

U.S. Attorney's Report to the District

District Attorneys' Offices are well-suited for handling many types of crimes, and they generally have more experience than this office does in prosecuting, for example, armed robbery or sexual assault cases. When it comes to prosecuting major white collar crimes, however, few state or local prosecutors can match the expertise of the U.S. Attorneys' Offices. Federal statutes give us wide authority to investigate white collar crimes and to obtain evidence from multiple jurisdictions, our investigations are led by agents with financial expertise, and federal prosecutors are used to handling complex matters. In this district, we have utilized those tools to maximum effect.

Cases filed by our office against white collar defendants were up 10% in fiscal year 2010, and up again another 11% last year. Mortgage fraud continues to be a top priority, and this year we may surpass our indictment numbers for last year, which were among the highest in the nation. In just the last few weeks, two Chico developers were sentenced to prison, a Sacramento man was convicted of all counts in a mortgage fraud trial, and more defendants were charged. Filings of investment fraud cases have been up every year since 2008, and that trend is likely to continue. In late April, two men were sentenced to 17 and 15 years in prison for operating a Ponzi scheme in Vallejo.

Beyond mortgage and investment fraud, however, a number of recent cases have illustrated the breadth of our white collar portfolio. In late March, the former CEO of a major tomato products company was the 11th defendant to plead guilty in a RICO and antitrust case involving commercial bribery in the agriculture industry. A week later, a professional campaign treasurer pleaded guilty to defrauding her clients in the largest case of embezzlement by a campaign treasurer ever prosecuted. Last month, in the latest development in a joint investigation with the State Attorney General's Office, a tobacco products distributor pleaded guilty to evading more than a half million dollars in state excise taxes. We are currently handling cases involving attempts to defraud the FAA in the sale of aircraft parts, the sale of counterfeit green cards, embezzlement, tax evasion, ID theft, credit manipulation, food stamp fraud, the filing of false liens by an inmate against corrections officials, the sale of false pay stubs used to defraud EDD, and fraud in the operation of a surrogate parenting agency, to name just a few. Cybercrime and enforcement of intellectual property laws is an increasingly important part of what we do. We recently announced the guilty plea in New York of a member of the Anonymous group of hackers to charges filed in Sacramento arising from the hack of a Sacramento firm, and four Fresno residents were sentenced last month for selling pirated DVDs.

As a former white collar prosecutor myself, I take particular pride in the outstanding work done by white collar crime prosecutors in this office. In an area covering half the state of California, this office is second to none when it comes to the range, complexity, and impact of white collar prosecutions.

If you would like to communicate with our office, contact the main number in Sacramento, or submit a suggestion by clicking on the button below. Thank you.

United States Attorney

Benjamin B. Wagner