



U.S. Attorney's Office

Middle District of Pennsylvania

ANNUAL REPORT

20

23

Message from U.S. Attorney Gerard M. Karam



I'm pleased to present the 2023 Annual Report of the United States Attorney's Office for the Middle District of Pennsylvania. As public servants, we are accountable to the citizens we serve and our efforts at transparency include publicizing our work and accomplishments. The U.S. Attorney's Office, along with our partner agencies, had many successes in 2023. This Annual Report is a summary of those accomplishments and highlights the achievements in each major program of our office which seek to improve the safety and quality of life for the people of our district.

Over the past year, we successfully prosecuted numerous individuals engaged in drug trafficking, violent crimes, public corruption, fraud, human trafficking, child exploitation, civil rights violations, and various other federal crimes. Our office also successfully represented the interests of the federal government in various civil matters including representing numerous government agencies and officials in defensive litigation and obtaining significant monetary recoveries in affirmative civil litigation. We also supported various outreach programs designed to prevent violence and recidivism, and build community relations.

The accomplishments summarized in this report are due to the hard work of our dedicated professionals. Their devotion to the law and the citizens of the Middle District are evident by the accomplishments listed in this report.

It's an honor to work with the members of this office and with our federal, state, and local law enforcement partners to seek justice and make the Middle District of Pennsylvania safer.

I trust that the report will give you a fuller understanding of our mission. We invite you to read more and share your suggestions with us at <https://www.justice.gov/usao-mdpa>. Follow us on "X" @MDPAnews.

Gerard M. Karam
United States Attorney

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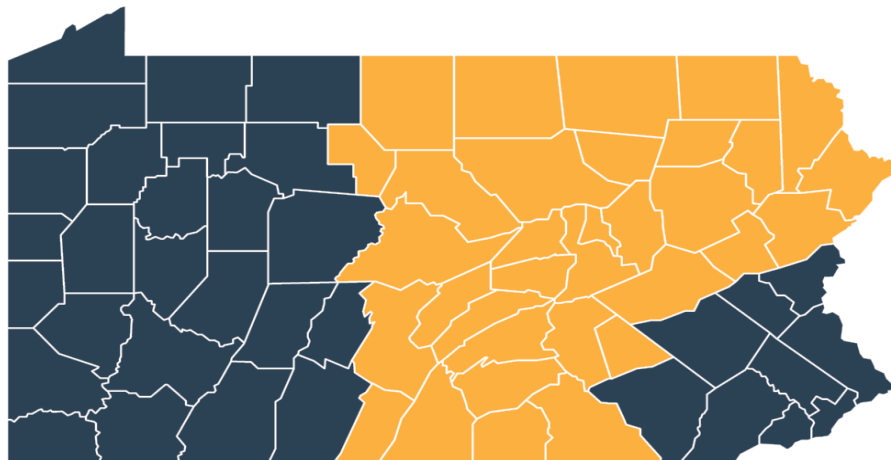
Our Mission & Geographical Area

The United States Attorney's Office represents the United States in the Middle District of Pennsylvania in the prosecution of criminal cases brought by the federal government, civil cases in which the United States is a party, and collection of debts owed to the federal government.

The Middle District of Pennsylvania extends over 21,907 square miles and contains 33 counties with over three million residents. The U.S. Attorney's Office is comprised of four offices located in Scranton, Harrisburg, Williamsport, and Wilkes-Barre.

The U.S. Attorney's Office represents the United States in legal proceedings for 14 federal institutions and enclaves within the Middle District of Pennsylvania. Federal institutions and enclaves within the district include: Delaware Water Gap National Recreation Area; Steamtown National Recreation Center; Tobyhanna Army Depot; Wilkes-Barre Veterans Administration Medical Center; Tioga-Hammond Lakes Dams; U.S. Army War College and Carlisle Barracks; the Navy Inventory Control Point, in Mechanicsburg; the Defense Distribution Depot, Susquehanna (DDSP); Fort Indiantown Gap; Lebanon Veterans Administration Medical Center; Raystown National Recreation Area; Letterkenny Army Depot; and Gettysburg National Military Park.

A significant component of the office's civil workload arises from the presence in the district of four major federal correctional complexes: Allenwood, Canaan, Lewisburg, and Schuylkill. With a population of approximately 6,000 inmates, the facilities constitute one of the largest concentrations of federal inmate populations in the country. In addition, over two hundred immigration and customs enforcement detainees are presently housed in county facilities in our district.



U.S. Attorney's Office
Middle District of Pennsylvania

(717) 221-4482 Harrisburg
(570) 348-2800 Scranton
(570) 326-1935 Williamsport

U.S. Attorney's Office, Middle District of Pennsylvania — At a Glance

The District is comprised of four offices: Harrisburg, Scranton, Williamsport and Wilkes-Barre (unstaffed)

- 86 Full Time Equivalent (FTE) positions
- 1 United States Attorney
- 39 Assistant United States Attorneys
- 46 Support Staff

Classified as a Medium Size Office by the Department of Justice

Federal Law Enforcement Agencies

The Middle District works closely with many Federal Investigative Agencies:

- Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
- Department of Commerce
- Drug Enforcement Administration (DEA)
- Environmental Protection Agency
- Federal Bureau of Investigation (FBI)
- Fish and Wildlife Services
- Food and Drug Administration (FDA)
- Health and Human Services (HHS)
- Homeland Security Investigations (HSI)
- Internal Revenue Service (IRS)
- Department of Labor
- Marshals Service
- Postal Inspection Service
- Secret Service
- Social Security Administration
- Department of Transportation
- Department of Veterans Affairs

Criminal Assistant United States Attorneys

First Assistant U.S. Attorney:

John C. Gurganus

Chief:

Bruce D. Brandler

Deputy Chiefs:

Francis Sempa

Michelle Olshefski

Chief, Appeals Unit:

Carlo D. Marchioli

Harrisburg:

William Behe

Michael Consiglio

Stephen Dukes

Scott Ford

Christian Haugsby

Carlo D. Marchioli

Kenneth Meshoe

Ravi Sharma

Michael Scalera

Joseph Terz

David Williams

Scranton:

James Buchanan

Sean Camoni

Phillip Caraballo

Todd Hinkley

Robert O'Hara

Michelle Olshefski

Jenny Roberts

Jeffrey St John

Luisa Honora Berti

Tatum Wilson

Kyle Moreno

Sarah Lloyd

Williamsport:

Geoffrey MacArthur

Alisan Martin

Criminal Division

The mission of the Criminal Division is to prosecute federal criminal cases. Within the Criminal Division are several specialized areas of concentration including:

- Terrorism and National Security
- Public Corruption
- Economic Crimes
- Government Program Fraud/Health Care Fraud
- Violent Crimes and Firearms Offenses
- Drug Trafficking
- Tax Fraud
- Environmental Crimes
- Computer Crimes
- Child Exploitation and Human Trafficking
- Immigration
- Civil Rights
- Appeals

Assistant United States Attorneys indicted approximately 274 cases involving 388 defendants, and handled 16 criminal trials in 2023.

A defendant is presumed innocent unless and until proven guilty.



Enforcement

COVID-19. The U.S. Attorney's Office has prosecuted numerous fraud schemes targeting COVID-19 relief funds:

- *U.S. v. Christopher J. Miller.* A 35-year-old Newfoundland man was charged on April 18, 2023. The indictment alleged that Miller owned and operated multiple corporate entities and allegedly filed, and helped others to file, dozens of fraudulent applications for pandemic stimulus funds, including under the Payment Protection Program, for Economic Injury and Disaster Loans, and for Pandemic Unemployment Assistance benefits. Miller and his associates allegedly obtained approximately \$1,500,000 in PPP, EIDL, and PUA funds through filing the fraudulent applications. In addition to the personal funds that he received, Miller also allegedly received cash kickbacks from other individuals on whose behalf he filed the fraudulent applications. Miller allegedly used the funds to purchase automobiles, vacations, and real estate. Miller is awaiting his next court appearance.
- *U.S. v. Brian J. Albelli.* A 45-year-old Stroudsburg man pleaded guilty on August 10, 2023. Albelli owned and operated multiple corporate entities in Pennsylvania and Florida and filed approximately 20 fraudulent applications for pandemic stimulus funds. The applications submitted by Albelli were filed on behalf of corporate entities that did not have actual business operations, had inflated revenues and employee headcount, and nonexistent gross receipts and costs of goods sold. The applications also included a forged IRS income tax return and federal employment tax documents. Albelli obtained approximately \$2,200,000 in PPP and EIDL funds, for himself and his family members, through filing the fraudulent applications and used the funds on purchasing boats and automobiles, real estate, and retail shopping. Albelli is awaiting sentencing.
- *U.S. v. Creed White.* A 65-year-old Freeland, Maryland man was charged on November 29, 2023, with committing \$11.5 million in Covid -19 Pandemic Fraud. The information alleged that White owned Aluminum Alloys MFG, LLC, an aluminum smelting and processing business located in Yoe, York County, PA, and additionally owned or controlled 18 other sham corporate entities that did not have any employees or business operations. The information alleged that White, conspiring with others, including several of his employees, filed more than 120 applications on behalf of White's non-operational businesses for pandemic stimulus funds. The information also alleged that 42 of these loan applications were approved and funded with more than \$11.5 million into bank accounts that White controlled. The information alleged that the applications White and his co-conspirators filed contained numerous material misrepresentations about who controlled and operated the non-operational businesses and included fraudulent supporting documentation. It is alleged that White misused the loan proceeds to make unauthorized expenditures for his benefit and the benefit of his businesses. White is awaiting his next court appearance.
- *U.S. v. Daniel Wasielewski.* A 59-year-old Wilkes-Barre man was sentenced on December 21, 2023, to 24 months in prison for filing and assisting others in filing fraudulent applications for pandemic stimulus funds, including under the Payment Protection Program, for Economic Injury and Disaster Loans, and for Pandemic Unemployment Assistance benefits. The PPP and EIDL applications submitted by Wasielewski and his coconspirators were filed on behalf of corporate entities that did not have actual business operations and bore false revenues and other business information. The applications also included forged IRS tax documents and stolen personal information. Wasielewski received approximately \$350,000 in PPP, EIDL, PUA, and other fraudulently-obtained funds, for himself and others.

Public Corruption. Combating public corruption in federal, state, and local government remains a priority for the U.S. Attorney's Office for the Middle District of Pennsylvania. Corruption in federal, state, and local government directly damages our citizens. The people of the district deserve honest government at every level.

- *U.S. v. James Peperno.* A 58-year-old Old Forge man was sentenced on February 17, 2023, to 72 months in prison following his conviction for soliciting bribes from a local business owner to provide to Robert Semenza, Jr., the former President of the Old Forge Borough Council. Peperno also provided and promised cash and future employment to Semenza, in exchange for him performing official acts, in relation to a state court civil litigation between Old Forge Borough and the local business owner. Semenza advocated on behalf of the local business owner with the Old Forge Borough Council, the Old Forge Borough Solicitor, and Old Forge zoning officials, including by proposing a resolution to the civil litigation that had been prepared by Peperno. On January 9, 2023, Semenza was sentenced to 12 months of imprisonment.
- *U.S. v. Jeffrey J. Vaughn.* A Scranton Police Sergeant was sentenced on May 4, 2023, to six months in prison for theft concerning programs receiving federal funds. While working as a sergeant in the Scranton Police Department, which is an entity that receives over \$10,000 a year in federal funding, Vaughn knowingly obtained by fraud over \$5,000 in compensation that was paid to him for 266 hours of certain extra duty patrol shifts at local, lower-income housing complexes that Vaughn claimed to work but did not in fact work. Vaughn also failed to work several DUI roving patrol shifts for which he was likewise paid.
- *U.S. v. David Donkochik, et. al.* Three Mt. Carmel Borough police officers were charged on June 16, 2023, for their involvement in a conspiracy to violate the civil rights of those

they arrested over a three-year period. It's alleged that in 22 different arrests, they kicked, punched, choked, and used excessive force against those they were arresting and caused bodily injuries to their victims. It is further alleged that defendants took steps to ensure that video of the arrests were not captured by police cameras or if it was, took steps to ensure that footage was not preserved. They falsely reported that arrestees acted in a manner requiring violence and then charged arrestees with aggravated assault, resisting arrest, and related offenses to conceal their own use of violence. Defendants are awaiting trial.

- *U.S. v. Thomas Hartley.* A former Special Agent with the Department of Labor was sentenced on August 23, 2023, to 33 months in prison for obtaining a total of \$197,366 through multiple fraud schemes. Hartley collected Pennsylvania unemployment compensation benefits by claiming that he was unemployed, when Hartley was employed on full time active duty with the New Jersey National Guard. In applying for unemployment benefits, he failed to disclose that he was on military leave from his full-time federal civilian employment with the U.S. Department of Labor. Hartley utilized the mail to collect approximately \$60,284 in unemployment compensation funds to which he was not entitled. Hartley also fraudulently obtained \$23,582 in Basic Allowance for Housing funds paid by the Department of the Army, \$50,000 in "lost wage" benefits paid by USAA insurance, and \$63,500 from his Thrift Savings Plan.
- *U.S. v. Paul Helring.* A 47-year-old former Scranton police officer and former elected police union president was charged on November 27, 2023 and pleaded guilty on January 25, 2024, for theft concerning programs receiving federal funds. Helring, while serving as the coordinator of Scranton Police Department's extra duty overtime program, knowingly obtained by fraud over \$5,000.00 in compensation paid to him for extra duty patrol shifts at several local, lower-income housing complexes that Helring claimed to work but did not in fact work.



Project Safe Childhood (PSC) Prosecutions.

Project Safe Childhood is a nationwide initiative to combat the epidemic of child sexual exploitation and abuse. The U.S. Attorney's Office for the Middle District embraces its commitment to the protection of our children. Advances in technology over the past two decades have brought about new obstacles for parents, educators, and law enforcement. Our district is committed to aggressively targeting those who would harm children. The Office aims to investigate and prosecute those criminals vigorously, and protect and assist victimized children.

- *U.S. v. Anthony Lauro.* A 35-year-old Mechanicsburg man was sentenced on February 23, 2023, to 10 years in prison for receiving images and videos of child pornography that were sent to him by another Cumberland County resident named Ryan Banks, who created the illicit images with a 14-year-old boy in West Virginia. Banks is currently serving a 17 ½ to 35-year prison sentence in West Virginia for his offenses. Lauro was found to have been in contact with both Banks and the victim at the time the victim was being sexually exploited. He was also found in possession of more than 1,000 images/videos depicting the sexual exploitation of other minors.
- *U.S. v. Michael J. Walczyk.* A 43-year-old Beach Lake man was sentenced to 30 years in prison on March 15, 2023, for convincing a 14-year-old child to produce sexually explicit photographs/videos for him and engaged in live video chats during which he directed her to perform sexual acts. Walczyk began to invite others to watch as the minor victim performed sexual “shows” at his direction and charged them a fee. Walczyk further engaged in verbally abusive and controlling behavior to keep the victim performing and producing child pornography for his enjoyment and profit.
- *U.S. v. Michael Rankin.* A 36-year-old Lebanon man was sentenced on May 1, 2023, to 20 years in prison for sexually assaulting a ten-year-old girl and taking pictures of that assault. Rankin also possessed hundreds of images or videos of child pornography.
- *U.S. v. Sinhue Johnson, Jr.* A 27-year-old York man was sentenced on June 22, 2023, to 25 years in prison for sexually assaulting two thirteen-year-old girls, and enticing those girls to take sexually explicit pictures of themselves. Johnson also possessed hundreds of images or videos of child pornography.
- *U.S. v. David Taylor.* A 34-year-old Blackwood, New Jersey man was sentenced on July 11, 2023, to 30 years in prison for producing child pornography and transporting a minor from Pennsylvania to New Jersey with the intent to engage in criminal sexual activity. Taylor committed both offenses while required by law to register as a sex offender.
- *U.S. v. Roger D. Williams.* A 44-year-old Meshoppen man was sentenced on August 25, 2023, to 25 years in prison for producing videos and images of himself and a child while Williams was engaged in the act of raping the child. Williams also possessed thousands of child pornography videos and images at his residence.
- *U.S. v. Wyatt A. Jones.* A 28-year-old York County man was sentenced on October 31, 2023, to 45 years in prison for producing and distributing images of him sexually abusing his infant daughter and soliciting and receiving sexually explicit images from a 13-year-old female victim located in Australia. The infant’s mother, Marisel Toro, pled guilty to producing images containing the sexual exploitation of her infant daughter and is awaiting sentencing.



Project Safe Neighborhoods (PSN). Project Safe Neighborhoods Program is the centerpiece of the Department of Justice’s violent crime reduction efforts. PSN is an evidence-based program proven to be effective at reducing violent crime. Through PSN, a broad spectrum of stakeholders work together to identify the most pressing violent crime problems in the community and develop comprehensive solutions to address them. As part of this strategy, PSN focuses enforcement efforts on the most violent offenders and partners with locally based prevention and reentry programs for lasting reductions in crime. The United States Attorney’s Office for the Middle District of PA has in place a multi-faceted program to reduce violent crime within the district. Gun violence, driven mostly by drug trafficking or by neighborhood rivalries and gangs, is identified as the main problem in many of the larger, more populated counties within the district. The U.S. Attorney’s Office endeavors to disrupt violent crime by pursuing appropriate prison sentences and seeking forfeitures of crime-derived assets to deter dangerous individuals from continuing to harm our communities. Through enforcement actions, prosecutions, and community partnerships, the U.S. Attorney’s Office works to lower violent crime and make neighborhoods safer.

PSN Target Areas:
Harrisburg, York, Wilkes-Barre,
and Williamsport.

Enforcement Actions — Violent Crime Initiative.

The MDPA adopted a renewed strategy for reducing and preventing violent crime in the Middle District focusing on the Harrisburg, York, Wilkes-Barre, and Williamsport areas. Federal, state, and local law enforcement officers joined forces to coordinate their activities in high-crime areas and vigorously enforce the laws, which punish gun offenses, gang activity, drug-related crimes, and other acts of violence. Since 2014, federal, state, and local officials have partnered and operated a program based in Harrisburg focusing on firearms offenses committed by recidivists or individuals using firearms in connection with drug offenses, or other violent crimes. Due to the success of that program, it was expanded to include firearms offenses in York, Williamsport, and Wilkes-Barre. Violent crime damages and destabilizes our neighborhoods, challenging our citizens as they strive to raise their families and be productive members of society. By coordinating efforts with our state and local law enforcement partners, we can ensure that law enforcement resources are being brought to bear in the most effective way possible to protect the people we serve.

Prosecution Activity. The U.S. Attorney’s Office remains active in the fight against violent crime through various enforcement actions, prosecutions, and sentencings, as demonstrated by the examples below:

- *U.S. v. Terrance Tyson.* A 45-year-old East Stroudsburg man was sentenced on September 6, 2023, to 63 months in prison for committing the robbery of the NBT Bank in East Stroudsburg. Tyson stole approximately \$5,226 and was apprehended the following day.



- *U.S. v. Kevin Coles, et. al.* Coles was sentenced to three consecutive life sentences on March 20, 2023, following his conviction of murder for hire, robbery, and drug trafficking. The charges against Coles were the result of a seven-year investigation into three brutal murders on a property in Mercersburg, Franklin County. The evidence presented at trial established that Wendy Chaney was in a relationship with Coles and had been previously assisting him with his drug distribution operation. Coles learned that Chaney was cooperating with federal authorities and contracted for her to be murdered. Intermediaries recruited members of a Baltimore based gang known as the Black Guerilla Family and others from Baltimore to travel to the Jackson property to kill Wendy Chaney. The killers were promised that they could take as payment \$20,000 that was to be in a safe in the barn and any drugs and firearms that they could locate on the Jackson property. Once there, the killers encountered not only Wendy Chaney but also Brandon Cole and Phillip Jackson. All were murdered to prevent them from cooperating and from being witnesses to the crimes of violence that were committed at that time. The killers never found any money on the property. The evidence also established that Coles was involved in trafficking significant amounts of heroin and crack cocaine in Chambersburg, PA, Hagerstown, MD and elsewhere. Two individuals to whom Coles distributed heroin suffered serious bodily injury when they overdosed on the heroin Coles supplied and had to be resuscitated by the administration of Narcan. A total of 15 individuals were charged in relation to the murders. Defendants sentenced thus far who were involved in the murders have ranged from life imprisonment to 30 years in prison.
- *U.S. v. Ross Roggio.* A 54-year-old Stroudsburg man was convicted on May 22, 2023, of torturing an Estonian citizen in the Kurdistan region of Iraq, in connection with the operation of an illegal weapons manufacturing plant in Kurdistan, exporting weapons parts to Iraq, wire fraud, money laundering, and smuggling goods. Roggio arranged for Kurdish soldiers to abduct and detain the victim at a Kurdish military compound where Roggio suffocated the victim with a belt, threatened to cut off one of his fingers, and directed Kurdish soldiers to repeatedly beat, tase, choke, and otherwise physically and mentally abuse the victim over a 39-day period. The victim was employed at a weapons factory that Roggio was developing in the Kurdistan region of Iraq that was intended to manufacture M4 automatic rifles and Glock 9mm pistols. Roggio is awaiting sentencing.
- *U.S. v. Damen Drafeford.* A 30-year-old Wilkes-Barre man pleaded guilty on November 21, 2023, for committing four bank robberies in July 2023. A total of \$32,988 was taken in the robberies. Drafeford is awaiting sentencing.



Heroin and Opioid Policy. The MDPA continues a policy to prosecute heroin and opioid cases and request substantial sentences for individuals who traffic in these deadly drugs. Some cases that emphasize those efforts include:

- *U.S. v. Bryce and Tanya Stanger.* A husband and wife from California were sentenced to 18 years in prison each on September 21 and 22, 2023. Following a traffic stop, the Stangers were found to be transporting 30 pounds of crystal methamphetamine and more than a kilogram of fentanyl from California to Hazleton, Pa.
- *U.S. v. Eric Hill.* A 34-year-old Plymouth man was sentenced to 10 years in prison on September 19, 2023, for conspiring with other individuals to distribute between 400 grams and 1.2 kilograms of fentanyl in Luzerne County.
- *U.S. v. Naim Taylor.* A 25-year-old Philadelphia man was sentenced on September 8, 2023, to 96 months in prison for managing a drug trafficking organization that brought fentanyl from Philadelphia to Williamsport and other areas in the Middle District of Pennsylvania. Taylor previously entered a guilty plea in which he admitted to being responsible for trafficking at least 74 grams of fentanyl, the equivalent of nearly 3,000 individual doses. Taylor's sentence was enhanced because of his possession of a firearm in connection with these activities.
- *U.S. v. Tysheen Gott.* A 46-year-old Wilkes-Barre man was sentenced on February 17, 2023, to 300 months' imprisonment following his conviction for conspiracy to distribute and possession with intent to distribute fentanyl, heroin, cocaine, crack, and tramadol. Gott was responsible for having conspired to distribute in excess of

14 kilograms of fentanyl and heroin throughout Luzerne and surrounding counties.

Drug traffickers who are responsible for overdose deaths and non-fatal overdoses resulting in serious bodily harm caused by their product are aggressively prosecuted as demonstrated below:

- *U.S. v. Miguel Eduardo Rosario.* Following his conviction, a large-scale drug dealer was sentenced on October 27, 2023, to life imprisonment plus five years for selling fentanyl and heroin that resulted in death and serious bodily injury.
- *U.S. v. Robert Jackson.* A 45-year-old Scranton man was sentenced to life imprisonment on September 8, 2023, for distribution of a controlled substance resulting in the death of a 58-year-old Monroe County man.
- *U.S. v. Jose Tejada and Edwin Tejada.* Two Wilkes-Barre brothers were both sentenced on March 3, 2023, to 188 month in prison for running a fentanyl and cocaine trafficking conspiracy that resulted in the death of an individual.
- *U.S. v. Susan Melissa Nickas.* A 47-year-old Stroudsburg woman was sentenced on February 7, 2023, to 20 years in prison following her conviction for conspiring with Jeremy Johnson, to obtain and distribute heroin and fentanyl, which resulted in the death of another person. Johnson was sentenced to 300 months in prison for his role in the crimes.
- *U.S. v. Taik Wilson.* A 24-year-old Bensalem man was sentenced on April 27, 2023, to 20 years in prison for conspiring to distribute fentanyl and a fentanyl analogue in Lebanon and Bucks Counties. Wilson also distributed fentanyl in Lebanon County that resulted in the deaths of two individuals.



Methamphetamines

- *U.S. v. Clifford Johnson.* A 59-year-old Franklin Township man was sentenced on November 8, 2023, to six years in prison for distributing between 500 and 1,500 grams of high-quality crystal methamphetamine.
- *U.S. v. Roy Niles.* A 58-year-old New York man pleaded guilty on October 26, 2023, to conspiring to distribute between 1.5 and 5 kilograms of crystal methamphetamine in Susquehanna County. Niles is awaiting sentencing.
- *U.S. v. John Derr.* A 40-year-old Wilkes-Barre man was sentenced on August 29, 2023, to 125 months in prison for distributing between 200 grams and 350 grams of methamphetamine and possessing a 20-gauge sawed-off shotgun in Luzerne County.
- *U.S. v. Ryan Coggins.* A 37-year-old Camp Hill man was sentenced on February 9, 2023 to 17 ½ years in prison after pleading guilty to distributing and conspiring to distribute multiple pounds of methamphetamine. The charges against Coggins were the result of several-years long investigation into methamphetamine trafficking throughout multiple counties in southcentral and eastern PA. Coggins admitted to using his home in Camp Hill as the hub for his drug trafficking. At least 22 other individuals were indicted for conspiring with Coggins and actually distributing approximately 16 pounds of methamphetamine from June of 2017 until December 19, 2020 in Dauphin, Cumberland, Lancaster, Lebanon, Lancaster, Bucks, Montgomery, Chester, and Philadelphia counties.

Cocaine

- *U.S. v. Jose Torres.* A 28-year-old El Paso, TX man pleaded guilty on November 3, 2023, to possessing between 15 kilograms and 50 kilograms of cocaine for further distribution in the Lackawanna County. Codefendant Luis Gonzalez also pleaded guilty. Both defendants are awaiting sentencing.
- *U.S. v. Esteban Latorre-Cacho.* A 38-year-old New York man was sentenced on July 13, 2023, to 10 years in prison for possessing 67 kilograms of cocaine, with a street value of approximately two million dollars, hidden inside boxes in his vehicle.



Organized Crime Drug Enforcement Task Force (OCDETF). OCDETF is a joint federal, state, and local cooperative approach to combat drug trafficking and is the nation's primary tool for disrupting and dismantling major drug trafficking organizations, and targeting national and regional level drug trafficking organizations. The cases below illustrate this initiative:

- *U.S. v. Dwayne Sherman.* A 49-year-old Lancaster man was sentenced on October 23, 2023, to 262 months in prison for trafficking 46 kilograms of cocaine and smuggling hundreds of thousands of dollars in cash. Sherman conspired with Mexican cartel members and was caught by the FBI in an undercover sting operation where Sherman tried to send \$550,000 in cash back to Mexico. Sherman was also captured by police in Los Angeles, California smuggling two kilograms of cocaine. Evidence was introduced at trial that Sherman regularly travelled to Mexico and developed a relationship with a Mexican drug trafficking group. Money owed was smuggled across the border and then deposited into corrupt Casa de Cambio or money exchanges in Tijuana, Mexico. The drugs were then smuggled back into the United States through a variety of means.



Firearms. Reducing gun violence and enforcing federal firearms laws have always been among the office's highest priorities. Examples of this type of prosecution follow:

- *U.S. v. Quinniea Gross.* A 27-year old Wilkes-Barre woman was sentenced on October 10, 2023, to 36 months in prison for accompanying a drug addict to several firearms dealers in Northeastern PA and for taking possession of firearms purchased by her coconspirator. Gross did so for drug traffickers to whom the drug addict owned money for a drug debt. Gross also purchased four firearms herself, two of which were seized in an unrelated drug trafficking investigation in Philadelphia. Coconspirator Christian Barnes was sentenced to 15 months in prison on August 1, 2023, for conspiracy to make false statements in connection with the acquisition of eight firearms.
- *U.S. v. Johnny Quinones.* A 37-year-old Harrisburg man was convicted on October 18, 2023, for conspiring with three other individuals to purchase firearms for felons and persons under indictment. The three codefendants have all been sentenced to 33-46 months in prison.
- *U.S. v. Steven Brinson.* A 33-year-old Tobyhanna man was sentenced on May 30, 2023, to 24 months in prison for possessing firearms, including a non-serialized AR-style "ghost gun," and ammunition, despite having a prior felony conviction.
- *U.S. v. Tykeam Markel Jackson.* A 27-year-old man was sentenced on April 18, 2023, to 102 months in prison for multiple firearms offenses related to his trafficking of over 60 firearms from Central Pennsylvania to Massachusetts. Jackson orchestrated a scheme to obtain firearms using straw parties to purchase firearms from Cumberland, Dauphin, and Lancaster-area licensed firearms dealers. In exchange for cash from Jackson, the straw purchasers fraudulently certified to dealers that they were buying firearms for themselves, when in truth they were buying firearms for Jackson, who was a felon at the time and prohibited from purchasing or possessing firearms. Jackson then obliterated the serial numbers and transported the firearms to Massachusetts for resale.

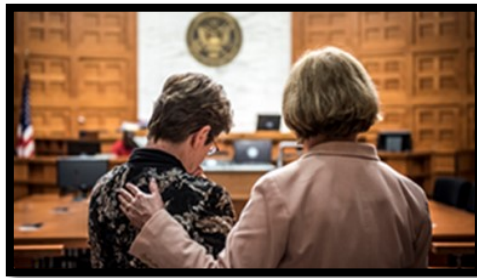


Photo credit: Freepik



Elder Justice Initiative. The Department of Justice Elder Justice Initiative promotes investigations and prosecutions of financial scams targeting the elderly, and prosecution of crimes involving elder fraud and abuse. The cases below illustrate this initiative:

- *U.S. v. Damone Oakley.* A 41-year-old Jamaican man was sentenced to 192 months in prison for participating in a fraudulent sweepstakes scheme that targeted elderly and vulnerable victims. Oakley's victims received mailings, text messages or phone calls in which they were falsely told that they had won millions of dollars and luxury vehicles in a sweepstakes, but first needed to pay taxes and fees in order to claim their winnings. Oakley used phony names during the scheme, including "Officer Alex Logan" and "Officer Stan Valentine," and instructed his victims on how to send their money (and to whom the funds should be sent). His victims were located throughout the United States, and used wire transfers, direct bank deposits, the U.S. Postal Service and private commercial mail carriers to send money directly to Oakley as well as to individuals in the United States and elsewhere who served as intermediaries and transmitted the money to Oakley. In addition to sending cash or wire transfers, Oakley's victims were directed to purchase electronics, jewelry and clothing, which were sent to mail forwarding services in Florida, and then on to Oakley in Jamaica. The victims never received any "winnings." Oakley's victims lost hundreds of thousands of dollars during the course of the scheme.
- *U.S. v. Josiah DeJesus, et. al.* A 22-year-old New York man pleaded guilty on October 26, 2023, to serving as a coordinating courier in a Dominican Republic-based "grandparents" fraud scheme that preyed upon elderly, American victims from states across the country. DeJesus, along with four codefendants that he recruited, regularly traveled from New York City to various locations in Pennsylvania and Ohio to retrieve UPS and Fed Ex packages containing thousands of dollars in cash. These packages were sent by elderly victims, who were induced to send the money based upon false claims that their grandchildren had been arrested and charged with serious vehicular crimes and, consequently, were in immediate need of money. These false claims were made to the elderly victims in phone calls that they received from DeJesus' overseas co-conspirators in the Dominican Republic, who posed either as the victims' grandchildren or as attorneys representing the victims' grandchildren. DeJesus agreed to make restitution to the victims in the amount of \$328,780.00. Codefendants Yeury Peguero-Rosario was sentenced to 21 months in prison and ordered to pay \$220,000 in restitution, and Jashua Noboa-Nival was sentenced to 21 months in prison and ordered to pay \$195,000 in restitution. The two remaining codefendants are awaiting their next court proceeding.





Human Trafficking. Prosecuting those who traffic individuals against their will and force them into labor, services, or commercial sexual exploitation are among the office's highest priorities. Examples of this type of prosecution follow:

- *U.S. v. Anton Panin, et al.* Four defendants were indicted on June 8, 2023, on charges related to a prostitution enterprise called XO Companions, or XOC. The indictment charged each defendant with conspiring to transport women in interstate and foreign commerce with intent that the women engage in prostitution and conspiring to persuade women to travel to engage in prostitution. The indictment further charged Panin and Jennie and Tracey Lawson with money laundering. The indictment alleged that Panin and Viktoriia Zakirova recruited women in Russia and other Eastern European countries to travel to the United States to work as prostitutes for XO Companions. Once in the United States, XO Companions workers traveled throughout the country to meet with clients in major cities. XO Companions workers typically sent cash prostitution proceeds to the Lawsons, who in turn transported the money to Panin in Florida. Additionally, the defendants operated a password-protected website through which clients could view schedules, view services offered, reserve time, and provide reviews. Defendants are awaiting trial.



Clean Water Act. The Clean Water Act is the primary federal law in the United States governing water pollution. Its objective is to restore and maintain the chemical, physical, and biological integrity of the nation's waters.

- *U.S. v. Bruce Evans, Sr.* A 70-year-old Greenfield Township man was sentenced on August 8, 2023, to two years in prison for failing to operate and maintain the municipality's wastewater treatment plant in accordance with regulations and limitations specified in a permit issued by the Pennsylvania Department of Environmental Protection (PADEP) and the U.S. Environmental Protection Agency (EPA). The permit required that the permittee at all times maintain in good working order, and properly operate and maintain all facilities and systems, which were installed and used by the permittee to achieve compliance with the terms and conditions of the permits. As a result of the defendant's failures, pollutants were discharged in violation of the permit on multiple occasions. Evans, Jr. was an employee of Greenfield Township and the GTSA. He was convicted of four counts of Clean Water Act violations, and one count of submitting a false statement to the PADEP. Evans, Jr. was sentenced to serve 12 months plus one day in prison.

Immigration. The U.S. Attorney's Office prosecutes illegal reentry cases throughout the District.

- *U.S. v. Edgar Ferney Penagos-Porras.* The indictment alleges that Penagos-Porras, a native of Columbia, was previously removed from the United States on or about February 26, 2018, and it is alleged that he reentered the United States without first obtaining legal permission to do so. The indictment also alleges that on May 23, 2023, Penagos-Porras was encountered in Monroe County, by the Pennsylvania State Police, on an outstanding warrant from Georgia. He is awaiting his next court hearing.

Fraud. The U.S. Attorney's Office handles a wide variety of fraud cases, including health care fraud, identity theft, mail fraud, bankruptcy fraud, bank fraud, corporate fraud, program fraud, tax fraud, investment fraud, counterfeiting, and environmental crimes.

Tax Evasion

- *U.S. v. Madeline Nieves.* A 49-year-old Wilkes-Barre woman was sentenced on October 10, 2023, to 15 months in prison for conspiring to evade taxes, for both her personal tax returns, and for a business that she operated. Specifically, Nieves pleaded guilty to conspiring with other individuals to defraud the IRS, from 2018 to 2020, in connection with staffing company Encore Staffing Solutions LLC, leased temporary employees to manufacturing businesses throughout Pennsylvania, and received in excess of \$1.2 million in revenue. Nieves failed to withhold, report, and pay Encore Staffing Solutions LLC employee wages to the IRS. Nieves also failed to report her own personal income from Encore Staffing Solutions LLC to the IRS. The crimes resulted in a tax loss of nearly \$160,000, which Nieves was ordered to pay in restitution to the IRS.
- *U.S. v. Leidi Paulino.* The owner of LP Multi-services, a tax preparation business, pleaded guilty on August 14, 2023, to assisting clients in preparing and filing tax returns that were materially false in that they sought certain education tax credits, including the American Opportunity Tax Credit, to which the clients – the vast majority of whom were not even college students – were not entitled. Paulino acknowledged that the monetary loss attributable to her conduct was between \$550,000 and \$1.5 million dollars, and she agreed to make restitution to the Internal Revenue Service (IRS) in the amount of \$888,377.

Identity Theft

- *U.S. v. Scott Marinelli.* A 52-year-old New Jersey man pleaded guilty on October 30, 2023, to participating in a scheme to defraud victims of proceeds from the sales of six properties. Marinelli, a suspended attorney, acted as a real estate broker and title agent and directed a mortgage company to wire loan funds to him for the sale of the properties. Instead of properly dispersing the funds from the mortgage company, he used the money that he received for his own personal benefit. Marinelli stole the identities of the property sellers, a notary public, a title agent, and an accountant. He is awaiting sentencing.

Wire Fraud/Bank Fraud

- *U.S. v. Omoyoma Christopher Okoro.* A 49-year-old naturalized U.S. citizen of Nigerian origin was found guilty on September 15, 2023, of conspiring to defraud attorneys located in the United States through what became known as the "attorney collection scheme." Attorneys in the United States were contacted by a prospective "client" in a foreign country who purported to be in need of legal representation. The client would claim to be owed money from someone in the United States resulting from a business transaction, settlement from a dispute, or an accident. If the attorney responded to the initial inquiry, the attorney would then be told that the other party had agreed to settle the matter and was prepared to make a payment. Soon after that, the attorney would receive a counterfeit "official check" supposedly issued by a U.S. bank in the mail. The attorney was directed by the client to deposit the check into his/her law firm escrow account, keep a portion of the funds as payment for services, and wire the balance to a foreign bank account. Once the funds reached the foreign bank account, they were withdrawn by a member of the conspiracy. The attorney and the attorney's bank would then be left responsible for the loss. It is believed that over \$20 million in fraudulent proceeds were actually obtained, and over \$70 million in attempted fraud occurred. He is awaiting sentencing.

Wire Fraud/Mail Fraud

- *U.S. v. James Abrams.* The Chief Executive Officer of EthosGen LLC, a company operating in the clean energy industry, was convicted on June 21, 2023, for providing extensive forged documents and false information to induce several investors to invest \$1,100,000 in his company. The false documentation included forged teaming agreements and intellectual property licenses, where Abrams substituted his and EthosGen LLC's name for other companies and individuals, claiming that EthosGen LLC owned technology it did not own. During a pre-investment due diligence process, Abrams also provided forged tax returns and false financial statements that fabricated an existing customer base, and inflated EthosGen LLC's historical revenues, business activity, and profitability, thereby making it a more attractive investment. Abrams further provided forged contracts and purchase orders to potential investors, in which he claimed to have a revenue stream that, in reality, belonged to other companies. Following an initial investment of \$900,000, Abrams provided additional forged contracts and false customer sales documentation to induce an investor to advance another \$200,000 to EthosGen LLC. Abrams used approximately \$800,000 of the investors' money to purchase a personal residence. Once Abrams became aware of the IRS's criminal investigation, he took several steps to obstruct investigators. Abrams is awaiting sentencing.

Health Care Fraud

- *U.S. v. Florentina Mayko.* A 39-year-old Cambria County woman pleaded guilty and was sentenced on December 14, 2023, to 30 months in prison for defrauding Medicare by submitting medically unnecessary urine drug tests for chronic opioid patients at medical

clinics where she was the chief executive officer, including a group of clinics known as Pain Medicine of York or "PMY" (also known as All Better Wellness). PMY billed Medicare for more than \$10 million in urine drug tests from mid-2017 through the end of 2019, and Medicare paid out over \$4 million for these urine drug tests. The urine drug tests ordered by PMY were sent to an in-house laboratory at PMY whenever possible. As a result, when medically unnecessary tests were billed to Medicare, the proceeds from them went to PMY itself. A large portion of these proceeds went to PMY Owner and Mayko. Mayko, in turn, purchased several investment properties using these funds. Mayko agreed to pay \$1,408,976.48 in restitution to forfeit several properties.

Threats. Threats to commit acts of violence against public officials or threats over the internet are prosecuted because of the risk to public safety that they pose.

- *U.S. v. Robert Maverick Vargo.* A 26-year-old Berwick man was sentenced on May 1, 2023, to 37 months in prison for mailing a letter to United States Representative Bennie Thompson, threatening to kill him, his family, President Joseph Biden, and United States District Court Judge Robert D. Mariani. Vargo mailed the letter from Wilkes-Barre, Luzerne County, PA to Congressman Thompson in Washington, D.C., with intent to intimidate and interfere with Congressman Thompson's official duties. Congressman Thompson is the Chair of the Committee investigating the January 6, 2021, attack on the United States Capitol Complex. Vargo cited Thompson's role as Chairman of that committee in making his threats. Vargo also invoked the name of domestic terrorist Timothy McVeigh, who bombed the Oklahoma City federal building in 1995.



Criminal Appeals. The United States has 94 judicial districts and there are 13 Appellate Courts that handle appeals from those districts. The United States Court of Appeals for the Third Circuit is the federal court with appellate jurisdiction over the Middle District of Pennsylvania.

U.S. Attorney Karam formed an Appeals Unit within the office and has staffed it with four Assistant U.S. Attorneys. The goal in establishing this Unit is to elevate our appellate work product as well as allowing our litigators to focus on investigations and litigation matters. The Appeals Unit handles all criminal and civil appeals on behalf of the Office.

- *United States v. Jumper.* The Third Circuit, in a precedential opinion, affirmed the conviction and sentence for a defendant who was sentenced to 78 months' imprisonment for fraudulently transferring assets from a company pension plan to his own accounts. The defendant had also received a civil judgment against him in an action brought by the SEC and was ordered to disgorge \$5.7 million of ill-gotten gains. The Third Circuit held, as a matter of first impression, that the Double Jeopardy Clause does not bar criminal prosecution of a person subject to a civil disgorgement order for the same securities fraud conduct. The disgorgement order, the court explained, is not a criminal penalty.
- *United States v. Kraynak.* The defendant was a doctor and was convicted of unlawfully distributing opioids outside the usual course of professional practice. After pleading guilty during the middle of trial, the defendant was sentenced to 15 years' imprisonment. The Third Circuit affirmed the conviction and rejected the defendant's argument that he should have been permitted to withdraw his guilty plea. The court explained that the

defendant did not demonstrate his innocence because he identified no facts in the record to support his defense that his conduct in prescribing opioids fell within the usual course of professional practice. The court also noted that withdrawal of the plea would prejudice the government since the plea came after the government rested at trial.

- *United States v. Mercado.* The Third Circuit, in a precedential opinion, upheld the defendant's sentence for wire fraud related to fraudulent Pandemic Unemployment Assistance claims. In doing so, the Third Circuit held that the district court permissibly declined to apply a guidelines reduction for acceptance of responsibility based on the defendant's repeated drug use while the case was pending and his failure to attend treatment and submit to drug testing. The Third Circuit explained that the relevant guideline provision (Section 3E1.1) is genuinely ambiguous and phrased in general terms. Further, the Sentencing Commission's commentary for that provision, which lists various factors (including continued criminal activity), is a reasonable interpretation of 3E1.1 because those factors bear on the defendant's genuine feeling of remorse and his rehabilitation efforts.



Financial Litigation Unit. The Financial Litigation Unit (FLU) is tasked with the collection of criminal and civil debts owed to the United States and federal crime victims. FLU strives to collect and enforce debts in an aggressive, efficient, and effective manner. Maximum asset identification is achieved through vigorous financial investigations.

Restitution Recovered.

- *Penn State Health—\$1,252,662.28.* Penn State Health is a multi-hospital health system which owns Milton Hershey Medical Center and St. Joseph Medical Center. On July 1, 2022, Penn State Health voluntarily disclosed to the US Attorney's Office that Penn State Health, through Milton Hershey Medical Center and St. Joseph Medical Center, submitted claims for payment to the Medicare Program, causing Medicare to make improper payments to Penn State Health. A settlement agreement was entered into on February 28, 2023 in which Penn State Health agreed to pay \$1,252,662.28. The full amount was paid.
- *Melinda Bixler—\$147,882.* Bixler owned and operated two businesses; one was a for-profit company, Elder Healthcare Solutions; and a non-profit company, Adult Care Advocates, Inc. From June 2010 through January 2020, the defendant became the financial Power of Attorney and healthcare Power of Attorney for various elderly individuals. She then used those Power of Attorney's to apply for mortgages and purchase properties using the monies received from the elderly victims. She was ordered to pay restitution in the amount of \$147,882, which she paid in full.
- *Donald Royce—\$336,160.17.* Royce was a certified public accountant who owned and operated Royce and Associates, LLC, a tax preparation business. In July 2013, the defendant sold his business to H&R Block and shortly before selling the business he took over a private accounting business that was owned by Joseph Healy. Joseph Healy was incapacitated and died in February 2014. In December 2013, Mr. Healy's clients received a letter stating that the business would only accept cash payments and that the business location had changed. The defendant never told the clients that he took over the business. The defendant told Mr. Healy's clients that if they paid their IRS tax liability directly to him, he could reduce their income tax liability based upon a one-time discount offered by the IRS. Five clients paid approximately \$187,522 directly to the defendant, who never paid the monies over to the IRS. The defendant was ordered to pay restitution in the amount of \$336,160.17, which he paid in full. He was also sentenced to 46 months in prison for his conduct.
- *Gordon Raymond - \$101,000.* Raymond conducted a bank scheme at 25 different PNC banks throughout Pennsylvania, Virginia, Indiana, and North Carolina between June 20 – October 2018. The defendant presented fraudulent drivers' licenses in victims' names to open a checking/saving account and apply for unsecured loans. He was ordered to pay restitution in the amount of \$131,315.96. He made a payment of \$101,000. Gordon was also sentenced to 48 months in prison for his conduct.
- *Floyd and Susan Martin—\$300,000.* The Martins are co-defendants in a criminal case and were sentenced back in 2013. An investigation was conducted by the USDA concerning dogs that were sold to Floyd Martin/dba Chestnut Grove Kennel who was a USDA licensed Class-B Dealer. The dogs were to be used for research purposes. There are only eight dealers who sold dogs obtained through so called random sources to research facilities. The investigation revealed that the defendants knowingly purchased the so-called random sourced dogs from individuals who were acquiring them in violation of the Animal Welfare Act and the Regulations and Standards of the Animal Welfare Act. The defendants were ordered to pay \$300,000 in restitution. Both defendants made a payment of \$105,000. Susan Martin was also sentenced to three years' probation, and Floyd Martin was also sentenced to six months in prison for their conduct.

Asset Forfeiture Judgments. The Department of Justice Asset Forfeiture Program's mission is to use asset forfeiture as a tool in order to deter, disrupt, and dismantle criminal enterprises by depriving criminals of the instruments of illicit activity.

The Justice Asset Forfeiture Program includes activity by Department of Justice components and components outside the Department. Each component plays an important role in the Program.



- *U.S. v. Creed White.* Creed White owned and operated an aluminum smelting and processing business in Yoe, PA, called Aluminum Alloys Manufacturing, LLC, and 18 other corporate entities, none of which were operational. White and three employees of Aluminum Alloys conspired to defraud the PPP ("Paycheck Protection Program") and EIDL ("Economic Injury Disaster Loan") loan programs. White and his employees filed more than 120 applications containing false information, and supplemented by fraudulent IRS documents, for PPP loans and EIDLs with third-party lenders on behalf of his 18 non-operational businesses. Forty-two of these applications were approved, for more than \$11,500,000 in funds. With these proceeds, White purchased automobiles, equipment, paid off business expenses, and made other personal expenditures. White pled guilty and is awaiting sentencing. Assets forfeited by White include a Kubota RTV Plow Model vehicle, a Kenworth Hook Lift vehicle, and approximately \$551,902.51 in U.S. currency from White's bank accounts.

- *U.S. v. Cleland et. al.* Cleland, Bruce Jin, and Carlos Grijalva, were residents of Los Angeles, California, and owned and operated several businesses, including trading in steel products, hotel management, and general manufacturers' distribution. At least one of these companies were associated with addresses in China. In September 2021, fraudsters located in China generated thousands of fraudulent claims for Pennsylvania's Unemployment Compensation program, and created thousands of fraudulent bank accounts using the personal information of many Pennsylvania and New Jersey residents. Bruce Jin alone received over \$12 million in funds which were laundered through several business accounts, all originating from fraudulently obtained Pennsylvania Unemployment Compensation funds as well as CARES payments. The defendants are currently awaiting trial. Assets to be forfeited include over \$4.2 million from Cleland's bank accounts, a single-family home in Honolulu County, Hawaii, and a forfeiture money judgment in the amount of \$59,747,731.18.
- *U.S. v. Florentina Mayko.* Mayko was the CEO of the medical practice Pain Medicine of York, PA, that frequently prescribed opiate medications to patients. Mayko and the owner of PMY exclusively billed urine tests at the highest-level and most expensive medical billing code while significantly increasing the number of tests ordered, against the standard of care. Standard practice at PMY was to send Suboxone patients for two screens apiece at every office visit, a "presumptive test" and a "definitive test," while federal guidelines call for urine tests only every 3-4 months or as infrequently as twice a year for stable patients. Over the years, these payments approximated over \$4 million from Medicare to PMY. Mayko pled guilty and was sentenced to 30 months' incarceration and to pay restitution in the amount of \$1,408,976.48. Assets forfeited by the defendant include two condominiums in Horry County, SC (Myrtle Beach) and one condominium unit in Worcester County, MD (Ocean City).

Civil Division

Civil Assistant United States Attorneys

First Assistant U.S. Attorney:

John C. Gurganus

Civil Chief:

G. Michael Thiel

Deputy Chief:

Richard D. Euliss

Harrisburg:

Bryan Craig Black

Michael Butler

Melissa Swauger

Tamara Haken

Scranton:

Timothy Judge

Pat Bannon

Suzanne Scanlon

Ryann Loftus

The Civil Division represents the United States and defends federal agencies and officials against civil claims. The Civil Division also works to ensure the civil rights of all Americans, enforcing the Civil Rights Act of 1964, the Fair Housing Act, the Americans with Disabilities Act, and the Voting Rights Act among other federal civil rights laws. Moreover, the Civil Division obtains significant monetary recovery in Affirmative Civil Litigation.

The Civil Division's far ranging work includes the areas of:

- prison litigation
- immigration
- defensive and affirmative cases
- bankruptcy
- social security
- mortgage foreclosures
- healthcare fraud
- qui tams
- civil rights
- appeals

The Civil Division handled approximately 763 cases in 2023. A sample of these cases includes approximately 40 First Step Act cases; approximately 195 Social Security cases; approximately 195 prison litigation cases including habeas petitions and Constitutional Claims; approximately 29 Federal Tort Claims Act cases, 2 medical malpractice cases; and approximately 8 employment discrimination cases. Highlights of the Civil Division's work in 2023 follows:

Civil Rights. MDPA works closely with the Department of Justice, Civil Rights Section, to investigate allegations of civil rights violations within the district. The civil rights matters involve allegations of denial of equal access to persons with disabilities, employment discrimination, fair housing discrimination, denial of religious freedom, violations of the rights of institutionalized persons and investigating allegations of denied access to polling sites for those with mobility impairments.



Americans with Disabilities Act of 1990 (ADA)

The ADA is a transformative law that prohibits discrimination on the basis of disability in places of public accommodation, including all hotels, restaurants, retail stores, theaters, health care facilities, convention centers, parks, and places of recreation (Title III), in all activities of state and local governments (Title II), and in employment (Title I). The ADA empowers the Department of Justice to investigate, litigate, and resolve complaints of discrimination as well as authorizing the Government to conduct compliance reviews of covered entities.

- *United States v. Asbury Communities, Inc. and Albright Care Services.* After an investigation, the U.S. Attorney's Office settled with these companies for violation of the Fair Housing Act. The complaint alleged that the defendants discriminated against a resident of Asbury RiverWoods in Lewisburg, PA and her son by not approving the resident's request that her adult son be allowed to stay in her independent living apartment as her live-in aide during the COVID pandemic to assist her with activities

of daily living. Per the agreement, the defendants will pay \$215,000 to the estate of the resident and her son.

- *United States v. Lycoming County.* After an investigation, the U.S. Attorney's Office settled with Lycoming County under Title II of the Americans with Disabilities Act to improve physical accessibility at the county's polling places for individuals who use wheelchairs and other mobility aids. During the November 7, 2017, General Election, the United States Attorney's Office, along with an architect from the Department of Justice, surveyed a portion of the county's polling place locations. The survey resulted in a finding that many of the County's polling locations contain barriers to vote for persons with disabilities. Title II of the ADA prohibits discrimination on the basis of disability by a state or local government in any of its programs or services, including its voting program. Under the terms of the agreement, the county will use an evaluation form for each current and prospective polling place based on ADA architectural standards. The settlement requires the county to either relocate inaccessible polling places to new, accessible facilities, or to use temporary measures such as portable ramps, signs, traffic cones and doorbells, where appropriate, to ensure accessibility on Election Day.
- *United States v. Borough of Bellefonte.* After an investigation, the U.S. Attorney's Office settled with the Borough of Bellefonte for violation under Title II of the Americans with Disabilities Act. The agreement will ensure that proper auxiliary aides and services, including qualified sign-language interpreters are made available to those with hearing disabilities at all its public meetings; when the Borough records or broadcasts its meetings, the Borough will ensure that those meetings will have an "in frame" American Sign Language interpreter; and the Borough will identify an ADA Coordinator.

Civil Defensive. Defending Federal Agencies and Employees.

- *Burdge v. United States.* The United States Attorney's Office successfully settled this negligence matter for the amount of actual damages incurred and prior to spending any money on experts. The United States postal carrier hit a retired person who encountered \$40,000.00 in medical bills and \$2,500.00 in property damage. Following a Rule 68 offer of judgment, the plaintiff settled for \$42,500.00.
- *Mastrella v. DeJoy.* In this employment discrimination matter filed under the Rehabilitation Act, the plaintiff, who had a back injury, claimed that the United States Postal Service discriminated against him because it did not allow him to work six hour days and be paid for eight hours. The Court granted the United States' motion for summary judgment, and found the plaintiff's request for an accommodation unreasonable and agreed with the United States that the denial of the accommodation did not violate statutory law.
- *Mastrella v. DeJoy.* The Court granted the United States' motion for summary judgment against this Plaintiff. In this companion employment discrimination matter filed under the Rehabilitation Act, the plaintiff claimed that he was retaliated against for filing previous EEO actions and he should have been paid a higher salary after his supervisor received an increase in pay. He relied on a salary matrix that an employee was paid two levels below his supervisor. The Court found no evidence of retaliation and agreed with the United States' position that a nationwide salary freeze was the reason the plaintiff did not receive a salary increase.
- *Danner v. Attorney General.* In this employment discrimination case alleging sex discrimination, creating a hostile work environment, and retaliation for EEOC activity by a former BOP employee, Plaintiff alleges she was subjected to close supervision and surveillance by supervisors, referred for investigation to the OIG unjustly, transferred to a less desirable position, and not provided her evaluation as a result of discriminatory animus by her supervisors. On May 19, 2023, the Court granted the U.S. Attorney's motion for summary judgement. In the Court's opinion, it agreed the claims were untimely on the Third Circuit's three (3) day presumption of receipt by mail in Title VII cases. Additionally, the Court agreed with the government's position that the BOP had legitimate nondiscriminatory reasons to take the actions it did. Further, the Court held that there was no basis in the record to support a finding that the reasons were a pretext for prohibited discrimination.

Affirmative Civil Enforcement (ACE). The Affirmative Civil Enforcement unit within the Civil Division exclusively handles ACE matters such as health care fraud, violations of the Controlled Substance Act, defense procurement fraud, COVID relief fraud, as well as various grant program frauds. The ACE team is staffed by two AUSAs, an ACE auditor, a contract investigator and a contract financial analyst to support these investigations. In 2023, the ACE unit resolved matters through paid settlement agreements.

- *USA v. Penn State Health.* The U.S. Attorney's Office reached a \$1,252,662.28 settlement on February 28, 2023 to resolve civil liability for alleged violations of the False Claims Act. Penn State Health (PSH) voluntarily disclosed that between January 2015 and March 2019, PSH submitted claims to Medicare Part B for E&M services that were not supported by the medical record on the same date of service as infusion services. After it discovered the problems, PSH took prompt corrective action.

Immigration. The U.S. Attorney's Office handles civil immigration cases throughout the District.

- *Singh v. United States Citizenship and Immigration Services, et al.* In a matter of first impression in the District, the U.S. Attorney's Office successfully obtained dismissal of a counseled mandamus action seeking to compel the United States Citizenship and Immigration Services to rule on plaintiff's I-601A provisional waiver. The Court held that the pertinent statute explicitly withheld jurisdiction from federal court review.
- *Nunes v. Oddo.* In an emergency habeas petition, the petitioner, a convicted felon who misled the Court about his criminal background, requested an injunction of his ordered removal from the United States. The U.S. Attorney's Office successfully obtained dismissal of the habeas petition and injunction. The Court held that it did not have jurisdiction to consider the validity of the petitioner's removal order, and it was beyond the jurisdiction of any federal district court to entertain petitioner's arguments.

Prison Litigation. The MDPA houses four major federal correctional complexes: Allenwood, Canaan, Lewisburg, and Schuylkill. With a population of approximately 6,000 inmates, the facilities constitute one of the largest concentration of federal populations in the country. These inmates are a constant source of complex litigation including, habeas corpus challenges, general torts, and Constitutional claims alleging excessive force, failure to protect, retaliation, and other damages and constitutional claims. Named as defendants are multiple federal employees and institutions.

- *Milhouse v. Heath.* The U.S. Attorney's Office obtained a favorable decision in this case. The inmate alleged that he was assaulted by cellmates because BOP staff failed to properly place him with other inmates. The Magistrate Judge found that the case was distinguishable from prior court precedent and recommended that summary judgment be granted in defendants' favor because the case presented a new context and special factors precluded extending Bivens. In two orders dated January 24, 2023, and July 31, 2023, the District Judge adopted and then affirmed the R&R. The Third Circuit dismissed the appeal in October of 2023 because Milhouse has three strikes under the Prison Litigation Reform Act and could not pay the filing fee.
- *Ward v. Enigk.* On August 30, 2023, the U.S. Attorney's Office obtained a favorable decision on its motion for summary judgment in this Eighth Amendment deliberate indifference to his serious psychological and medical needs case brought against a BOP corrections officer. The Court held that the Eighth Amendment claim failed because the plaintiff was unable to demonstrate a risk of serious harm. The case is on appeal and has been referred for summary screening.



USP Lewisburg—High security U.S. Penitentiary with an adjacent minimum security satellite camp.



USP Allenwood—High security U.S. Penitentiary which is part of a correctional complex including a medium and low security institution.



USP Canaan—High security U.S. Penitentiary with an adjacent minimum security satellite camp.



FCI Schuylkill—Medium security federal correctional institution with an adjacent minimum security satellite camp.



Civil Appeals

- *Stein v. Attorney General*. The Third Circuit affirmed the district court’s grant of summary judgment against a BOP correctional officer who raised a hostile work environment claim based on alleged harassment by a co-worker after the two ended a romantic relationship. The Third Circuit held that because BOP’s actions in response to the initial report of harassment did, in fact, prevent further harassment, they were adequate as a matter of law to show that the employer took “prompt and appropriate remedial action.”
- *Teed v. Warden Allenwood FCI Low*. The Third Circuit affirmed the denial of a habeas petition that asserted that the inmate was eligible for First Step Act time credits. The defendant argued that he was not yet serving a sentence for failure to register as a sex offender (a disqualifying offense) because it was consecutive to a longer sentence for conspiracy to commit sex trafficking of a minor (not disqualifying). The Third Circuit rejected this argument and held that the BOP could aggregate both sentences and thus disqualify the inmate for the entire term because calculation of an inmate’s term of imprisonment is a well-established “administrative purpose” under 18 U.S.C. 3584 (c).



Administrative Division

Administrative Division. The Administrative Division is responsible for planning and executing a comprehensive range of administrative services that support the mission of the U.S. Attorney's Office. The Administrative Officer is the principal advisor to the United States Attorney and the District on all administrative matters.

The Administrative Division continues to support the overall mission of the office by working jointly with other agencies and offices, including the General Services Administration, Justice Management Division, the Executive Office for U.S. Attorneys, the U.S. District Court for the Middle District of Pennsylvania, and the U.S. Marshals Service.

After being short-staffed for several years, the Division finally reached full complement in 2023, with the hiring of an Administrative Assistant in Harrisburg and Scranton, and an Administrative Services Specialist in Scranton. During the year the Division continued to provide services to staff in all three offices including staffing, classification, personnel security, benefits management, retirement counseling, new employee orientation, leave administration, position management and classification, payroll, contracting, purchasing, document management, case management, records management, budget, financial management, construction and facilities management, space planning, mail services, shipping and receiving.

In 2023, the Harrisburg Office moved to the newly-constructed Sylvia H. Rambo Federal Courthouse, which required a significant amount of coordination with Facilities and Information Technology Staffs at EOUSA, General Services Administration, District Court Staff, general contractors, move coordinators and construction managers. The Systems Manager was a key player in coordinating all aspects of the move, including transporting parts of the server from one building to another to ensure that operations were back up within less than 24 hours.

Summer brought an Evaluation and Review Staff audit, where surveys sent to staff resulted in a 93% satisfaction rate overall for the Administrative Division. In addition to that evaluation, the Human Resource audit was the most successful in recent years, following a four-year period in which the office hired 40 people and out-processed 33. The financial audit was also the most successful in recent years, a tribute to the Budget Officer, who was appointed just after the last audit.

Prevention

Reentry Programs

The Project Safe Neighborhoods initiative calls for greater attention to other major components of the federal criminal justice system. The initiative proposed changes to the traditional role of the federal prosecutor, calling for sustained involvement in matters related to crime prevention and offender reentry programs, in part to help reduce recidivism. A primary focus of our reentry efforts is to remove or reduce barriers to successful reentry, so that motivated individuals - who have served their time and paid their debt to society - are able to compete for a job, attain stable housing, support their children and their families, and contribute to their communities.



CARE (Court Assisted Re-Entry Program)

The United States District Court for the Middle District of Pennsylvania conducts a Court-Assisted Re-Entry Program (CARE), a four-phase program designed to aid the rehabilitation and re-integration of persons recently released into the community under federal supervised release and who face a moderate to high-risk of recidivism. The CARE Program relies upon support from public institutions and agencies as well as volunteer private entities and individuals. The MDPA CARE Program began in 2009. The U.S. Probation Office, the Federal Public Defenders and the U.S. Attorney's Office participate in the program. The CARE Program offers an alternative program of supervision and

a blend of treatment and support to effectively address offender behavior and rehabilitation. Most CARE participants have served multi-year prison sentences and face barriers to reintegration to the community.

The CARE Program is an intensive voluntary program in which criminal justice professionals who comprise the "CARE Team," encourage and assist participants to seek educational, employment, health, family counseling and other opportunities to aid in their successful return to the community as productive and law abiding citizens.

Persons recently released from federal prison and serving a period of supervised release under supervision of the U.S. Probation Office are eligible to apply for admission. Each applicant is considered based on the totality of his/her individual circumstances, including a Risk Prediction Index and Post-Conviction Risk Assessment scores.

The U.S. Probation Office considers each applicant and then makes a recommendation to the Court and to the participating Federal Public Defenders and Assistant United States Attorneys as to whether or not an applicant would likely benefit from the program. Before making recommendations, the Probation Office also consults the federal judge who imposed the original prison sentence and term of supervised release and the federal prosecutor who handled the case. While the Assistant United States Attorneys and Federal Public Defenders who participate in the CARE Program are consulted regarding an applicant's suitability for participation, the judge who oversees the program makes the final decision as to whether or not to admit an applicant. The CARE Program operates in the Court's Harrisburg, Scranton and Williamsport venues. There is no set number of allowable participants. However, experience suggests that multiple groups that meet separately and consist of approximately 10 participants per group leads to ideal circumstances for interactions between participants, the Court and other CARE partners.

CARES

In the summer of 2015, an innovative public/private partnership between the CARE Program and ESSA Bank & Trust, Northampton Community College, and Pyramid Healthcare, Inc. local, regional, and national nonpartisan private business interests, whose goals and missions, among other things, are to be involved in their respective communities, was established. Each of these entities has demonstrated a commitment to support the reentry efforts of the CARE Program through a focused set of activities called, collectively, Cooperatively Arranged Re-Entry Services "CARES." Each participating entity has entered into a written agreement to provide the services. The CARES providers have expressed common goals for their investment of resources and services: to enhance crime prevention, deter crime, help families, save costs to taxpayers, and reduce recidivism. The purpose of this public-private collaborative arrangement is to provide services to CARE Program participants that will aid and assist in reaching its goals and objectives. One of the most innovative aspects of the CARES Agreement is that the services provided are available, not only while a CARE participant is enrolled in the CARE Program, but also after the participant graduates from the Program and is no longer under court supervision.

Another key component of CARES is participation of individual community volunteers who provide mentoring services to some CARE participants.

The CARES partnership provides a continuum of services to participants and graduates of the CARE Program, including scholarships, grants, and loans for education, job training, transportation, housing, healthcare, drug and alcohol counseling.



Project Safe Childhood

Our U.S. Attorney, prosecutors, and staff, spoke to over 2,500 students throughout the district about Internet safety. They shared lessons from cases about internet child predators who seek to meet children and teens online, travel to meet children in person, coerce children to share photos and engage in sextortion if the child does not share an explicit photo.




Elder Justice Initiative

Our prosecutors spoke at senior centers and to senior organizations to educate seniors about common scams and to provide tips on how to avoid them.



Our Public Affairs Officer attended multiple senior expos to hand out materials on elder fraud and abuse.



York Group Violence Initiative Call in Program

In 2016, the U.S. Attorney's Office joined community and law enforcement partners in York as part of the York Group Violence Initiative (GVI). GVI is designed to reduce street group-involved homicide and gun violence. GVI was pioneered by the National Network for Safe Communities at John Jay College.

As the National Network's website notes, GVI has repeatedly demonstrated that violence can be dramatically reduced when a partnership of community members, law enforcement, and social service providers directly engages with the small and active number of people involved in street groups and clearly communicates a credible moral message against violence, prior notice about the consequences of further violence, and a genuine offer of help for those who want it. A central method of communication is the call-in, a face-to-face meeting between group members and the strategy's partners. The aim of the GVI strategy is to reduce peer dynamics in the group that promote violence by creating collective accountability, to foster internal social pressure that deters violence, to establish clear community standards against violence, to offer group members an "honorable exit" from committing acts of violence, and to provide a supported path for those who want to change.

In 2023, there was a 36% reduction in overall gun violence. Group-related gun violence dropped 80% which reduces retaliatory shootings and overall community safety. There was a 59% drop of persons shot in 2023. The 911 system fielded 243 shots fired calls in 2023, which is down from 480 in 2022.

The reduction in gun-related violence can be attributed to the combination of factors, including effective law enforcement strategies, community engagement, support for high-risk individuals, and the seamless collaboration between various agencies and services.

In 2023, GVI initiated the STOP THAT Tour to officer support and stand in solidarity with the victims, families, and friends.



Harrisburg Group Violence Initiative Call in Program

In 2023, the U.S. Attorney's Office joined community and law enforcement partners in Harrisburg as part of the Harrisburg Group Violence Initiative (GVI). The Harrisburg Bureau of Police began holding biweekly incident reviews with surrounding law enforcement agencies, federal partners, and Dauphin County Probation and Parole. A formal memorandum of agreement was signed with Dauphin County Probation outlining the collaboration between the agencies. Members of the Harrisburg Bureau of Police GVI team observed the strategy in action in York and Philadelphia.

Additionally, PCCD approved a request for an extension of funding for the GVI strategy implementation, which included adding a part-time support and outreach coordinator to increase the ability to secure resources for group members the team is attempting to reach. The search for a dedicated GVI project manager began in the beginning of 2023, and after a long search the project manager started on November 27, 2023. He has been holding multiple conversations with service providers, community organizations, and other stakeholders to ensure a smooth transition to the next phase of implementation.

60th Anniversary of *Gideon v. Wainwright*

U.S. Attorney Karam participated in a panel discussion on the 60th anniversary of *Gideon v. Wainwright*, the landmark Supreme Court decision which held that the assistance of counsel is a fundamental right essential to a fair trial, and that the 6th and 14th Amendments require states to appoint attorneys for defendants who cannot afford to retain counsel on their own.



Civil Rights Presentation

AUSA Michael Butler gave a presentation about the Office's civil rights practices at the Harrisburg Civil Club's forum regarding law enforcement and the community. Michael also received a plaque to acknowledge his work in the community.



Grant Primer Class

On February 7, 2023, the U.S. Attorney's Office hosted over 40 community leaders and law enforcement from across the district for a federal grant primer class that was given by nationally known grant expert, Joan Body.

**2023 GRANT PRIMER:
HOW TO SUCCESSFULLY
IDENTIFY AND WIN GRANT
FUNDING**

The U.S. Attorney's Office for the Middle District of Pennsylvania will be Presenting

2023 Grant Primer: How to Successfully Identify and Win Grant Funding

Did you ever wonder how you could win a grant award?

To support your grant seeking efforts in 2023, the U.S. Attorney's Office will be hosting nationally known grant expert Joan Body to present a free Grant Primer class. The Auditor will discuss the funding process and how to identify grant opportunities for your agency. A refreshment will be provided for those with existing grant knowledge and experience.

Topics covered will include:

- How public and private grants work
- Discussion on current and forthcoming grant, stimulus and other funding opportunities to PA

You can sign up for free one-on-one grant consultation sessions with Joan to discuss individual grant needs after the presentation from 10:30 a.m. to 3:00 p.m.

It is an ideal time to start preparing your grant seeking strategy as the FY23 Grant Season is just starting.

**Tuesday
February 7, 2023
9:00 a.m. - 10:30 a.m.**

**Widener Law School
3737 Vartan Way
Harrisburg, PA 17110
A180, Building 5
(free parking nearby)**

**RSVP by
January 30, 2023 to:**

**Dawn Clark
Dawn.Clark@usdoj.gov
(717) 221-4458**



National Night Out

The United States Attorney's Office joined law enforcement partners, community leaders and residents on August 1, 2023, at six event locations to celebrate National Night Out. An Assistant U.S. Attorney also attended the Taylor Borough National Night Out on October 7, 2023.



United Against Hate Initiative

Our office launched the United Against Hate Program on November 17, 2022, as part of the Department of Justice's new initiative to better counter hate crimes and hate incidents. The United Against Hate initiative seeks to strengthen collaborative relationships of federal, state, and local law enforcement agencies with communities in order to build trust and encourage the reporting of hate crimes and hate incidents. We were one of the first of 16 U.S. Attorney Offices to launch the program. On March 13, 2023, our office hosted our second United Against Hate Program—held at the Scranton High School to over 2,500 Students and community leaders.



Faith Community Leaders Meetings

As part of the Department of Justice's United Against Hate initiative to better counter hate crimes and hate incidents in the Middle District of Pennsylvania, U.S. Attorney Karam has met and will continue to meet with religious leaders to discuss their concerns about extremism and threats to their places of worship and their members.

In December 2023, U.S. Attorney Karam hosted two respective meetings in Scranton and in Harrisburg with law enforcement and local Jewish leaders to discuss their concerns about the recent uprise in antisemitic speech and incidents of hate. In 2024, U.S. Attorney Karam has similar meetings scheduled for local Muslim and Islamic leaders to discuss the equally troubling uprise in threats to their members.

Career Day

On November 2, 2023, members of the U.S. Attorney's Office, FBI, ATF and DEA attended the 8th grade Career Day for Allen, Crossroads, and New Cumberland Middle Schools.



Anti-Terrorism Advisory Council (ATAC) Conference

Our office partnered with the FBI, PA Department of Human Services, and the PA Office of Homeland Security for the 2023 ATAC Conference in Wilkes-Barre on October 13, 2023. The conference focused on stopping acts of targeted violence. The training was attended by law enforcement, education professionals, mental health professionals, and social services workers.



Public Affairs

Press Conference

A press conference was held on June 15, 2023, in Scranton on the *U.S. v. Nicholas Dombek, et al.* case. Nine defendants were charged with conspiracy to commit theft of major artwork, concealment or disposal of objects of cultural heritage, and interstate transportation of stolen property. All four men were also charged with substantive counts of theft of major artwork and the concealment or disposal of objects of cultural heritage. Dombek was further charged with a substantive count of interstate transportation of stolen property. The defendants conspired for over 20 years to break into multiple museums and other institutions to steal priceless works of art, sports memorabilia, and other objects. It was further alleged that after stealing the above-described items, they transported the stolen goods back to NorthEast Pennsylvania and melted the memorabilia down into easily transportable metal discs or bars. The defendants sold the raw metal to other individuals in the New York City area for hundreds or thousands of dollars, but significantly less than the stolen items would be worth at fair market value. It is also alleged that Dombek burnt the painting "Upper Hudson" by Jasper Cropsey, valued at approximately \$500,000, to avoid the recovery of the painting. The whereabouts of many of the other paintings and stolen objects are currently unknown. The defendants are awaiting their next court hearing.

