

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA

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For Immediate Release

U.S. Attorney's Office Collects \$15 Million in Civil and Criminal Actions for U.S. Taxpayers in Fiscal Year 2013

NEWS RELEASE SUMMARY – January 9, 2014

SAN DIEGO - U.S. Attorney Laura E. Duffy announced today that the Southern District of California collected \$15,576,798.02 in criminal and civil actions in Fiscal Year 2013. Of this amount, \$11,799,803.27 was collected in criminal actions and \$3,776,994.75 was collected in civil actions.

Additionally, the Southern District of California worked with other U.S. Attorney's Offices and components of the Department of Justice to collect an additional \$12,727,907.87 in cases pursued jointly with these offices. This amount was collected in joint civil actions.

Attorney General Eric Holder also announced today that the Justice Department collected approximately \$8.1 billion in civil and criminal actions in the fiscal year ending Sept. 30, 2013. The more than \$8 billion in collections in FY 2013 represents nearly three times the appropriated \$2.76 billion budget for the 94 U.S. Attorney's offices and the main litigating divisions in that same period.

“The department's enforcement actions help to not only ensure justice is served, but also deliver a valuable return to the taxpayer,” said Attorney General Holder. “It is critical that Congress provide the

resources necessary to match the department's mounting caseload. As these figures show, supporting our federal prosecutors is a sound investment."

U.S. Attorney Laura Duffy said, "Restitution to victims is justice in its simplest form. The Southern District of California strives to keep up with the rapidly increasing restitution debt and works hard to increase the amount collected each year."

This past June, the Southern District of California recovered approximately \$1.2 million in restitution and \$500,000 in fines as part of the criminal case in U.S. v. Joel Bernstein, M.D., Inc., 13CR0119-CAB. In a related civil case, U.S. v. Joel Bernstein, M.D., Inc., 13CV0153-BEN, the United States recovered \$2.2 million in a settlement agreement that was offset by the criminal restitution. Dr. Bernstein, a La Jolla, CA oncologist, defrauded Medicare by purchasing unapproved foreign cancer drugs and billing it to Medicare. In the related civil False Claims Act lawsuit filed by the United States, Dr. Bernstein was permitted to pay \$2.2 million to settle the lawsuit and have that amount applied to criminal restitution owed to Medicare.

The U.S. Attorneys' Offices, along with the department's litigating divisions, are responsible for enforcing and collecting civil and criminal debts owed to the U.S. and criminal debts owed to federal crime victims. The law requires defendants to pay restitution to victims of certain federal crimes who have suffered a physical injury or financial loss. While restitution is paid to the victim, criminal fines and felony assessments are paid to the department's Crime Victims' Fund, which distributes the funds to state victim compensation and victim assistance programs.

The largest civil collections were from affirmative civil enforcement cases, in which the United States recovered government money lost to fraud or other misconduct or collected fines imposed on individuals and/or corporations for violations of federal health, safety, civil rights or environmental laws. In addition, civil debts were collected on behalf of several federal agencies, including the U.S. Department of Housing and Urban Development, Health and Human Services, Internal Revenue Service, Small Business Administration and Department of Education.

Additionally, the U.S. Attorney's office in Southern District of California, working with partner agencies and divisions, collected \$11,968,370.00 in asset forfeiture actions in FY 2013. Forfeited assets deposited into the Department of Justice Assets Forfeiture Fund are used to restore funds to crime victims and for a variety of law enforcement purposes.

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