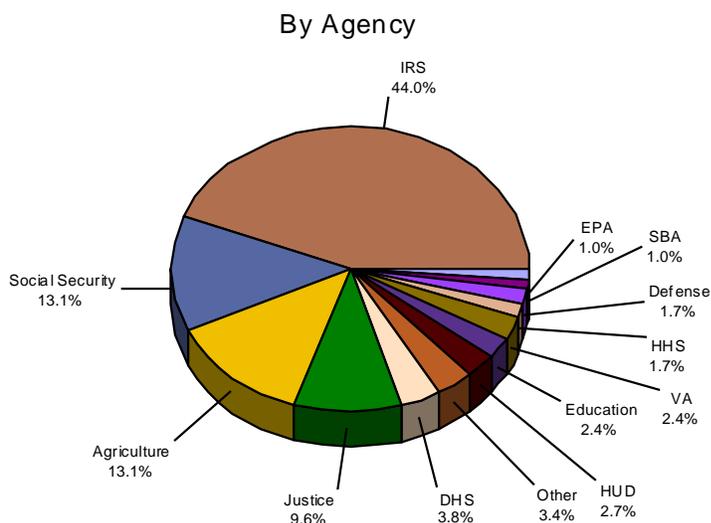
In the area of affirmative litigation, the Civil Division continued its Affirmative Civil Enforcement (ACE) program, which involves various initiatives designed to collect civil monetary penalties and damages for violations of federal law, to recover costs incurred by agencies as a result of violations of federal statutes and regulations, and to obtain compliance with the requirements of federal law through civil litigation. In calendar year 2010, ACE cases resulted in monetary recoveries of more than \$1,000,000.00. ACE cases also led to court orders directing various defendants to comply with federal laws and regulatory requirements.

The United States Attorney's Office ACE program includes an active Health Care Fraud Task Force made up of civil and criminal AUSAs, Special AUSAs from the Nebraska Attorney General's Office, investigators from various state and federal agencies, and representatives of insurance providers and intermediaries. The task force approach enhances communication regarding the investigation of health care fraud in the District of Nebraska, and allows oversight agencies to pursue cases in the manner most effective to deter fraudulent activity and recover losses.

Another major area of emphasis in the ACE program is environmental enforcement. In 2010, the United States Attorney's Office worked with attorneys from the United States Department of Justice and the Environmental Protection Agency on civil environmental cases brought to recover civil penalties as well as response costs, and to obtain judgments requiring polluters to comply with environmental laws.

As in most years, Civil Division AUSAs also conducted a significant amount of litigation in 2010 to collect debts owed to the United States. Suits to obtain judgments for unpaid balances of delinquent loans made by agencies such as the U.S. Department of Agriculture, the U.S. Department of Education, the U.S. Department of Veteran's Affairs, and the U.S. Department of Health and Human Services comprise a significant portion of the Office's civil workload. Those cases are litigated in federal district court, in bankruptcy court, and in state courts throughout Nebraska.

## Civil Cases Closed



## CIVIL LITIGATION CASES

The civil cases litigated in 2010 include:

### IMMIGRATION CASES

Molina Jerez v. Lynch, et al. – In December 2008, Plaintiff filed an action in federal court (petition for *Habeas Corpus*) seeking to avoid removal to Guatemala. The Nebraska District Court found that it did not have *Habeas* jurisdiction and Plaintiff then filed an action in the U.S. Circuit Court for the Eighth Circuit. The Eighth Circuit found in favor of the United States and upheld Immigration Customs and Enforcement's reinstated order of removal. The Circuit Court also found no credible evidence that Plaintiff was entitled to relief under two distinct statutory remedies only available to people from Central America. The favorable ruling was significant for the U.S. Attorney's Office as it was a case of first impression in the Nebraska courts.

Jose Chavez Hernandez v. Holder, et al. – Plaintiff filed a petition for *Habeas Corpus* and an emergency request for stay of deportation. Plaintiff, a Mexican citizen, argued that a recent Supreme Court case, Padilla v. Kentucky, barred his removal. Plaintiff was allegedly denied effective assistance of counsel during his state criminal case in Iowa because his attorney failed to inform him that he could be deported for a drug conviction. The District Court refused to hear the case on jurisdictional grounds. Plaintiff then filed a case in the Eighth Circuit. The Circuit Court refused to grant Plaintiff a stay of removal, and he was removed to Mexico. The case was significant for the U.S. Attorney's Office in that it was one of the first cases requesting relief based on the Supreme Court's Padilla decision.

Debba v. Heinauer, et al. – The U.S. Attorney's Office defended a mandamus action brought in District Court, and then later appealed to the Eighth Circuit, attempting to compel the U.S. Citizenship and Immigration Service (USCIS) to process his pending I-485 change of status application. The application had been pending for more than eight years. USCIS argued successfully that the delay was justified in that it was associated with a recent agency policy on handling I-485 applications in cases where the petitioner is believed to have connections to terrorist groups or activities. The case was significant in that it was the first time a Nebraska court was asked to uphold USCIS's new policy formulated as a result of Immigration and Naturalization Act § 212 (d)(3)(B)(I), enacted in 2007. This decision was affirmed by the Eighth Circuit.

### CIVIL RIGHTS CASES

U.S. v. QuikTrip Corporation – The Office assisted the Department of Justice (DOJ) in reaching a comprehensive settlement under the Americans with Disabilities Act (ADA) with QuikTrip Corporation, a private company which owns and operates more than 550 gas stations, convenience stores, travel centers, and truck stops in the Midwestern, Southern, and Southwestern United States. The settlement, embodied in a consent decree, filed in the U.S. District Court for the District of Nebraska. DOJ opened the investigation in response to complaints of discrimination by two individuals with disabilities in Omaha. The lawsuit alleged a nationwide pattern and practice of discrimination on the basis of disability. QuikTrip worked with DOJ to amicably resolve the matter without active

litigation. Under the court-approved settlement, QuikTrip will:

- create a \$1,500,000 compensatory damages fund to compensate the Complainants and other aggrieved persons who make timely claims to DOJ;
- make necessary modifications at its current stores to achieve compliance with ADA accessibility requirements;
- design and construct future stores so they comply with the ADA architectural standards;
- ensure that at least two fueling positions at each of its current stores and all fueling positions at future stores are accessible to individuals with disabilities; and
- pay a maximum civil penalty of \$55,000.

Crawford v. OMALiNK – The U.S. Attorney's Office investigated a complaint that a transportation services provider which did not have any accessible vehicles in its small fleet requested that individuals with disabilities contact a different transportation company if the individual needed accessible transportation. While the ADA does not require private transportation companies to own accessible vehicles, it does require that they provide "equivalent service" to people with disabilities. The matter was resolved by a Letter of Resolution whereby OMALiNK contracted with a different transportation company with accessible vehicles to provide equivalent service, such that there were no extra steps or charges for customers with disabilities.

## **COMMERCIAL LITIGATION**

Granite Reinsurance Co. v. Frohman – The United States Attorney's Office obtained

dismissal of litigation after successfully seeking a change of venue from Nebraska to federal district court in the District of Columbia. Granite Reinsurance is a company that reinsured crop insurance sold by American Growers, a company involved in a liquidation under a court monitored receivership. Dismissal was significant in light of Plaintiff's claim for more than \$30 million in damages.

## **ENVIRONMENTAL CASES**

U.S. v. NuStar Pipeline – The Department of Justice's Environment and Natural Resources Division negotiated a resolution in this Clean Water Act (CWA) case whereby NuStar paid a penalty of \$450,385 and is performing a Supplemental Environmental Project (SEP) estimated to cost \$762,302. (The SEP consists of installing continuous level detection instruments which it will maintain and operate for two years.) Defendant NuStar is based in San Antonio, TX, and owns and operates more than 8,000 oil pipelines and over 80 oil storage facilities. NuStar failed to comply with CWA regulations requiring it to prepare plans for preventing and containing spills and for responding to a worst case discharge at several of its above ground oil storage facilities in Nebraska (Columbus, Norfolk, and Geneva), Iowa, and Kansas. The United States filed a Complaint and negotiated a Consent Decree addressing NuStar's failure to timely submit Facility Response Plans (FRP), and deficiencies noted in its Spill Prevention Control and Countermeasure (SPCC) Plans in Nebraska. There were no spills or actual environmental harm arising from the violations.

U.S. v. Midwest Feeding Company – The U.S. Attorney's Office resolved a longstanding dispute between the Environmental Protection Agency (EPA) and

Midwest Feeding Co., a 15,000 head cattle feedlot in Milford, NE. EPA inspected the feedlot in May 2002, identifying a number of violations including an illegal discharge and leaking from the feedlot's holding pond. The EPA sought the assistance of the U.S. Attorney's Office because, while the feedlot did timely construct a new holding pond, it failed to properly close the old holding pond or lake, removing and properly disposing of the waste material. Pursuant to the terms of the negotiated agreement, the feedlot paid a \$5,625 penalty and cleaned out and closed the old holding pond, to the satisfaction of the Nebraska Department of Environmental Quality (NDEQ).

U.S. v City of Hastings, Second Street Subsite – The Department of Justice filed this Comprehensive Environmental Response, Compensation, and Liability Act of 1980, ("CERCLA"), case for the response costs the U.S. incurred and will be incurring at the Second Street Subsite, one of seven subsites at the Hastings Ground Water Contamination Superfund Site in Adams County.

The City is the current owner of the Subsite, which consists of a contaminated aquifer and soils, and the sole remaining potentially responsible party (PRP). The vast majority of the contamination was caused by the historical operations of a coal gas manufacturing plant (1894-1931) which is now defunct. The site was first discovered in 1983 after the City detected bad taste and odor in the drinking water from a municipal well it had reactivated after many years of being out of service.

DOJ negotiated a resolution with the City whereby it will (1) pay a total civil penalty of \$1,000,000 in five annual \$200,000 installments; 2) continue performing remedial action work up to a value of \$1,700,000, making its total financial contribution worth \$2,700,000; and (3) pay

the United States a percentage of any insurance proceeds the City recovers. For more than twenty years, the City has fully cooperated with EPA by agreeing to pay costs and perform work at each of the subsites where it was a potentially responsible party (PRP), and has voluntarily performed work at a site where it was not a PRP - in support of EPA's response actions.

## **HEALTH CARE FRAUD**

U.S. v. Emergency Dental - Contrary to Medicare and Medicaid regulations, Emergency Dental hired a dentist whom the United States Department of Health and Human Services (HHS) had excluded from participation in federally funded health care programs for having earlier engaged in unethical conduct. The dental practice could have learned of the exclusion by searching HHS's national database of excluded providers prior to hiring the dentist. The U.S. Attorney's Office prosecuted him criminally in a parallel proceeding resulting in a conviction. Civilly, the U. S. Attorney's Office recovered and returned to Nebraska Medicaid all of the reimbursements the clinic received for services provided by the excluded dentist, in addition to a substantial financial penalty.

## **FEDERAL TORT CLAIMS ACT (FTCA) CASES**

Personal Injury - The U.S. Attorney's Office successfully obtained a defendant's verdict following a trial in U.S. District Court for the District of Nebraska, in a FTCA trip and fall case. Plaintiff was shopping at Offutt Air Force Base's Commissary and tripped over a "bumper guard railing system", in place to prevent shopping carts from bumping into the meat counter. Plaintiff was injured (broken hip) and had to undergo surgery and a lengthy recovery. Plaintiff sought \$1 million in damages. In a battle between

expert building code inspectors, the Court found the government's retained expert to be convincing. The railing was properly installed, met code specifications, and did not constitute a dangerous condition at Offutt's Commissary.

## **MEDICAL MALPRACTICE & WRONGFUL DEATH**

The surviving sister of an over 80-year old military veteran sued the United States after the veteran fell while unattended in a bathroom of a VA nursing home facility. The Veteran died as a result of the injuries he sustained in the fall. With the aid of a mediator, the United States Attorney's Office and the Plaintiff were able to reach a settlement that was fair and reasonable to both parties.

The U.S. Attorney's Office defended an action brought by a surviving husband who sued the United States alleging medical malpractice regarding the care his wife received at a federally covered health center in Omaha. In the lawsuit, the husband complained that his wife had expressed complaints of chest pain to her treating physician, and that the treating physician did not act to further treat or diagnose the reason for the patient's complaints. With the aid of a mediator, the parties were able to reach a settlement that was fair and reasonable to both parties.

The surviving wife of a an Army Veteran, sued the United States, seeking damages in the amount of \$1.75 million, alleging that the VA did not correctly prescribe and monitor his medications, leading to the Veteran's overdose and death from prescription drugs. The United States Attorney's Office conducted further investigation, and located evidence at the Omaha Police Department property room that showed a crack pipe had been taken into evidence by the Omaha Police from the from the bed of the decedent

where the decedent was found on the day of his death. Utilizing forensic evidence obtained during the autopsy, and also evidence from prescribing drug records for the Veteran, the United States was able to prove to the decedent's family that the cause of the overdose was due to the Veteran's own misconduct in ingesting illegal drugs, and not due to any VA negligence. The suit was voluntarily dismissed by the Veteran's widow.

Wrongful Death - In a wrongful death case successfully defended by the U.S. Attorney's Office in District Court, the action was dismissed because Plaintiff failed to provide proof of her status as legal representative of her husband's estate, despite numerous requests by the VA during the administrative process. Plaintiff appealed ruling to the Eighth Circuit which reversed and remanded the lower court in a 2 to 1 decision. In essence, the Circuit Court found substantial compliance with the notice requirements of the FTCA. The Government then sought, and was granted, a rehearing *en banc* by the Eighth Circuit and the matter is still pending before the Circuit Court.

Plaintiff brought an action for medical malpractice against the VA Hospital in Omaha which resulted in a settlement. Plaintiff asserted that he suffered from a rare facial pain following surgery for removal of a parotid gland. The U.S. Attorney's Office, with the aid of a mediator, was able to avoid further expense and delay associated with taking the matter to trial and reached a fair settlement.

## EMPLOYMENT DISCRIMINATION

Loos v. Napolitano – The U.S. Attorney’s Office obtained summary judgment in a Rehabilitation Act case where the Plaintiff was seeking reasonable accommodation of training. The District Court found that Plaintiff could not establish that she was qualified to perform the essential functions of her job even with reasonable accommodation.

Gerdes v. Chertoff - In a failure to promote case, the U.S. Attorney’s Office successfully defended the action and obtained summary judgment in a Title VII discrimination case. Plaintiff sought substantial damages for having been denied a supervisory position. The District Court found that Plaintiff could not establish that he was discriminated against and that the agency had legitimate business (non-discriminatory, non-retaliatory) reasons for its hiring decision.

## PROGRAM LITIGATION

Reed v. Antwerp - The U.S. Attorney’s Office secured an Order dismissing Plaintiff’s case requesting declaratory judgment and writ of mandamus for the purpose of ordering that an environmental impact statement be prepared in connection with the construction and permanent placement of a 345,000-volt transmission line through and over the Twin Lakes Wildlife Management Area in Seward County, Nebraska. The suit also sought an

order enjoining further construction of the transmission line. The District Court denied injunctive relief in the early stages of the litigation and ultimately determined the case was moot and denied attorney’s fees because Plaintiff was not a “prevailing party”.

Central Platte NRD v. USDA and FSA – The U.S. Attorney’s Office successfully defended an action brought by an NRD seeking disclosure of Geospatial Data (GIS) found in certain farm records maintained by USDA of landowners within the NRD district boundaries. Plaintiff had sought the disclosure of such records under the Freedom of Information Act but were denied access to the records by USDA on the basis of a statutory exemption prohibiting disclosure of such records. Due to recent changes in the 2008 Farm Bill, explicitly prohibiting disclosure of the GIS data sought by Plaintiff, USDA argued it was prohibited from providing the records. USDA’s Motion to Dismiss and Motion for Summary Judgment was granted. The matter is presently pending in the Eighth Circuit Court of Appeals.

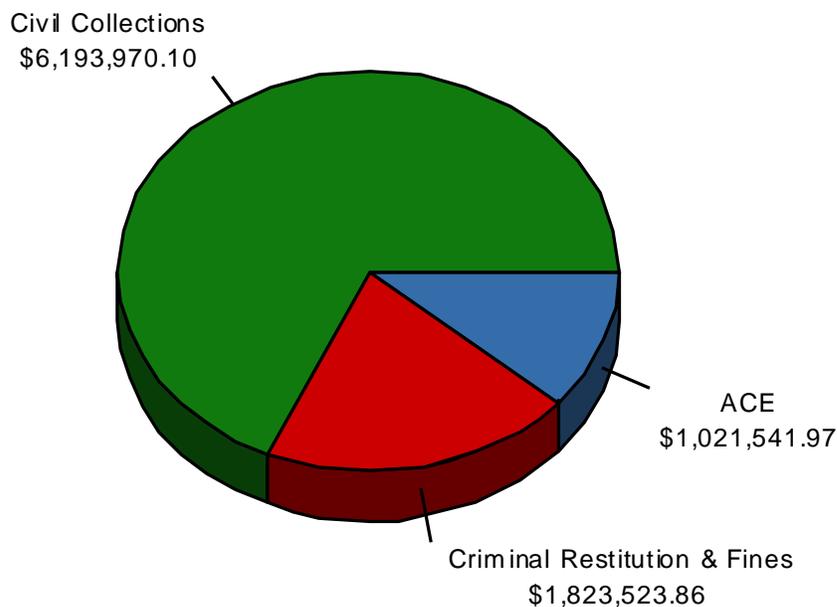


## Collection of Judgments

A major function of the United States Attorney's Office Civil Division is to collect debts owed to the United States as a result of judgments entered in civil cases, and fines and restitution orders imposed as part of the sentence in criminal prosecutions. In calendar year 2010, the Office did collect approximately \$9,000,000 million.

# Collections 2010

By Type



A breakdown of collection activity in the United States Attorney's Office show that a variety of civil cases, including bankruptcy and foreclosure, resulted in approximately \$6,000,000 in recoveries in 2010. ACE cases accounted for approximately \$1,000,000 million in collections. Total collections by type are reflected in the chart above.

A large percentage of the money collected by the United States Attorney's Office is forwarded to federal agencies for repayment of loans and other federal program obligations. Some of the recoveries, such as those obtained for the Environmental Protection Agency, are used to pay costs expended in implementing and enforcing federal programs. Criminal restitution collected is delivered directly to the crime victims, and criminal fines and special assessment recoveries are used to fund federal programs for the benefit of victims of crimes.

## LAW ENFORCEMENT AND COMMUNITY COORDINATION



The mission of the United States Attorney's Office Law Enforcement and Community Coordination (LECC) Unit is to assist law enforcement and criminal justice agencies throughout the District of Nebraska, and to facilitate community-based efforts on issues related to criminal justice and community restoration. The LECC Unit manages or facilitates a number of programs designed to support and coordinate the objectives of the criminal justice system at various levels, provides services to witnesses and victims of federal crime, conducts training, and apprises the community at large about issues related to the criminal justice system. In 2010, the LECC Unit continued its work to maintain strong collaborative partnerships among federal, state, tribal, and local law enforcement agencies in order to improve the effectiveness of law enforcement in the District.

The LECC staff works with the Nebraska Sheriff's Association, the Police Officers' Association of Nebraska, the Police Chiefs' Association of Nebraska, Nebraska Coalition for Victim's of Crime and the Nebraska County Attorneys Association to develop and present training on subjects related to criminal justice and victim assistance. A three-day criminal justice conference hosted by the United States Attorney's Office and cosponsored by the Nebraska County Attorneys Association is held in Kearney each year. Awards recognizing accomplishments in law enforcement presented at the 2010 conference are described in the following section of this report.

Trainings and conferences are held throughout the year across the state at various venues. The trainings hosted by the U.S. Attorney's Office in 2010 focused on a number of topics, many of which were held more than once and at several venues across the district.

- Threat Finance Training
- Spanish for Corrections Personnel
- Spanish for Law Enforcement
- Protect Our Children Regional Conference
- Victim Offender Dialogue for Facilitators
- Nebraska Infrastructure Protection Conference
- Federal Case Development
- Hate and Bias Crime Training
- DNA Evidence Training
- Domestic Violence Training
- Victim Services Training

The District of Nebraska co-hosted the 7<sup>th</sup> annual *Protect Our Children Conference*, held in Des Moines, IA in September 2010. This annual conference focuses on child sexual assault, child pornography and on-line/internet sexual enticement of children. The conference drew over 650 criminal justice and social service professionals, and is co-hosted by eight United States Attorney's districts from Iowa, Kansas, Missouri and

Illinois. The 2011 conference will be held in Wichita, Kansas.

The Victim Witness staff is an integral part of the LECC Unit, and provides victim and witness services related to federal prosecutions in the District. The Victim Witness staff works with victims of federal crime from the time of the occurrence of the crime through the completion of the prosecution. The Victim Notification System (VNS) notifies victims of the status of investigations, as well as developments in cases accepted for prosecution. In 2010, the VNS provided 16,449 notices to victims of federal crime in Nebraska. There were 1,435 new victims of federal crime identified and entered into the system. Services include information and assistance with travel and lodging related to court appearances, courtroom support, and referrals to other agencies for counseling, shelter, and other assistance. The Victim Witness Staff provides oversight and coordination to the Multi-disciplinary Child Abuse Investigation Teams located on the three federally recognized Tribal reservations.

During Crime Victim's Rights Week in April 2010, the Victim Witness Staff, along with the Federal Bureau of Investigation and the Nebraska Coalition for the Victims of Crime, provided training for victim service providers, mental health professionals, and law enforcement and corrections personnel on coordinating and enhancing services to victims. The United States Attorney's Office in partnership with the Nebraska Department of Correctional Services provided training to correctional professionals and victim services providers in Victim Offender Dialogue. Victim Offender Dialogue is a victim-centered process that provides a safe

opportunity for survivors of violent crime to give direct and powerful voice to the trauma of their experiences, and for violent offenders to face the effects of their actions.

## Violence shouldn't be child's play.



We may not like to think about it—or even believe it—but children experience violence at alarming rates.

**We can do better to protect our young people.**

To learn more about youth victims of crime or to get involved, visit [www.ncvc.org/youth](http://www.ncvc.org/youth) or [www.ovc.gov](http://www.ovc.gov).

Another effort coordinated by the United States Attorney's Office LECC Unit is the Weed and Seed program. Weed and Seed is a community-based, multi-agency approach to law enforcement, crime prevention, and neighborhood restoration. The Weed and Seed strategy brings federal, state, and local agencies together with prosecutors, social services providers, representatives of the public and private sectors, business owners, and neighborhood residents to further the common goal of weeding out crime while seeding in social services and economic revitalization. In 2010 there was one designated Weed and Seed site, in northeast Omaha. The Weed and Seed sites benefit from federal financial assistance and increased strategic cooperative efforts directed to achieving the goals of the program.



SPONSORED BY: U.S. DEPARTMENT OF JUSTICE ★ OFFICE OF JUSTICE PROGRAMS ★ OFFICE FOR VICTIMS OF CRIME



Training Calendar  
 United States Attorney's Office - District of Nebraska  
 Deborah R. Gilg United States Attorney



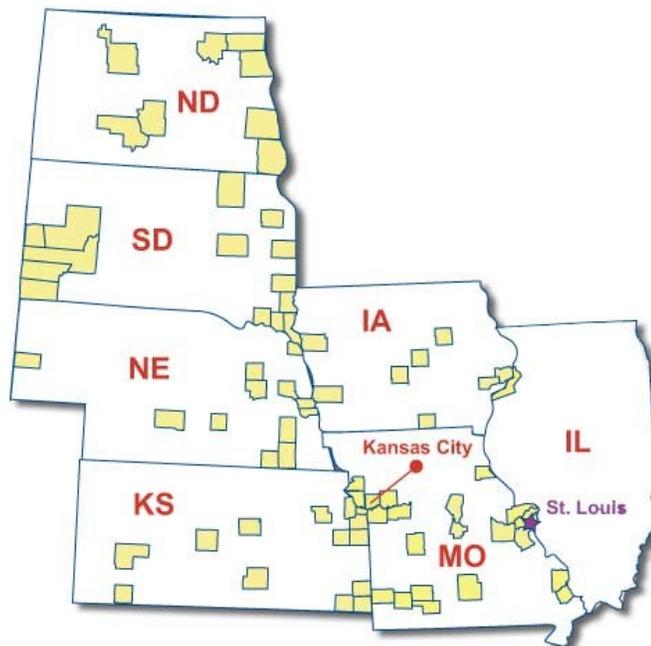
<b>January 2011</b>		
<b>Date</b>	<b>Event</b>	<b>Location</b>
25 <sup>th</sup> – 27 <sup>th</sup>	Command Spanish for Pre-Trial and Probation Officers	Metro Community College
<b>February 2011</b>		
<b>Date</b>	<b>Event</b>	<b>Location</b>
22 <sup>nd</sup> – 24 <sup>th</sup>	Command Spanish for Law Enforcement (CLOSED – class filled)	National Park Service Omaha
<b>March 2011</b>		
<b>Date</b>	<b>Event</b>	<b>Location</b>
21 <sup>st</sup> – 22 <sup>nd</sup>	Reducing Domestic Violence in Rural Areas	HARMS Advanced Tech Center, Scottsbluff
24 <sup>th</sup> – 25 <sup>th</sup>	Reducing Domestic Violence in Rural Areas	Hope Crisis Center Fairbury
<b>April 2011</b>		
<b>Date</b>	<b>Event</b>	<b>Location</b>
5 <sup>th</sup> – 6 <sup>th</sup>	Nebraska Infra-Structure Protection Conference	Embassy Suites in La Vista
5 <sup>th</sup> – 6 <sup>th</sup>	Crime Victim's Conference	Omaha (TBD)
11 <sup>th</sup> – 15 <sup>th</sup>	Crime Scene Management	Omaha Police Training Facility
<b>May 2011</b>		
<b>Date</b>	<b>Event</b>	<b>Location</b>
18 <sup>th</sup> – 20 <sup>th</sup>	LECC Conference	Holiday Inn, Kearney

Please contact Joe Jeanette at [joe.jeanette@usdoj.gov](mailto:joe.jeanette@usdoj.gov) for more information on the above trainings.



In December, 1996, the Office of National Drug Policy (ONDCP) designated counties in Iowa, Kansas, Missouri, Nebraska, and South Dakota as the Midwest High Intensity Drug Trafficking Area (HIDTA). In February, 1999, designated counties in North Dakota joined the Midwest HIDTA. The goal of the Midwest HIDTA is to enhance and facilitate the coordination of regional drug-control efforts among local, state, and Federal law enforcement agencies in order to reduce drug trafficking and its harmful consequences in critical markets in the region. During 2008, Midwest HIDTA supported task forces and initiatives, and effectively used HIDTA program resources to investigate a growing number of drug related cases that posed significant threats to strategic drug markets and other communities within the Midwest HIDTA region.

Co-located with the United States Attorney's Office's LECC Unit is the Nebraska Office of the Midwest HIDTA Initiative. The Midwest HIDTA focuses on decreasing the importation, distribution, manufacture, and demand for illegal drugs within the Midwest Region, which includes Nebraska and neighboring states. Intelligence information on drug activity is compiled and disseminated through the Nebraska Law Enforcement Intelligence System (NELEIS), maintained by the State Patrol. The HIDTA Initiative, in addition to supporting law enforcement and prosecution, has developed a number of drug abuse prevention programs.



## **2010 LECC AWARDS**

### **Sergeant Jeffrey Bliemeister Lancaster County Sheriff's Office**

Sergeant Jeffrey Bliemeister began his law enforcement career with the Lancaster County Sheriff's Office on March 28, 1996. During his tenure at the Sheriff's Office he has been a patrol deputy and supervisor, an investigator in the Lincoln/Lancaster Narcotics task force and for the last five years he has been assigned as the Sheriff's Office Criminal Division Sergeant.



Upon Sergeant Bliemeister's assignment to the Criminal Division, he recognized the evidentiary value of cell phones in criminal cases. He took it upon himself to become educated on cell phone evidence by attending training in this area, and reading many articles on the subject. He also was the driving force that retained the Public Agency Training Council to present their Cell Phone Technology Training at the Lancaster County Sheriff's Office. It was Sergeant Bliemeister's interest and dedication to this project that provided training for other agencies in this important area. Sergeant Bliemeister took a very confusing area, simplified it and made it a much easier process for all investigators and attorneys in this area who are involved in obtaining this type of evidence. Everyone involved is now completing and serving search warrants, court orders and subpoenas in the same way to the various cell phone companies.

Sergeant Bliemeister is responsible for developing and instructing numerous training classes for the Lancaster County Sheriff's Office and outside agencies. These training covered areas of 4<sup>th</sup>, 5<sup>th</sup>, and 6<sup>th</sup> Amendment issues, and a case study of the Ann True homicide. Sergeant Bliemeister also wrote an article which covered arrest warrants and the elements that must be met to enforce them. This article was published in Quinlan, a Legal Update Publication.

Part of his duties involve supervising the Metro Area Fugitive Task Force which is housed at the Lancaster County Sheriff's Office. The Task Force consists of several U.S. Deputy Marshals, a Lincoln Police Officer and a Lancaster County Deputy. In the five years that Sergeant Bliemeister has supervised this group they have served over 2,100 arrest warrants. The Task Force's top goal of arresting felony fugitives has made Sergeant Bliemeister extremely efficient in handling barricaded subjects, the use of high tech electronic tracking devices and extremely knowledgeable on search and seizure issues.

He is one of the hardest working and dedicated individuals we have had the pleasure of working alongside. His primary assignment is Criminal Investigations Sergeant, but he is also Team Leader for the Sheriff's Office Tactical Response Unit, a Crime Scene Tech, and he oversees the Sheriff's Office portion of the Sex Offender Compliance Check Grant. Sergeant Jeffrey Bliemeister is recognized for his dedication and professionalism to the criminal justice system.



**Kyle Poppert  
Nebraska Department of  
Correctional Services**

Agency Classification and Records Administrator, Kyle Poppert is honored for his work in the area of cooperation between agencies. Mr. Poppert has provided training for the State Law Enforcement Academy in Grand Island which focused on reintegration strategies for offenders returning from prison to the community. He is a tireless worker and advocate for successful reintegration of offenders from prison to the community. To this end, the training he developed and presented for The Law Enforcement Training Academy and other civic groups has provided important information concerning the agency's interface with communities and other law enforcement agencies.

As administrator for the Department of Correctional Services Inmate Records Division, Mr. Poppert has worked closely with the Nebraska State Patrol to effectively implement registration and tracking of sex offenders. This has included coordinating collection of DNA tissue sampling for dissemination to the Nebraska State Patrol and other law enforcement entities as needed.

Finally, Mr. Poppert provided oversight and direction in cooperating with law enforcement authorities in the State of Colorado for identifying the suspect in a "cold case" felony investigation for that jurisdiction. This ultimately resulted in the successful apprehension of that suspect who had served time as an inmate in Nebraska. Kyle Poppert can always be counted upon to maintain an outstanding customer service orientation toward our criminal justice partners throughout Nebraska and is recognized this evening for his maintenance of outstanding cooperation between Law Enforcement Agencies.

**Corporal Chad Mertz  
Aurora Police Department**



In the fall of 2008 Aurora Police Corporal Chad Mertz came to his Chief with an idea to start a Senior Citizen Academy in Aurora. With a very limited budget Cpl. Mertz set out to raise money to fund the Academy. He applied for grants through the Hamilton Community Foundation and contacted local businesses for donations. Cpl. Mertz then contacted the Hamilton County Senior Center and they were more than excited to be the location for his Senior Citizen's Academy.

From April through June 2009, Cpl. Mertz began his Senior Citizen Academy with 27 seniors and was held every Monday for eight weeks. Organizations that provided speakers or conducted programs included Nebraska Legal Aid, Hamilton County Attorney's Office, Nebraska Identity Theft Action Council, Aurora Fire Department, and Hamilton County EMS, Nebraska Attorney General's Office, Grand Island Crisis Center and the Alzheimer's Association. Topics covered included Internet Fraud, Fire Safety, Nursing Home/Elder Abuse, Identity Theft, and Legal Aid for Seniors, Alzheimer's Awareness, Domestic Violence, as well as the functions of local Law Enforcement including finger printing and K-9 Demonstrations

Corporal Mertz saw the need for the File of Life Program in the Aurora Community. The File of Life Program is a mini-medical history card posted on one's refrigerator or carried in a wallet or purse of a person receiving medical attention when unable to provide their information to emergency personnel. In February 2009, with the help of the Hamilton County Ambulance Department, the File of Life Program was implemented in Aurora and Hamilton County at the Hamilton County Health Fair. The File of Life Program was funded by the Hamilton Community Foundation at no cost to the tax payers of the community. Mertz had the idea, developed programs, found no tax revenue funding sources and successfully implemented the programs.

On October 2<sup>nd</sup> 2009, Corporal Mertz received a serious head injury while off duty. He just returned to work in late April 2010. Corporal Chad Mertz is honored for his dedication in making his community a better place to live.



**Nebraska Patrol Investigator Robert Frank  
Saunders County Attorney Scott Tingelhoff  
Nebraska Assistant Attorney General Doug Warner**

In November 1977 Sadie May McReynolds, a 97 year old retired school teacher was brutally raped and murdered in her home in Saunders County. This case remained unsolved until Lt. Bob Frank of the Nebraska State Patrol's Cold Case Unit reopened the case and used advancements in DNA testing and jailhouse informants to identify Jeff Glazebrook as the murder suspect. Glazebrook, at the time of the murder was a 17 year-old neighbor of the victim.

Through the combined efforts and perseverance of Lt. Frank and Saunders County Attorney Scott Tingelhoff, a grand jury returned an indictment against Glazebrook in September 2008. Glazebrook was now a career criminal who was serving a 16 ½ - 38 year sentence for a sexual assault, and scheduled to be released in September of 2010.

Doug Warner of the Nebraska Attorney General's Office was the lead prosecutor on the case. Frank, Tingelhoff, and Warner spent countless hours in the investigation and trial strategy preparation which resulted in the conviction and life sentence of Glazebrook in 2009.

These dedicated criminal justice professionals were motivated by the desire to find justice for the victim, and thirty-two years later they were able to close the books on one of Nebraska's coldest cases.



**Special Agent Michael Sackett - Federal Bureau of Investigation  
Detective James Paul - Omaha Police Department  
AUSA John Higgins - United State Attorney's Office**

In 2007, review and analysis of gang related activity in the Omaha metropolitan area revealed a notable increase in law enforcement contacts and shooting incidents involving the 29th Street Bloods. Omaha Police Department statistics revealed a 26% increase in shootings, armed robberies, gun assaults, and homicides that summer. Many of these crimes were specifically attributed to the 29th Street Bloods, making this gang essentially "the worst of the worst" in the area.

In early-2008, the Greater Omaha Safe Streets Task Force (GOSSTF), whose members included Special Agents of the FBI, DEA, and officers with the Omaha Police Department and Nebraska State Patrol, met with local homicide and gang suppression units to develop a "targeting list" comprised of the gang's leadership, the most violent offenders, and the most prolific drug traffickers. During this and subsequent meetings with Assistant U.S. Attorney John Higgins, an investigative strategy was formulated to disrupt and dismantle the 29th Street Bloods. Included in this strategy were Officer Brian Bogdanoff (retired Omaha Police) and Special Agent Ryan Williams (currently with FBI in Kansas City), played key roles in the wire-tap investigation and confidential informant development.

The investigation culminated in two waves of arrests that took place in December 2008 and January 2009. In total, 44 persons were convicted in federal court for criminal violations stemming from this investigation. Their sentences totaled over 2,400 years.

As case agents of this investigation, Special Agent Sackett and Detective Paul worked tirelessly toward a common goal of making the city of Omaha a safer community by focusing on the 29<sup>th</sup> Street Bloods. Due in some part to their investigation, Omaha saw a significant decrease in violent crime in 2009; homicides were down 31% and aggravated assaults were down 15% from 2008.

The work and dedication of Special Agent Sackett, Detective Paul, AUSA John Higgins and all of the men and women of the other participating agencies was tremendous. We honor these individuals for their leadership and dedication in making the Omaha community a safer place to live.

Special Agent Kathy Palmer  
Department of Health  
& Human Services



We honor Special Agent Kathy Palmer in her role as the primary case agent in a mail and health care fraud case against Dr. Richard Fleming. Dr. Fleming was an Internist licensed to conduct nuclear image scans to detect and identify the existence of heart defects.

Through interviews with Dr. Fleming's billing clerks and nuclear medicine technologists, Agent Palmer was able to discern that in fact many of the complex medical tests were never conducted by Dr. Fleming, yet billed as such.

Many of the prosecution's witnesses testified that Dr. Fleming was misdiagnosing his patients by failing to conduct the more complex tests that he was billing for. Special Agent Palmer was extremely helpful in assisting these expert witnesses, as well as uncovering useful information to discredit the credibility of defense witnesses.

Because of the thorough investigation by Palmer, Dr. Fleming pled guilty prior to the jury reaching their verdict. Dr. Fleming pled guilty to both mail fraud and health care fraud and agreed to a permanent exclusion from Medicare, Medicaid and all other forms of federal health care.

Due to the diligence and exceptional work of Special Agent Kathy Palmer, Dr. Fleming has been stopped from ever again treating patients in a sub-standard fashion.

## Senator Scott Lautenbaugh



Senator Scott Lautenbaugh currently represents District 18, which includes parts of Douglas and Washington Counties. Senator Lautenbaugh was appointed in 2007, by Governor Dave Heineman and elected in 2008. Senator Lautenbaugh is a member of the Judiciary Committee and the Transportation and Telecommunications Committee. In his first three years as a legislator, Senator Lautenbaugh has shown an interest in various issues including small business, civil legal process, cigar bars, and even deer hunting. We recognize Senator Lautenbaugh for his leadership on criminal justice issues. He has been a strong voice in the Nebraska Legislature for law enforcement. This past legislative session Senator Lautenbaugh introduced the following bills:

- LB 97 - Relating to prosecution of Child pornographers, as well as forbidding access to and requiring registration for, and use of internet networking.
- LB 840 - Adding further provision for criminal attempt of Class C and D felonies
- LB 842 - Changing procedures in cases of death during apprehension by law enforcement officers or while in custody
- LB843 - Changing provisions relating to arson
- LB 1046 - Seeking to prevent indefinite continuances for precluding a speedy trial.

These bills reflect the tireless efforts of Senator Lautenbaugh to ensure that prosecutors and law enforcement officials of Nebraska have what they need to protect the innocent, and properly punish the guilty.

Senator Lautenbaugh is a graduate of Omaha South High School and Creighton University Law School. He and his wife, Shelly, are the parents of three sons - Spencer, Kyle and Nate.

Thank you Senator Lautenbaugh.



**Joe Kelly**  
**Lancaster County Attorney**

The name Joe Kelly is synonymous with Nebraska Prosecutor. Joe embodies what all prosecutors should strive to be. For the last 10 years he has been the Chief Deputy for this office. In addition to the administrative demands of this position Joe has continued to maintain and prosecute felony case throughout his tenure. He leads by example and is highly esteemed by his colleagues in the office as well as law enforcement and the defense bar.

Joe is the past president of the Nebraska County Attorneys Association. During that period the protocol for administering capital punishment was determined unconstitutional. Joe took the lead on behalf of the state's prosecuting attorneys to work with the Nebraska legislature to help draft and revise the state's protocol. Joe continues to represent prosecutors and the law enforcement community by serving as a gubernatorial appointee on the Nebraska Community Corrections Council. In addition, the Governor has also appointed Joe to serve on the County Attorneys Standards Advisory Board. Building relationships with law enforcement is a priority of Joe. He realizes that interagency cooperation leads to improved communication. The result is an improved relationship between law enforcement and the attorney in the Lancaster County Attorneys office. Joe is currently working with the Lincoln Police Department, the Lancaster County Sheriff's Office and other agencies on a Lancaster County sexual assault audit in an effort to improve the protection, safety and dignity of sexual assault victims.

Joe recently commented that he feels fortunate to have the quality of attorneys that practice in the Lancaster County Attorneys office. He used such descriptions as capable, reliable, experienced and knowledgeable in describing the attorneys. This is a reflection on the environment he has helped create in setting the example for the office and community.

## WEBSITES OF INTEREST



Other U.S. Attorney's Offices: <http://www.usdoj.gov/usao/>

Department of Justice: <http://www.usdoj.gov/>

Federal Bureau of Prisons: <http://www.bop.gov>

Federal Bureau of Investigation: <http://www.fbi.gov/>

Bureau of Citizenship and Immigration Services: <http://www.uscis.gov/>

U.S. Immigration and Customs Enforcement: <http://www.ice.gov/>

U.S. Marshals Service: <http://www.usmarshals.gov/>

U.S. Department of Homeland Security: <http://www.dhs.gov/>

Extensive list of official Federal Government web sites: <http://www.usa.gov/>







**U.S. Attorney's Office  
District of Nebraska  
2010**

