

# 2006 Annual Report

JAMES C. CLEVELAND FEDERAL BUILDING AND US COURTHOUSE



United States Attorney's Office  
District of New Hampshire



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**MESSAGE FROM  
U.S. ATTORNEY TOM COLANTUONO**

On behalf of all the employees of the United States Attorney's Office for the District of New Hampshire, I am pleased to present our Annual Report for fiscal year 2006, October 1, 2005 to September 30, 2006.

This is the third annual report we have published during my tenure as U.S. Attorney. Its purpose is to inform and educate the public about the many activities and accomplishments of our office. We, in the Department of Justice, believe strongly in being accountable to those we serve. This is why we also maintain a public website, [www.usdoj.gov/usao/nh](http://www.usdoj.gov/usao/nh), where citizens can access additional information about the work of our office, read all media releases we send out, and find links to other Department of Justice or government websites that may be of interest.

I again want to thank all of our federal, state, county and local law enforcement partners who make our successes possible. I also want to thank the dedicated and loyal staff members of the office who demonstrate such skill and professionalism both inside and outside the courtroom each day.

*Tom Colantuono*



## MISSION STATEMENT

*“The mission of the United States Attorney’s Office for the District of New Hampshire is to work together with federal, state, county and local partners to protect the citizens of the district from terrorism and crime, to provide top quality legal representation, to enforce federal laws and advance the interests of the United States Government, and to attain the highest standards of professionalism in our trial and appellate advocacy.”*



**Grafton County Press Conference  
February 10, 2006  
(Littleton Bombing Case)**

l-r: U.S. Attorney Tom Colantuono  
Grafton County Attorney Rick St. Hilaire  
Littleton Police Chief Cameron Brown  
ATF Assistant Special Agent in Charge Dan Kumor

# **INTRODUCTION TO THE U.S. DEPARTMENT OF JUSTICE AND THE UNITED STATES ATTORNEY'S OFFICE**

The United States Department of Justice is the protector of America's freedom. Its mission is to defend the life and liberty of the American People. The Department carries out its responsibilities by its commitment to:

- Prevent terrorism and promote America's security;
- Enforce federal laws and represent the rights and interests of the American People;
- Assist state, local and tribal efforts to prevent or reduce crime and violence; and
- Ensure the fair and efficient operation of the federal justice system.

The Department of Justice has produced results in each of these important areas by:

- Dismantling terrorist cells, disrupting weapons procurement plots, shutting down terrorist-affiliated charities, and establishing a terrorism prevention strategy;
- Prosecuting more federal gun-crime charges and more defendants with federal gun crimes; contributing to a

20-year low in violent crime and substantial reductions particularly in robberies, assaults and rapes, advocating for greater prison terms for violent offenders, dismantling priority drug trafficking organizations and tracking down more criminal fugitives;

- Collecting more in civil and criminal forfeiture; increasing the number of corporate fraud prosecutions and cases charging civil rights and bias-motivated crimes; and
- Establishing outreach initiatives and partnerships with all levels of government, including Anti-Terrorism Advisory Councils, Project Safe Neighborhoods, Project Safe Childhood and Weed and Seed programs, and law enforcement working groups focusing on prevention, disruption and prosecution of priority criminal activities.

The United States Attorney's Office is charged with fulfilling each part of the Department of Justice mission in New Hampshire. Its accomplishments are exemplified by the work of its Criminal, Civil and Administrative Divisions, and its Anti-Terrorism Advisory Council.

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# ANTI-TERRORISM ADVISORY COUNCIL / LAW ENFORCEMENT COORDINATING COMMITTEE

Combating terrorism remains the number one priority of the Department of Justice. Each U.S. Attorney's Office has important anti-terrorism responsibilities. As the chief federal law enforcement officer in New Hampshire, U.S. Attorney Colantuono chairs the Anti-Terrorism Advisory Council (ATAC), a group of law enforcement and other government officials whose departments are involved in the anti-terrorism effort in New Hampshire.

The mission of the ATAC is to promote information sharing, provide training, coordinate the overall anti-terrorism mission, work closely with the Joint Terrorism Task Force (JTTF) and aggressively prosecute any terrorist or terrorism-related cases.

Each U.S. Attorney's Office also hosts a Law Enforcement Coordinating Committee (LECC) under the direction of the U.S. Attorney, assisted by the Law Enforcement Coordinator, Mark Long. Because the agencies involved on the ATAC are also members of the LECC, both groups meet together at the same time on a bi-monthly basis, usually on the second Wednesday of the month.

The New Hampshire ATAC/LECC include the following agencies:

- Bureau of Alcohol, Tobacco, Firearms and Explosives
  - Concord Police Department
  - Defense Criminal Investigative Service
  - Department of State Diplomatic Security Service
  - Drug Enforcement Administration
  - Environmental Protection Agency
  - Federal Bureau of Investigation
  - Hillsborough County Attorney's Office
  - Internal Revenue Service
  - Londonderry Police Department
  - Manchester Police Department
  - Manchester Airport Security
  - Merrimack County Attorney's Office
  - Nashua Police Department
  - Naval Criminal Investigative Service
  - New England Division, AMTRAK
  - New England HIDTA
  - New Hampshire Department of Justice
  - New Hampshire Department of Safety
    - Director of Homeland Security
    - New Hampshire State Police
    - New Hampshire Fire Marshal's Office
    - Division of Safety Services, Marine Patrol
  - New Hampshire Fish and Game Department
  - New Hampshire Police Standards & Training Council
  - New Hampshire National Guard
  - Newington Police Department
  - Portsmouth Police Department
  - Rockingham County Attorney's Office
  - Rockingham County Sheriff's Office
  - Royal Canadian Mounted Police
  - Seabrook Police Department
  - Sûreté du Québec
  - U.S. Air Force
  - U.S. Attorney's Office, District of Maine
  - U.S. Department of Agriculture
  - U.S. Department of Commerce
  - National Oceanic and Aviation Administration
    - National Marine Fisheries Service
  - U.S. Department of Homeland Security
    - Bureau of Customs and Border Protection
    - Bureau of Immigration and Customs Enforcement
    - Coast Guard
    - Coast Guard Investigative Service
    - Federal Air Marshals
    - Federal Protective Service
    - Secret Service
    - Transportation Security Administration
  - U.S. Marshals Service
  - U.S. Postal Inspection Service
  - U.S. Probation Office
  - 12th Civil Support Team, NH National Guard
-

Since its formation in 2001, the ATAC/LECC has become an important resource for the state, local and federal agencies responsible for the safety of our citizens and the security of our infrastructure. By bringing together leaders dedicated to defeating terrorism, the ATAC/LECC helps to facilitate coordination, planning and training, and promotes communication among officials who command unique resources, but share a common mission.

Thanks to our friends at Police Standards and Training Academy, the New Hampshire Fire Academy and the New Boston Air Force Station, the ATAC/LECC holds six meetings each year in a number of different venues.

Each meeting provides an opportunity for members to report on the status and progress of anti-terrorism initiatives, upcoming exercises and training opportunities, and to receive up-to-date information on a host of other issues. Over the past year, ATAC/LECC members also received briefings on subjects including:

**October 2006**

Department of Energy  
Radiological Response Team Region 1

**April 2006**

Naval Criminal Intelligence Service: The  
Psychology of Terrorism

**December 2005**

Operation Double Impact  
Canada/U.S. Cargo Security Project Update

**June 2006**

IMapdata Presentation

**February 2006**

Counter—Intelligence and Counter-  
Espionage Issues

**August 2006**

“Operation Wirelink” Presentation  
Agro/Bio Terrorism Presentation



On June 23, 2006, U. S. Border Patrol Chief David Aguilar (R) presided over the installation of new Chief Border Patrol Agent Ron Vitiello (L) in Burlington, Vermont. New Hampshire is part of U.S. Border Patrol’s “Swanton Sector.”



# INTELLIGENCE RESEARCH

Following the September 11, 2001 attacks, the Department of Justice determined that each U.S. Attorney's Office should have an Intelligence Research Specialist ("IRS") responsible for obtaining, coordinating, analyzing, and disseminating terrorism-related information. The District of New Hampshire's IRS is Tim Hanes. Tim receives and analyzes classified and unclassified intelligence information and coordinates intelligence activities with members of the district's Anti-Terrorism Advisory Council (ATAC) and Joint Terrorism Task Force (JTTF). The goal of this intelligence effort is to share information and resources needed to detect terrorist networks and to arrest and prosecute terrorists before they act.

The IRS supports the ATAC under the guidance of the US Attorney and the ATAC Coordinator. The Attorney General directed the IRS to "provide JTTF with intelligence information generated by ATAC members who are not JTTF members, as well as intelligence obtained by the USAO's from non-terrorism prosecutions and investigations."

The IRS maintains address rosters, an email tree and an extensive list of contacts for law enforcement and the private sector from which information can be pulled or pushed in support of any number of situations. The IRS also works with the Integrated Border Enforcement Team, Royal Canadian Mounted Police (RCMP), Canadian Security Intelligence Service (CSIS) and other agencies or bodies responsible for covering the NH/Canadian Border area.

The IRS provides a conduit for local law enforcement intelligence officers to contact other regional, state and international organizations, and create networks of counter terrorism intelligence, training, and assistance.

The IRS provides counter terrorism training to law enforcement officers, teaching ATAC members to:

- identify potential targets of attack in the district;
- plan for contingencies; and
- spot seemingly innocuous items and expeditiously report suspicious activities to the intelligence community.

The IRS filters material from numerous intelligence bulletins and alerts for distribution to the appropriate local agencies. An informal network of Intelligence Officers exists between all 94 U.S. Attorney's districts permitting each to quickly draw on the experience of others.

The IRS is the U.S. Attorney's liaison to our national intelligence agencies. He is equipped to communicate with law enforcement and intelligence agencies via the Secret Internet Protocol Router Network (SIPRNET), secure telephone and fax system, NCIC/NLETS, Law Enforcement Online (LEO) and the Regional Information Sharing System (RISS).

The FBI last year launched a new course called the Cohort Program. This training combines intelligence analysts, language analysts, and physical surveillance specialists entering the FBI's Intelligence Career Service.

Over a nine week period these specialists work together learning advanced techniques of information gathering, analytical thinking and the types and uses of different analytical tools. Participants also study intelligence briefing techniques and intelligence report writing aimed at "finding and connecting the dots" in criminal and national security investigations.



Intelligence Research Specialist Tim Hanes (R) receives a certificate from Wayne M. Murphy, AD of the FBI's Directorate of Intelligence after completing the Cohort Program at the FBI Academy in Quantico, Virginia.

## Contact Information For **TIM HANES**, Intelligence Research Specialist

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## OVERSEAS ASSIGNMENT—AUSA MICHAEL GUNNISON

This year Mike Gunnison, the District’s Anti-Terrorism Coordinator and Senior Litigation Counsel, was detailed to the Criminal Division of the Department of Justice to work with the Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT). OPDAT seeks to further the goals of the Criminal Division through international training and criminal justice development. OPDAT assists host governments around the world in many ways, including legislative drafting and training of judges and prosecutors.

Mike is currently OPDAT’s Middle East Resident Legal Advisor (RLA) based at the U.S. Embassy in Abu Dhabi in the United Arab Emirates (UAE). His region comprises UAE (including Dubai), as well as Jordan, Kuwait, Qatar and Saudi Arabia. As an RLA, Mike works with Middle Eastern governments to deter and defeat money laundering and terrorist financing. This requires engagement with government policy makers and officials responsible for regulating financial activities, including the region’s Central Banks and Ministries of Finance and Industry. It also involves working with the ministries responsible for detecting, investigating and prosecuting criminal activities, including the Ministries of Justice and Interior, and Offices of Public Prosecution. Mike also works with U.S. partners in carrying out his mission, including Department of State Economic, Political and Resident Security Officers, U.S. Treasury and ICE representatives, and the FBI’s Legal Attaché offices. All of the work is coordinated with the inter-agency Terrorist Finance Working Group and U.S. Embassies in the region. Mike is a member of the Senior Law Enforcement Working Group, which is led by U.S. Ambassador to the UAE Michele Sison. He was also recently named to the Abu Dhabi Committee of the State Department’s Middle East Partnership Initiative.



**Meeting with H.E. Abdul Rahim Y. Alwadi, Under Secretary for International Cooperation & Planning of the UAE Ministry of Justice**

## ATAC TRAININGS

The ATAC hosted two live interactive teleconferences, on “**New Trends in Suicide Bombings Awareness**,” telecast at the U.S. Attorney’s Office on March 15 and 28, 2006. The audience included federal, state, county and local police personnel.

The ATAC, working in partnership with the New Hampshire Police Standards and Training Council, co-hosted a one day training seminar on **Suicide Terrorism** taught by a former Israeli military officer. The session held on May 30, 2006 at the Police Standards and Training Center was well attended and feedback from the audience was very positive.

## BERLIN EXERCISE SUMMARY

On April 29, 2006, the Department of Homeland Security held a Critical Incident and Terrorism Drill in Coos County, centered in Berlin. Participating agencies included Central NH Special Operations Unit, NH State Police Troop F and SWAT, Border Patrol, NH Emergency Management, Coos County Sheriff’s Office, the Police and Fire Departments from Berlin, Gorham, and Colebrook, the North Country Hazmat Team, Berlin/Gorham SWAT and U.S. Customs with the support of the U.S. Attorney’s Office. The functional exercise was conducted in accordance with the National Homeland Security Exercise and Evaluation Program. The scenario simulated a multi-jurisdictional event involving two mass casualty incidents, multiple hostage situations, and a hazardous materials situation.

Planned by the above agencies under the Berlin Emergency Management Office, the exercise was conducted for the purpose of identifying the strengths and weaknesses of their emergency response capabilities to a Weapons of Mass Destruction (WMD) and Armed Terrorist event. The exercise, a five-hour event conducted under real time and weather conditions, provided participants with an opportunity to assess existing capabilities in response to a WMD incident. Subject matter experts participated in a pre-event training program and evaluated the exercise. Each participating team completed an after action report and a general debriefing was held to assess the strengths and weaknesses of the response teams.

U. S. Attorney Colantuono has strongly supported cooperative efforts of NH law enforcement agencies that better enable those agencies to assist each other. This support has made it possible for smaller agencies to manage larger, previously unmanageable, incidents. Cooperative efforts also make it possible to more effectively address violent crime in our communities. The successful regional approach of this Critical Incident and Terrorism Drill highlights the New Hampshire law enforcement community’s recent strides in the area of multi-agency cooperation.



CENTRAL NEW HAMPSHIRE SPECIAL OPERATIONS UNIT

## CANADA/US CARGO SECURITY PROJECT

The Canada/United States Cargo Security Project (CUSCSP), originally known as Operation Safe Commerce-Northeast, is a public-private partnership of United States and Canadian members dedicated to improving cargo container security practices throughout the entire supply chain. The CUSCSP is co-chaired by U.S. Attorney Tom Colantuono and Vermont U.S. Attorney Tom Anderson. Since 2002, it has been the strategic goal of the CUSCSP to produce prototype point-of-origin security technologies to secure the international container shipping system while allowing the United States to maintain open borders and facilitate commerce.

FY 2006 saw the successful completion of Phase IIa testing of improved technology to track and detect intrusion into cargo containers over three new supply chains that began in Europe and ended in the Northeast U.S. For further information on these tests go to [www.NI2CIE.org](http://www.NI2CIE.org).

On September 14, 2006, our lead organizing partner for this project, the National Infrastructure Institute Center for Infrastructure Expertise hosted an all day seminar in Manchester on cargo container security to discuss the results of the Phase IIa tests. U.S. Coast Guard Rear Admiral Timothy Sullivan, the Commander of the First Coast Guard District of Boston, delivered the keynote speech to the international audience. U.S. Attorney Colantuono gave welcoming remarks about the history of the project.



## LECC

The District's Law Enforcement Coordination Committee is lead by Law Enforcement Coordinator (LEC) Mark Long. Mark is an active member of the Rockingham County Law Enforcement Association, New Hampshire Association of Chiefs of Police, New Hampshire Police Officers Association, and a member of the advisory board National Law Enforcement & Correction Technology Center, New England.

Mark serves as the United States Attorney's representative in a number of different law enforcement groups, initiatives, and training events.

## LECC TRAINING

The U.S. Attorney's Office sponsors training programs throughout the year in order to help New Hampshire Law Enforcement stay up-to-date on subjects of importance.

- **Narcotics/Methamphetamine**— On December 7, 2005, the U.S. Attorney's Office and the New Hampshire Attorney General's Drug Task Force sponsored a two-day training seminar in Bartlett, NH for law enforcement agencies based in Carroll, Coos and Grafton counties. Day one of the seminar covered search warrants, informant development, outlaw motorcycle gangs, asset sharing, interdiction, and motor vehicle "hides."

A similar presentation for law enforcement agencies in the southern part of the state was held in Nashua on April 6-7, 2006.

- **Asset Forfeiture—Equitable Sharing**— Instructors from the New Hampshire Attorney General's Office, U.S. Marshals Office for the District of New Hampshire, and the Criminal Division of the United States Department of Justice lectured and lead discussion groups on asset forfeiture and equitable sharing at the New Hampshire Police Academy.

- **Bank Robberies**— On December 31 2005, the U.S. Attorney's Office and the FBI's New Hampshire office hosted an information sharing meeting with New Hampshire law enforcement agencies on the series of armed bank robberies that occurred during FY 06. Held at the NH Fire Academy in Concord, numerous state,



**Mark Long, Law Enforcement Coordinator**

county, and local police investigators participated.

- **Methamphetamine Investigations**— On May 8, 10, 2006, the U.S. Department of Justice-funded Institute for Inter-Governmental Research and the U.S. Attorney's Office presented a three-day "Methamphetamine Investigation Management Workshop".

- **Drug Endangered Children's Conference**—US Attorney Colantuono delivered the opening remarks at the two-day Drug Endangered Children Conference held in North Conway on Sept 7-8, 2006. Sheila Jenkins-Hamilton, the office's Victim/Witness Specialist, coordinated the conference with working partners from the New Hampshire Department of Health and Human Services and the New Hampshire Department of Justice.

- **NESPIN**— USA Colantuono addressed the New England State Police Information Network's annual conference. Held in Nashua on September 12-14, 2006, and entitled "Modern Policing in America", the conference was attended by law enforcement agencies from throughout New England.



**U.S. Attorney Colantuono welcomed famed criminologist, Dr. Henry Lee, to Nashua for the N.E.S.P.I.N. Conference**

## LECC: OPERATION STREETSWEeper GRANTS

U.S. Attorney Colantuono approved forty one Operation Streetsweeper requests from various state, county and local law enforcement agencies during FY 06. These grants totaled \$979,000, allowing New Hampshire police agencies to purchase needed equipment, provide training and defray the costs to fight violent crime in New Hampshire. This year Operation Streetsweeper funding continued to support the cooperative efforts of the Manchester Police Department, the New Hampshire State Police Narcotics Investigation Unit and the New Hampshire Attorney General’s Drug Task Force to fight illegal drug activity within the city of Manchester. Similar Operation Streetsweeper grants were awarded to Portsmouth, Concord and Nashua Police Departments to support anti-drug trafficking investigations and enforcement efforts in those cities. The Belknap County Sheriff was awarded Operation Streetsweeper funding to defray the costs associated with increased police presence during New Hampshire’s annual “Bike Week” event. Law Enforcement Coordinator Mark Long assists in coordinating this program. Operation Streetsweeper funding is an initiative from the office of U.S. Senator Judd Gregg.



**New Hampshire State Police K-9’s purchased with Streetsweeper grant**

Left to Right: Tpr. Gary Ingham and K-9 Gunny, Tpr. Dan Needham and K-9 King, U.S. Attorney Tom Colantuono, TFC Dave Gagne and K-9 Reno, Tpr. Greg Deluca and K-9 Tyson, and Tpr. Chris Rosata and K-9 Danek

## LECC: WEED AND SEED

The U.S. Attorney's Office for the District of New Hampshire has continued its involvement and partnership with Manchester's Weed and Seed site. The success of the program was confirmed with the recent approval of a fifth year of funding by the U.S. Department of Justice Community Capacity Development Office. The past year has had many other highlights:

Manchester Community Resource Center (MCRC), one of our founding partners and a Safe Haven site, was awarded a federal grant for the Volunteer Income Tax Assistance (VITA) program. MCRC volunteers, working with the Internal Revenue Service, were able to help individuals and families file their 2005 income taxes. Four hundred and seventy five of these returns provided the residents with \$603,522 that can be reinvested in their community and work towards obtaining their basic needs. Additionally, with the Earned Income Tax Credit, \$252,516 was returned to the residents, which might have gone unclaimed. Out of fifty VITA Centers in Weed and Seed communities nationwide, MCRC ranked 10<sup>th</sup> in the nation in the number of returns processed!

The number of Neighborhood Watch groups continues to grow; we now have eight active groups and residents on the west side of Manchester working to replicate our Weed and Seed success.

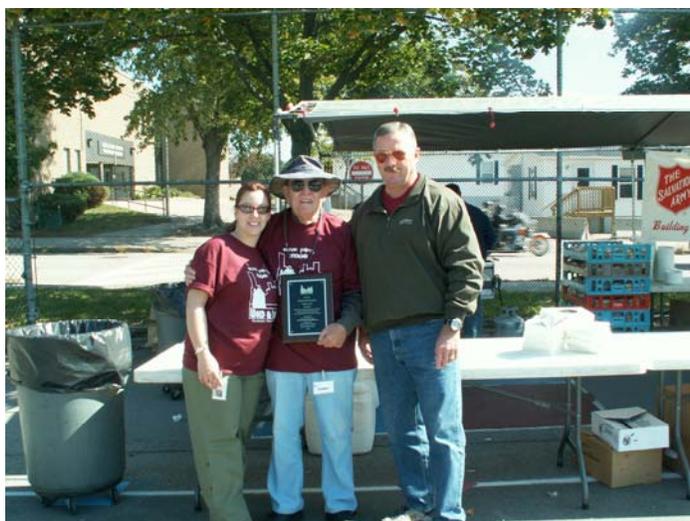
Another Weed and Seed founding partner, the YMCA, working with the Manchester Police Department and the Manchester Office of Youth Services, operated the Truancy Alternative Program (TAP), a graffiti removal initiative. This program logged 282 hours of Weed and Seed community service engaging fifty nine youth in constructive activities.

The YWCA, working with other partners, including the Manchester Police Department Domestic Violence Unit, provided a series of successful seminars and awareness training session on domestic violence within our community.



Left: Nicole Rodler—Program Manager for Weed & Seed  
Right: AUSA Helen Fitzgibbon

In September the fourth annual Weed & Seed Block Party was held, celebrating the diversity of Manchester's inner-city community and the continued success of our initiative. Numerous residents and service providers turned out to enjoy a day of activities, great music, and a cookout.



L-R: Nicole Rodler, Program Manager for Weed & Seed,  
Ed Russell, Co-Chairman—Weed & Seed Steering  
Committee, and Mark Long, LECC—U.S. Attorney's Office





Project Safe Neighborhoods (PSN) is a federally-funded program intended to reduce gun violence through law enforcement training, public education, and the aggressive investigation and prosecution of gun-related crimes. It is coordinated by the United States Attorney in each federal district. U.S. Attorney Colantuono is assisted in the PSN initiative by Assistant U.S. Attorney Clyde R. W. Garrigan, who serves as PSN Coordinator in New Hampshire. The project is overseen by a Task Force of federal, state, county and local law enforcement officials from throughout the state, which meets regularly. The PSN Task Force includes representatives of the following agencies:

- \* Bureau of Alcohol, Tobacco, Firearms and Explosives
- \* Eastlantic Advertising (Media Partners)
- \* Hillsborough County Attorney's Office
- \* JusticeWorks (Research Partner)
  - St. Anselm's College
  - University of New Hampshire
- \* Manchester Police Department
- \* Merrimack County Attorney's Office
- \* Nashua Police Department
- \* New Hampshire Department of Corrections
- \* New Hampshire Department of Justice
- \* New Hampshire State Police
- \* Portsmouth Police Department
- \* Rockingham County Attorney's Office
- \* U.S. Marshals Service
- \* U.S. Probation Office
- \* Hillsborough County Sheriff's Office

Since the PSN program was initiated in New Hampshire in May of 2001, the U.S. Attorney's Office has seen a significant increase in the number of investigations and prosecutions of gun crime cases. In FY 2006, the Office prosecuted 48 gun crime cases, compared to 12 cases in 2001. (This does not include gun cases prosecuted in state court by a specially designated PSN-funded gun prosecutor discussed elsewhere in this report.) Sentences imposed in PSN cases are also significant. In 2006, approximately 41% of defendants convicted of federal firearms offenses in New Hampshire were sentenced to serve more than five (5) years in federal prison.

Our strategic focus on previously convicted felons in possession of firearms, particularly those who qualify as Armed Career Criminals, has been very successful, as has our targeting of drug users and addicts unlawfully possessing firearms.

## MEMBERS OF PSN/ANTI-GANG TASK FORCE ATTEND PSN NATIONAL CONFERENCE

United States Attorney Colantuono led a large New Hampshire delegation of PSN Task Force members at the PSN National Conference held in Denver, Colorado, on May 2-4, 2006. Approximately 1,300 attendees participated in a wide variety of presentations concerning innovative PSN projects throughout the country. Attorney General Alberto Gonzalez told the conference:



“The PSN story is a compelling one. It’s a story of cooperation at every level of law enforcement... of collaboration between governments, social services, community partners, and local leaders. It’s the story of dramatic reductions in the number of gun crimes and crime victims... of safer streets and communities where residents are no longer forced to lock themselves behind deadbolts and window bars, because we’ve put criminals behind bars in federal and state prisons.

This conference is an opportunity to renew our efforts to add to these stories. We can add the story of taking back our city streets from gang violence with new federal resources. We can add to the chapters of hope and opportunity with stories of young men and women saying “no” to the false promise of gang membership...of our worst offenders being locked up so they can’t harm our citizens...and stories of former gang members choosing to have productive lives outside of prison.

We’ll achieve our goals when the best do their best. You are the best ...the best investigators, the best service providers, the best prosecutors. Thanks for keeping America safe from gun crime.”



### MAY 2006 PSN NATIONAL CONFERENCE, DENVER, COLORADO

1st row: U.S. Marshal Steve Monier, President of Eastlantic Advertising Franne Ciriello, U.S. Attorney Colantuono, U.S. Attorney General Alberto Gonzales, Hillsborough County Attorney Marguerite Wageling, N.H. Department of Justice Criminal Justice Program Specialist Timothy Brackett.

2nd row: Nashua Police Chief Tim Hefferan, Assistant U.S. Attorney and PSN Coordinator Clyde Garrigan, Manchester Police Chief John Jaskolka, Law Enforcement Coordinator Mark Long, PSN Investigator John Tuthill, ATF Resident Agent in Charge Cliff Ellston and PSN Prosecutor Deb Walsh

## PSN PROSECUTOR DEBRA WALSH AND INVESTIGATOR JOHN TUTHILL

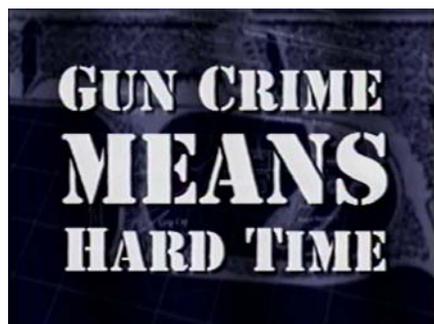
Our federally-funded gun crime prosecutor and investigator began work in February 2004. Debra Walsh was appointed as an Assistant Hillsborough County Attorney and cross-designated as a Special Assistant United States Attorney (SAUSA). John Tuthill is a Deputy Hillsborough County Sheriff and appointed as a Special Bureau of Alcohol, Tobacco, Firearm and Explosives Task Force Agent.

In addition, our gun crime prosecutor and investigator have traveled throughout New Hampshire making presentations to local police departments on federal firearm laws. To date, they have made presentations to 42 different police departments.

Additionally, investigator Tuthill assisted numerous local police agencies in the location and identification of witnesses, tracking physical evidence, and witness interviews. The coordinated efforts of SAUSA Walsh and Investigator Tuthill proved successful in that numerous agencies, including the New Hampshire Attorney General's Office, have forwarded cases for review under federal law.

Since the program's inception through FY 2006, SAUSA Walsh and Investigator Tuthill have reviewed 206 cases, including 75 state law enforcement-generated "Gun Line" cases, 68 state cases and 63 federal cases. The prosecutions included: attempted murder, armed robbery, criminal threatening, reckless conduct, burglary, stolen firearms, the making of false statements during the acquisition of firearms, drug user or addict in possession of firearms, felon in possession of firearms and Armed Career Criminal.

In June 2006, DOJ notified us that our office had been awarded \$63,389 in additional PSN grant money to continue funding this highly successful and innovative program.



## NOTABLE PSN CASES IN FY06

PROJECT SAFE NEIGHBORHOODS CONTINUES AS A KEY INITIATIVE IN NEW HAMPSHIRE TO REDUCE GUN VIOLENCE. AS DESCRIBED BELOW, WE HAVE KEPT OUR PROMISE: *“IN NEW HAMPSHIRE, GUN CRIME MEANS HARD TIME.”*

**United States v. Jose Hernandez**— Jose Hernandez, age 29, was convicted of Possession of a Firearm by a Prohibited Person, after being found in a “crack” house in Manchester with a Glock .357 Sig semi-automatic pistol. His prior convictions for cocaine trafficking, Assault and Battery with a Deadly Weapon (handgun) and Assault with Intent to Rob, qualified him as an Armed Career Criminal under federal law. He was sentenced to 15 years and 8 months in federal prison. The case was another successful joint investigation/prosecution by the Manchester Police Department, the Bureau of Alcohol, Tobacco, Firearms and Explosives and this office.

**United States v. Gerard Boulanger**— Boulanger was convicted after a jury trial and was sentenced to 28 years and 4 months on armed robbery, gun possession and drug charges, 5 years of supervised release, and ordered to pay \$2,346.00 in restitution. The defendant had three previous convictions for armed robbery. Wearing a mask, he robbed the Brooks Drug Store, in Rochester, NH. He brandished a .25 caliber pistol during the robbery and stole approximately 1100 oxycontin and methadone tablets. He was sentenced as an Armed Career Criminal under federal law because of his extensive and violent criminal record.

On April 12 2006, the First Circuit Court of Appeals in Boston affirmed the conviction and issued a nationally significant opinion on the law concerning dynamic entries and the police use of “flash bang” grenades during the execution of search warrants connected with armed, dangerous felons like Boulanger.

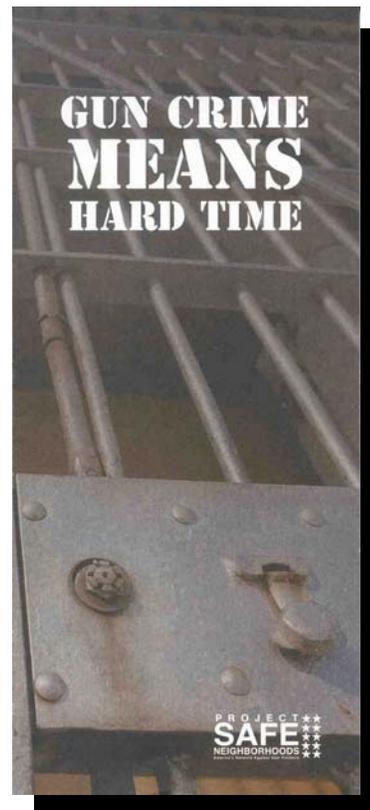
**United States v. Christopher Mann**— Christopher Mann committed a masked, armed robbery of a pizza shop in Concord. The Concord Police Department recovered a loaded sawed off shotgun and the stolen money in a nearby hotel room where Mann was staying. He was convicted of Interference with Commerce by Threat and Violence and Use of a Firearm in a Crime of Violence, and sentenced to 12 years in federal prison.

**United States v. Robert E. Rogers, II**—

Robert E. Rogers, II, age 27, was arrested by Keene Police Department after a sawed off shotgun and ammunition were found in his car. He had been convicted in 1998 of Robbery in Hillsborough County Superior Court. Convicted of being a Felon in Possession of a Firearm, and Possession of an Unregistered Sawed Off Shotgun, he was sentenced in August 2006 to serve 7 years in federal prison to be followed by three 3 years of supervised release.

**United States v. Monty Granger**—

Monty P. Granger, age 25, of Boston, Massachusetts, was sentenced on January 25, 2006, to 10 years in federal prison on 5 counts of felon in possession of firearms in connection with his involvement in the illegal purchase of firearms from licensed firearms dealers in the New Hampshire seacoast and southern Maine.



## NOTABLE PSN CASES (CONT.)

**United States v. Bruce Belton**— Bruce Belton, age 60, was indicted on September 29, 2004, on federal gun trafficking and weapons and drug charges. A jury found Belton, a member of the Sullivan County-based Freelancers Motorcycle Club, guilty of possession with intent to distribute methamphetamine and cocaine; being a felon in possession of three firearms; and possession of firearms in furtherance of drug trafficking.

**United States v. Kevin Lavalliere**—Kevin Lavalliere, a previously convicted felon, entered a guilty plea on July 21, 2006, before U.S. District Court Judge Paul Barbadoro, to a two count information charging him with Distribution of Cocaine and Possession of a Firearm in furtherance of drug trafficking. Lavalliere was ordered detained without bail pending his March 20, 2007 sentencing hearing. The maximum penalty for the charges is life imprisonment.

According to an affidavit in support of a Criminal Complaint issued by Magistrate Judge Muirhead, during January, February and March 2006, Lavalliere repeatedly sold quantities of cocaine, and on two occasions sold firearms, to a New Hampshire Drug Task Force undercover detective.



U.S. Attorney Colantuono had the honor of delivering the keynote address at the annual New Hampshire Law Enforcement Memorial Observation on May 19, 2006. New Hampshire Attorney General Kelly Ayotte also delivered remarks.

## PSN “OPERATION GRIP”

In May 2005, Attorney General Alberto Gonzalez announced a new initiative directed at gang violence called Operation GRIP: Gang Reduction through Investigation and Prosecution. He directed that every U.S. Attorney’s Office in the United States appoint an Anti-Gang Coordinator. Each district was required to survey law enforcement and community organizations and groups to determine the nature and extent of gang activity and develop strategies to meet the threat. This new national initiative was modeled on and linked directly with the Project Safe Neighborhoods efforts already successfully operating.

In New Hampshire, United States Attorney Colantuono appointed his PSN Coordinator, AUSA Clyde Garrigan, to serve as Anti-Gang Coordinator, and designated his already existing and effective PSN Task Force to serve as the Anti-Gang Task Force, and invited other federal, state, county and local law enforcement agencies to join, including FBI, DEA, ICE, Rochester Police Department, Belknap County Sheriffs Office, Rockingham County House of Corrections and NH Liquor Enforcement. In May 2006, the office was awarded \$110,000 to fund initial anti-gang efforts. Grants have been awarded to the highly successful U.S. Marshal’s Fugitive Recovery Task Force, to fund specialized anti-gang patrols by the Manchester Police Department, a Police Standards and Training Council for anti-gang training, and to our PSN media partners Eastlantic Advertising for an anti-gang media campaign directed at keeping youth out of gangs.

As part of the Attorney General’s directive, each federal district was directed to hold a multi-disciplinary Anti-Gang Summit. Over 250 people from law enforcement, government officials, community leaders, human service providers and educators registered to attend and hear a number of national and local experts on the expansion of gang activity and violence and what can be done to prevent its spread.



### Gang Intervention Summit

October 5, 2006

Wayfarer Conference Center, Bedford, NH

The Anti-Gang Summit Video can be viewed at:

[www.usdoj.gov/usao/nh/psn.html](http://www.usdoj.gov/usao/nh/psn.html)

Co-hosted by the U.S. Attorney's Office - District of New Hampshire and the Department of Health and Human Services, Division for Juvenile Justice Services.



# IDENTITY CRIME WORKING GROUP

Since established by U.S. Attorney Colantuono in March of 2003, the Identity Crime Working Group (IDCWG) has generated a steady series of successful felony prosecutions involving identity crimes of various types, often in conjunction with other mail, wire or credit card fraud charges. Regular participants in the IDCWG currently represent approximately 40 different federal, state, and local agencies.

Identity fraud harms victims in ways that cannot be measured merely in economic damages. Identity fraud may also constitute preparation for terrorism, or that may be conducted for the purpose of financing terrorism.

While identity crimes by their very nature are usually complex and multi-jurisdictional, cases brought before the Working Group tend to move to a successful resolution quickly due to the combined talents and specialized abilities of the wide array of agencies participating.

Due primarily to increasing use of technology, the number, sophistication and severity of identity crimes has radically increased nationwide. On May 10, 2006 the President created the National Task Force on Identity Theft, chaired by Attorney General Alberto Gonzalez. Through the Attorney General's Advisory Council, the Identity Crime Working Group has provided input to the Task Force and looks forward to further contributing to the aggressive interdiction and prosecution of all types of identity crimes.

The Identity Crime Working Group is chaired by Assistant U.S. Attorney Alfred Rubega and meets monthly at the U.S. Attorney's Office.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

May 10, 2006

## The President's Identity Theft Task Force

**Today, President Bush Signed An Executive Order Creating The Nation's First Ever "Identity Theft Task Force."** This task force will marshal the resources of the Federal government to crack down on the criminals who traffic in stolen identities and protect American families from this devastating crime.

### The Identity Theft Task Force Is An Important Step Forward In The Fight Against Identity Theft

**The President's Identity Theft Task Force Reinforces And Intensifies The Administration's Commitment To Deal With Identity Theft.** This task force, chaired by the Attorney General and the FTC Chair, strengthens our efforts to protect the financial information of our citizens.

**The Identity Theft Task Force Enhances Cooperation Of Federal, State, And Local Authorities.** The Task Force will help law enforcement officials investigate and prosecute identity thieves, it will help educate consumers and businesses on ways they can protect themselves, and it will increase the safeguards on personal data held by the Federal government.

### The Administration Has Been Taking Action To Fight Identity Theft

**In 2003, President Bush Signed The Fair And Accurate Credit Transactions Act Of 2003 (FACT Act), Which Created A National System Of Fraud Detection.** Among other provisions, the FACT Act:

- Required Merchants To Delete All But The Last Five Digits Of A Credit Card Number On Store Receipts.
- Created A National System Of Fraud Detection So That Consumers Could Issue A Nationwide Fraud Alert With One Phone Call.
- Gave Consumers The Right To Receive One Free Credit Report Per Year From Each Of The Nationwide Credit Reporting Agencies.

**In 2004, President Bush Signed The Identity Theft Penalty Enhancement Act, Which Gave Law Enforcement New Tools To Prosecute Those Who Violate The Financial Privacy Of American Citizens.** This act created a new crime of "aggravated identity theft" and added two years to prison sentences for criminals convicted of using stolen credit card numbers and other personal data to commit crimes.

### Identity Theft Harms The American People

**Identity Theft's Damage Is Widespread.** Citizens work hard to build their credit histories and rely on their credit to help their families build better lives. Since 2003, surveys have estimated the number of U.S. adults who became victims of identity theft within the preceding year at around 10 million, and the annual losses due to identity theft amount to \$50 billion.

- **Identity Theft Can Target Any Demographic Group.** Anyone could be subject to identity theft. It is a crime that can affect anyone at any age, in any income bracket, in any part of the country. It can even involve stealing the identities of the deceased.
- **Identity Theft Harms American Consumers.** A consumer whose identity is stolen may suffer immediate financial harm. For example, he may be denied a loan by a lender who mistakenly thinks that he was responsible for overcharging on credit cards and failing to pay the amounts owed; he may lose money (at least temporarily) from his bank account if the identity thief withdraws cash from that account; and he may even have difficulty in obtaining or holding a job.
- **Identity Theft Harms American Businesses.** Businesses of all sizes can become victims of identity theft. Identity theft also has adverse effects on the economy as a whole by making some people feel less confident about engaging in electronic transactions and by increasing the costs to consumers as businesses undertake additional measures to protect customers' personal data from identity thieves.
- **Victims Can Suffer More Than Financial Harm.** Individuals may need to spend substantial amounts of time contacting creditors, establishing that they were not responsible for the identity thief's fraudulent transactions and purchases, and getting their credit histories and financial records corrected. Criminals committing identity theft can harm reputations, create greater stress in family life and other relationships, and, on occasion, cause the unwarranted arrest of a victim whose name is being used by the identity thief.

### Nationwide ID Theft Education Campaign To "Avoid Theft: Deter, Detect, Defend"

**The Federal Trade Commission And The Justice Department Will Send "Avoid Theft: Deter, Detect, Defend"**

**Education Kits To 4,500 Victim Advocates Across The Country.** The U.S. Social Security Administration will involve its field offices. Other partners include the National Association of Realtors, the American College Personnel Association—College Student Educators International, the National Association of Student Personnel Administrators, the National Crime Prevention Council, the National Apartment Association, and America's Community Bankers.

**Materials In The "Avoid Theft: Deter, Detect, Defend" Education Kit Include A Victim Recovery Guide And A 10-Minute Video On Identity Theft.** All materials are available in English and in Spanish and through a toll-free number (1-877-IDTHEFT) and Web site (<http://www.consumer.gov/idtheft/>).

## IDENTITY CRIME CASES

**United States v. Robert & Carolyn Lagerstedt**—The Lagerstedts used the identity of another person to obtain a \$10,450 loan from the Household Finance Corporation. They then tried to use the proceeds of the loan for their personal benefit. At the time of the offense, Mr. Lagerstedt was employed as a police officer in Springfield, Vermont. Both defendants were sentenced to 2 years in jail.

**United States v. Kelly Marino**— Marino used personal identifying information belonging to another person to obtain credit cards, which she used to buy things for herself. Marino was sentenced to 18 months in jail.

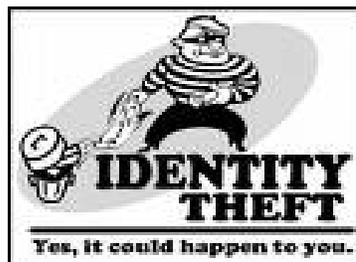
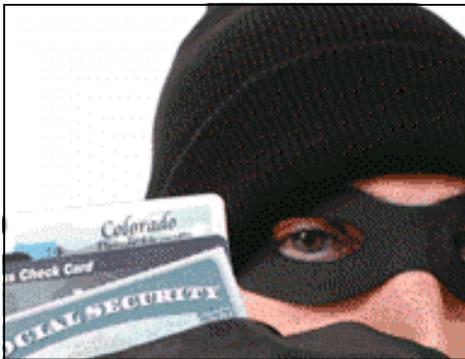
**United States v. Marie Colokathis**—Colokathis and another person used a social security number belonging to someone else to obtain fraudulent credit cards. She was sentenced to 36 months in jail.

**United States v. Elana Boumila**—Boumila was sentenced to 26 months imprisonment after she pleaded guilty to three counts of identity theft.

**United States v. Irene Nutter**—While employed by two companies in New Hampshire, Nutter used her access to the companies' claim management system to create fictitious insurance claims, which generated payments to her that totaled more than \$350,000. Nutter was sentenced to 15 months in jail. Restitution was ordered in the amount of \$353,792.

**United States v. William Vickers**— Vickers was convicted of using personal identifying information belonging to three other people to rent and obtain utility service for property.

**United States v. Troy Gay**—Gay committed numerous acts of identity theft using credit cars and bank access numbers that belonged to other people. He was sentenced to 7 years in jail.



## PROJECT SAFE CHILDHOOD



"We are in the midst of an epidemic of sexual abuse and exploitation of our children," said Attorney General Alberto Gonzalez.

On May 17, 2006, Attorney General Alberto Gonzalez announced Project Safe Childhood (PSC), an initiative designed to help law enforcement and community leaders develop a coordinated strategy to prevent, investigate and prosecute sexual predators, abusers and pornographers who target children through the internet. Each federal district was tasked to design a strategy whereby federal, state and local law enforcement community prevention and education programs, victim and parental groups, and other non-profit groups work together to combat internet child exploitation.

In accordance with the Attorney General's directive, the U.S. Attorney convened a series of meetings in the summer of 2006 of federal law

enforcement agencies, state and local prosecutors and social service agencies to develop a strategy for New Hampshire. Assistant U.S. Attorney Helen White Fitzgibbon serves as the PSC coordinator in New Hampshire, building partnerships and capitalizing on the experience of our existing partners.

As one of the original Internet Crimes Against Children (ICAC) Task Force sites, New Hampshire is well positioned to establish and maintain an effective PSC program. The ICAC program is a nationwide network of task forces consisting of federal, state and local law enforcement dedicated to this issue. The ICAC task forces have been protecting America's children since 1998, and are key partners in Project Safe Childhood. New

Hampshire is very fortunate in that the training director for the National ICAC (and one of the original New Hampshire founders), Bradley J. Russ, is based in Durham, New Hampshire at the University of New Hampshire's Crimes Against Children Research Center.

The U.S. Attorney's Office looks forward to working with our partners to expand community awareness regarding on-line safety and increasing the prosecution of those predators who use the internet to solicit children or who encourage the ongoing abuse of children by the collection and trading of child pornography.



## NATIONAL INTERNET SAFETY RESOURCES

- \* National Internet Crimes Against Children Task Force—[HTTP://ojjdp.ncjrs.org/programs](http://ojjdp.ncjrs.org/programs)
- \* National Center for Missing & Exploited Children—[www.cybertipline.com](http://www.cybertipline.com)
- \* [NetSmartz.org](http://NetSmartz.org) (NCMEC/Boys & Girls Clubs)
- \* [WebWiseKids.org](http://WebWiseKids.org)
- \* [IKeepSafe.org](http://IKeepSafe.org)
- \* [ISafe.org](http://ISafe.org)

## CHILD EXPLOITATION CASES

**United States v. Jeffrey Edmunds**— Jeffrey Edmunds, 42, of Auburn, Maine, was sentenced on August 23, 2006 to 21 years in federal prison after pleading guilty on March 21, 2006 to four counts of production of child pornography. Edmunds will then be placed on a life term of supervised release. Edmunds was arrested in February 2005 after an investigation by the Bridgton, Maine Police Department revealed that Edmunds was in possession of child pornography involving minors. The minors were identified as clients of a day care center in Conway, New Hampshire. The FBI's investigation revealed that Edmunds had crossed state lines with images of child pornography.

**United States v. Richard Hawes**— Richard Hawes, 64, of New Boston, appeared in United States District Court on March 31, 2006 and pleaded guilty to transportation of child pornography in violation of 18 U.S.C.A. §2252A. Hawes was arrested in June of 2005, after the Manchester Police Department was notified by a CVS employee that an individual had developed pornographic photographs of a child in a film developing kiosk in that store. Around the same time, a CVS employee from Nashua made a similar report. An investigation by both police departments revealed that the photographs were of the same child. After unsuccessful attempts to identify the individual who had developed the photographs or the child depicted, images of the child's face were released to the national media with a request for assistance from the

public in identifying the child. Within a day the child was identified as a family member of Hawes in Florida with whom Hawes had recently been visiting.

**United States v. Philip Longeway**— On March 20, 2006, Philip Longeway, 34, of Manchester, was sentenced in United States District Court to 17 1/2 years in federal prison after pleading guilty to traveling with the intent to engage in illicit sexual conduct with a minor. Longeway will have to register as a sex offender and will be prohibited from living or loitering within 100 yards of any building or facility routinely frequented by children. The defendant was arrested in October, 2004, after an off-duty police officer encountered Longeway in Dorchester, MA with a minor female in his car.

**United States v. Gregory Macey**— On April 4, 2006, Gregory Macey, 44, of Jaffrey, New Hampshire was sentenced to 37 months in federal prison on one count of possession of child pornography. Macey was arrested in August of 2005 after ordering videotapes depicting child pornography from an undercover U.S. Postal Inspection Service investigator. A search warrant was executed at Macey's residence, and a computer and other evidence seized revealed numerous images of children, including images of explicit child pornography.

**United States v. Arthur Norman**— Arthur Norman, 55, of Hamilton, Ohio was sentenced

to ten years in prison after pleading guilty to traveling in interstate commerce with the intent to engage in illicit sexual conduct. Norman was arrested in October, 2004, after an investigation by the Manchester Police Department and the FBI revealed that he had traveled from Ohio to Manchester to stay in the home of a friend with the intent to molest a minor child in the home. He also admitted to traveling from New Hampshire to Maine and Vermont for the purpose of taking a child to a motel to engage in sexual acts.



## CRIMINAL DIVISION

The United States Attorney is the chief federal law enforcement official within his or her district. Although some larger states have more than one federal district within their borders, the District of New Hampshire is defined by the boundaries of the State of New Hampshire. Thus, the United States Attorney is charged with prosecuting federal crimes that occur, in whole or in part, anywhere in the State of New Hampshire.

Looking back to the calendar year 2005, the Criminal Division of the United States Attorney's Office had 15 full time Assistant United States Attorneys assigned to prosecute criminal cases. The Division also had a Special Assistant U.S. Attorney assigned to the Department of Justice's Project Safe Neighborhoods initiative. First Assistant U.S. Attorney Joe Laplante also handles criminal cases and oversees all investigations and prosecutions by the Organized Crime Drug Enforcement Task Force (OCDETF). A Victim Witness Specialist, and Automated Litigation Support Coordinator, an investigator, three paralegals and five legal assistants supported the attorneys in the prosecution of criminal cases. Due to efficient handling of the district's budget, in January 2007 the division will fill two positions, a paralegal and a legal assistant, that had been vacated for more than one year. One paralegal position remains vacant due to cutbacks in the funds allocated to the district.

During Fiscal Year 2006, the Criminal Division was led by Criminal Chief Don Feith and Deputy Chief Robert Kinsella, both of whom carry full case loads in addition to managing the Division. The Division is now organized into three sections—a Violent Crime Section, a White Collar Crime Section and an Appellate Unit. Attorneys assigned to each section specialize in the work of the section, but also handle cases in other subject areas. By mixing the case load of the attorneys assigned to each section, the Criminal Division has developed a staff of senior attorneys who have expertise in a broad array of criminal prosecution and are comfortable prosecuting any violation of the federal criminal law.

The Criminal Division prosecuted 252 cases in fiscal year 2006. Since 2001, the workload of the Criminal Division has increased dramatically. In FY 2000 (October 1, 1999 through September 30, 2000) the Division filed 148 indictments or informations. In FY 2004 and FY 2005, the Division filed 248 indictments or informations, an increase of 80% from FY 2000.



**Bob Kinsella, Deputy Chief,  
Criminal Division**

## New Hampshire Government Leaders Methamphetamine Task Force

Methamphetamine is a highly addictive, very dangerous drug. Its unlawful use has been sweeping eastward across the country. Nationally, methamphetamine is considered the number one drug problem, and the Department of Justice has made combating the spread of this destructive drug a top priority. The arrests of New Hampshire meth dealers and seizures of clandestine meth labs this year have shown that meth abuse has reached New Hampshire.

In August 2005, U.S. Attorney Colantuono, Governor John Lynch, New Hampshire Attorney General Kelly Ayotte and New Hampshire Health and Human Services Commissioner John Stephen, formed a task force. They convened New Hampshire's federal, state and local law enforcement, legislative, human services, and education leaders to discuss plans to develop a comprehensive strategy to fight the growing menace of methamphetamine trafficking and abuse in our state. Although methamphetamine use remains relatively low in New Hampshire compared to other areas of the country, the Task Force developed a comprehensive strategy in an effort to "get ahead" of this issue before it becomes a major public health, law enforcement, child endangerment and environmental problem in New Hampshire. The Task Force pulled together a wide array of individuals and groups from both the public and private sectors to develop the Statewide Strategy, which addressed the following areas: Legislation; Law Enforcement; Protection of Children and Incapacitated Adults; Prevention; Treatment; Environmental Protection; and Public Awareness/Outreach.



**March 16, 2006—Governor John Lynch, Attorney General Kelly Ayotte, U.S. Attorney Tom Colantuono and HHS Commissioner John Stephen at the media rollout of the Methamphetamine Statewide Strategy**

**U.S. Attorney Colantuono presents the federal perspective at the methamphetamine forum in Grafton County.**



## METHAMPHETAMINE TASK FORCE (CONT.)



DEA Special Agent Lisa Remick displays the common materials used in cooking methamphetamine.

The Task Force publicized the Statewide Strategy in a series of public meetings around the state involving law enforcement, treatment providers, healthcare professionals, first responders, and concerned citizens. It held eight forums in Lebanon, Keene, Plymouth, Carroll, Laconia, Nashua, Manchester and Dover and met with the editorial boards of most of the state's major newspapers. Community involvement among neighbors, parents, community leaders, schools and businesses is an essential component in this fight. It is extremely important to educate young people about the irreversible harm to the body and damage to the quality of life this drug leaves in its wake. DEA launched a new website as part of its efforts to raise public awareness about the dangers of methamphetamine. The anti-drug website, [www.justthinktwice.com](http://www.justthinktwice.com) gives teens and their parents the straight facts about methamphetamine. For more information about methamphetamine, visit: [www.MethResources.gov](http://www.MethResources.gov), [www.usdoj.gov/methawareness/](http://www.usdoj.gov/methawareness/) or [www.whitehousedrugpolicy.gov](http://www.whitehousedrugpolicy.gov). To read the New Hampshire Government Leaders Methamphetamine Task Force Statewide Strategy, go to our website at [www.usdoj.gov/usao/nh](http://www.usdoj.gov/usao/nh) or the Department of Health and Human Services website, [www.dhhs.nh.gov](http://www.dhhs.nh.gov)

### SCHEDULE OF FORUMS

April 7, 2006	Lebanon Grafton County Senior Center
April 27, 2006	Keene Public Library
May 11, 2006	Plymouth Common Man
May 23, 2006	Twin Mountain Selectmen's Office
May 23, 2006	Laconia Belknap County Commissioner's Office
June 13, 2006	Nashua City Hall Auditorium
June 13, 2006	Manchester Aldermanic Chambers
September 11, 2006	Dover Public Library



## OCDETF CASES

The Organized Crime and Drug Enforcement Task Force (OCDETF) program, initiated by President Ronald Reagan in 1982, combines the resources of various agencies with the Department of Justice (U.S. Attorney's Office, DEA, FBI, ATF, the U.S. Marshals Service) the Department of Homeland Security (ICE, the U.S. Coast Guard), the Treasury Department (IRS Criminal Investigation Division) and divides them into several Regional Task Forces in order to combat the largest national and international drug trafficking and money laundering organizations and to significantly reduce the illicit drug supply in the United States. The District of New Hampshire is part of New England OCDETF, and has two prosecutors assigned to OCDETF work. First Assistant U.S. Attorney Joe Laplante is New Hampshire's Lead OCDETF Attorney, handling a full OCDETF case load, administering the program in the District, and overseeing all OCDETF investigations and prosecutions.

Several OCDETF investigations initiated in FY 06 are ongoing and not suitable for public disclosure. Others that have moved beyond investigation into prosecution include the following:



**Joe Laplante**  
First Assistant U.S. Attorney

**Operation Pill Pusher—United States v. Randy Noe, et al.** This prosecution charged 24 individuals from New Hampshire, Massachusetts, Florida, and Nevada with conspiracy to distribute controlled substances (oxycodone) and conspiracy to commit money laundering. Randy Noe, of Belmont, NH, unlawfully obtained hundreds of oxycodone tablets each week for several years, and distributed them to lower level oxycodone distributors in New England. Noe utilized several methods of unlawfully obtaining the oxycodone, including organizing Boston, Massachusetts-to-West Palm Beach, Florida “shuttles” for oxycodone couriers who would periodically fly to Florida together, visit the same physician to obtain large oxycodone prescriptions, and then fill the prescriptions and turn the tablets over to Noe for distribution and resale to lower-level traffickers. Noe also utilized private parcel couriers to exchange large quantities of cash, in amounts ranging from \$4,000 to \$78,000, for 500-plus tablet quantities of oxycodone supplied by alleged co-conspirator Victor Mendes, of Margate, Florida. Noe and his co-conspirators expended vast sums of cash and laundered their allegedly ill-gotten funds by gambling at Las Vegas casinos and at the former Lakes Region Greyhound Park, where Noe engaged in drug transactions with an undercover DEA Task Force agent.

The prosecution was the result of a two-year investigation conducted by the DEA, IRS, the U.S. Attorney's Office, and the Department of Justice's Organized Crime and Racketeering Section in Washington DC. During the investigation, which included a court-authorized wiretap of two cell phones utilized by Noe to oversee the alleged conspiracy, DEA agents made undercover drug purchases from four individuals and executed search warrants and civil seizure warrants in New Hampshire, Massachusetts, Nevada and Florida, seizing over 500 oxycodone tablets and thousands of dollars in cash. The Asset Forfeiture Section of the U. S. Attorney's Office initiated forfeiture proceedings against Noe's Belmont, New Hampshire residence, and seized vehicles and jewelry valued at over \$50,000.

**Operation Fang—United States v. Sim Say et al**—With the substantial and critical assistance of the Portsmouth Police Department, a multi-agency investigation headed by DEA culminated in the arrest of 26 individuals involved in two separate conspiracies to distribute cocaine, marijuana and Ecstasy in the New Hampshire seacoast and Southern Maine area. The investigation involved not only 18 months of conventional investigative efforts, but also a seven week wiretap on three target telephones. The investigators seized approximately 22,000 tablets of Ecstasy, two kilograms of cocaine, four firearms, and approximately \$32,000 in cash and 22 vehicles targeted for forfeiture.



Since the onset of the investigation, over 30 individuals have been arrested and charged. Several have been convicted of conspiracy to distribute Ecstasy and conspiracy to distribute marijuana, some having been sentenced to periods of incarceration ranging from 21 months to 70 months. Two await sentencing. Two vehicles have been forfeited to date with a value in excess of \$35,000.

**Operation Spring Place—United States v. Christopher Bouchard, et al**— This case resulted in the state and federal prosecution of numerous members of an Arizona-to-Manchester cocaine and marijuana distribution ring lead by Christopher Bouchard on various drug trafficking, money laundering and weapons charges. The prosecutions followed a two year investigation conducted by the New Hampshire State Police, the Manchester Police Department, U.S. Immigration and Customs Enforcement (ICE), the IRS, and DEA, with assistance from the U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). The investigation, which included state court-ordered wiretaps of 11 different telephones utilized by Bouchard and his alleged co-conspirators, culminated in enforcement activities against targets in Arizona, Iowa and Ohio, revealed that Christopher Bouchard has purchased and sold over a million dollars worth of controlled drugs over a three year period. During the investigation, agents and detectives executed numerous search warrants at various locations in Manchester and Bedford and initiated forfeiture proceedings against various assets of the defendants. The Asset Forfeiture Unit initiated forfeiture proceedings against various parcels of improved real property in Manchester, Laconia, Gilford and Peterborough and several vehicles including a 2003 Cadillac Escalade, a 2004 GMC pickup truck, a 2004 Chevy Silverado pickup truck and a 1998 Regal Boat.

Bouchard was convicted in late 2006 of Drug Enterprise leader charges in state court, and of money laundering charges in federal court. He faces up to 20 years' imprisonment. Over 35 other defendants from California, Illinois, Arizona and New Hampshire have been convicted of state and federal drug, money laundering and weapons charges.



# Drug Prosecutions

## United States v. Benjamin Alford

Benjamin Alford, 25, of Berlin, pleaded guilty to possession with intent to distribute and distribution of a controlled substance. Alford possessed more than 50 grams of crack cocaine and faces a mandatory minimum sentence of 10 years. At the time of his arrest, Alford was a fugitive from the Commonwealth of Massachusetts.

## United States v. John Barton

On January 31, 2006, John Barton, 37, of Manchester, NH was sentenced to 10 years of incarceration in connection with the distribution of crack cocaine in Manchester, NH, in March and April of 2006.

## United States v. Devron Benedict

Devron Benedict, 25, of Boston, was convicted of selling more than 5 grams of crack cocaine to an undercover officer in an investigation by the Concord Police Department and the DEA. Benedict had approximately one ounce of crack cocaine broken down into approximately 78 bags that were ready for sale, and was sentenced to eight years in prison on June 21, 2006.

## United States v. Charles Berner

Former postal worker Charles Berner was sentenced to 12 months in prison for conspiring with others to sell oxycodone to an undercover agent of the Postal Inspection Service. Berner, 47, of Gardner, Massachusetts, supplied two other persons with oxycodone that was then sold to the undercover agent. The transactions were captured on videotape. Berner's conviction resulted in the termination of his 19 year career with the Postal Service.

## United States v. Matthew Bordalo

Matthew Bordalo pleaded guilty to aiding and abetting the sale of 50 ecstasy pills to an undercover officer and was

sentenced to 21 months in prison. The sales occurred in proximity to the campus of the University of New Hampshire in Durham. Bordalo aided and abetted Gabriel Kanakis-Hines, who made the sales to an undercover UNH police officer. The Durham Police Department also participated in the investigation.

## United States v. Julio Cabrera

Julio Cabrera of Lawrence, MA, was sentenced to 46 months in federal prison for possessing cocaine with the intent to distribute.

## United States v. Leon Griffin

Leon Griffin, III, 51, of Hillsboro, New Hampshire, was convicted on July 27, 2006 and sentenced to 15 months imprisonment for possession with intent to distribute two so-called "designer drug" analogues, "2C-I" and "2CT2" to an undercover N.H. Drug Task Force detective.

## United States v. Angela Hearn

Angela Hearn, a 38 year old resident of Epsom, New Hampshire, was sentenced on May 22, 2006 to 37 months in prison for selling crack cocaine to an undercover officer. Hearn's residence was searched after she made a sale to an undercover New Hampshire State Trooper and an additional quantity of crack was discovered during the search. The New Hampshire State Police investigated this case.

## United States v. Robert Hood

Robert Hood, 25, of Berlin, pleaded guilty to possession with intent to distribute and distribution of a controlled substance on July 7, 2006. Hood, who was residing with Benjamin Alford in Berlin, N.H., was sentenced to 37 months imprisonment.

## United States v. Gabriel Kanakis Hines

On June 16, 2006, Gabriel Kanakis-Hines was sentenced to 24 months in prison for selling ecstasy on three occasions in 2005.

The sales occurred in proximity to the campus of the University of New Hampshire in Durham. Kanakis-Hines made the sales to an undercover UNH police officer. The Durham Police Department also participated in the investigation.

## United States v. Kevin Lavalliere

Kevin Lavalliere, 26, of Manchester, New Hampshire was convicted on July 21, 2006 on federal drug trafficking and weapon possession charges. During January, February, and March, 2006, Lavalliere repeatedly sold quantities of cocaine, and on two occasions sold firearms, to a N.H. Drug Task Force undercover detective.

## United States v. Christopher Madison

Christopher Madison of Houston, Texas, was sentenced to 10 years in prison for his possessing more than 300 grams of crack cocaine. Madison was intercepted with the drugs as he arrived at the Manchester Airport on a flight from Houston. The case was investigated by the DEA and the MPD.

## United States v. Brian Mahoney

On June 1, 2006, Brian Mahoney of Newington, New Hampshire, was sentenced to 20 years in federal prison for his complicity in a conspiracy to distribute heroin which resulted in the overdose death of Donald McGrath on May 3, 2004.

## United States v. Ignacio Marte

Ignacio Marte, age 30, formerly of Massachusetts, was sentenced on March 2006 57 months in federal prison. Marte fled the United States in 2002 and was arrested in the Dominican Republic in 2004. In August 2002 through October 11, 2002, Marte joined co-defendants Richard Difo and Audi Escoto in attempting to purchase 75 kilograms of cocaine. Marte and his co-defendants were

unaware that they were negotiating with undercover law enforcement.

**United States v. Joshua Meier**

Joshua Meier, 21, of Durham, was sentenced to 6 months in prison for selling 50 ecstasy pills to an undercover UNH officer in 2005. The sales occurred in proximity to the campus of the University of New Hampshire in Durham. The Durham Police Department also participated in the investigation.

**United States v. Carlos Nunez**

Carlos Nunez, 36, of Manchester, was sentenced to 37 months in prison after pleading guilty to selling cocaine and "crack" in Manchester on five occasions. Immediately before Nunez was arrested, he swallowed a package of crack. The package was recovered by the New Hampshire State Police after Nunez was treated at a hospital.

**United States v. Anthony Payne**

Anthony Payne, age 39, of Manchester, was sentenced to 37 months in federal prison. Manchester uniformed police stopped a vehicle in which Payne was the front seat passenger. After observing a marijuana cigarette in the center console of the vehicle, Payne and the driver of the vehicle were transported to the Manchester police station where 36 individually wrapped bags of "crack" cocaine were recovered from Payne.

**United States v. Lesly Sanders**

Lesly Sanders, 33, of Springfield, Massachusetts, pleaded guilty to one count of selling crack cocaine in Claremont. Sanders admitted that he sold more than 5 grams of crack cocaine to an undercover officer. Sanders faces a statutory maximum of 40 years and a mandatory minimum of 5 years for the sale. If Sanders qualifies as a career offender, his sentence under the federal career offender guidelines will be between 188 and 235 months.

**United States v. Keith Scott**

Keith Scott, 31, of Milford, New Hampshire, was sentenced to 15 months in federal prison for possessing, with the intent to distribute, marijuana. When the New Hampshire Drug Task Force searched Scott's residence, they found the entire building was being used to grow marijuana and seized approximately 60 plants and a significant amount of equipment

related to the marijuana grow.

**United States v. Cathy Smedes**

Cathy Smedes, 48, of Lakeland, California, was convicted in March 2006 of sending more than 50 grams of methamphetamine through the mail during the period from September 2001 and November 2003 and was sentenced to 18 months imprisonment. Smedes was captured and prosecuted after an investigation by the United States Postal Service.

**United States v. Carlos Pineda Suarez**

Carlos Pineda Suarez was sentenced on January 31, 2006, to 40 months in prison for his role in selling over a kilogram of cocaine to an undercover agent over four occasions. Pineda Suarez is a native of Colombia and was living in Massachusetts at the time of the sales.

**United States v. Kevin Thompson**

Kevin Thompson, 30, of Manchester, was sentenced to 15 months imprisonment after being convicted of selling steroids and related monetary transfer crimes. Thompson's successful prosecution was the result of cooperation among the Food and Drug Administration, the Postal Inspection Service, the Department of Homeland Security, the Internal Revenue Service and the DEA.

**United States v. Jhon "Freddy" Vasquez**

Jhon "Freddy" Vasquez, 23, formerly of Boston and Colombia, was sentenced to 12 months following his conviction for participating in two sales of cocaine to undercover law enforcement officers. Vasquez pleaded guilty on August 25, 2005 to two counts of aiding and abetting the sale of cocaine.



# OPERATION STREETSWEeper CASES



**“Operation Streetsweeper” grants, initiated in 1999 by U.S. Senator Judd Gregg, are administered by the U.S. Attorney’s Office and fund overtime enforcement efforts and undercover drug purchases by the Manchester, Nashua, Concord and Portsmouth Police Departments, as well as the N.H. State Police and N.H. Drug Task Force.**

## **United States v. Kimberly Baez**

Kimberly Baez, 34, of Manchester, was sentenced on May 15, 2006 to 80 months incarceration after pleading guilty earlier this year to one count of distribution of crack cocaine.

## **United States v. Amalia Bracero**

Amalia Bracero, 41, of Manchester, was sentenced to 24 months incarceration after pleading guilty earlier this year to five counts of distribution of crack cocaine.

## **United States v. Augustin Damian**

Augustin Damian pleaded guilty to multiple counts of selling crack cocaine and cocaine to an undercover Manchester Police Officer. Sentencing is scheduled for April 16, 2007.

## **United States v. Pearl Davis**

On July 17, 2006, Pearl Davis was sentenced to 24 months in prison for selling crack cocaine to an undercover Manchester Police Officer. Davis, 35, is a resident of Manchester.

## **United States v. Paul Dimick**

Paul Dimick, age 38, of Manchester was sentenced to 30 months in prison on July 31, 2006. Dimick sold crack cocaine to an undercover Manchester Police Officer on three separate occasions.

## **United States v. Kelly Guay**

Kelly Guay, 39, formerly of Manchester, New Hampshire, was sentenced to 60 months incarceration after

pleading guilty earlier this year to three counts of distribution of a controlled substance. Guay sold crack cocaine to an undercover Manchester police officer.

## **United States v. Timothy Gustafson**

On April 13, 2006, Timothy Gustafson of Auburn, New Hampshire, was sentenced to five years in federal prison after selling 5 grams or more of crack cocaine to an undercover officer.

## **United States v. Kelley Hardy**

Kelley Hardy was convicted of selling crack cocaine and sentenced to 21 months in prison. Hardy sold the crack cocaine to an undercover officer who was part of the multi-jurisdictional team that works under the Operation Streetsweeper umbrella.

## **United States v. Carlos Chapparro-Jamarillo**

Carlos Chapparro-Jamarillo was sentenced to 30 months in federal prison after being found guilty of selling crack cocaine to an undercover Manchester police officer.

## **United States v. Raymond Lemieux**

Raymond Lemieux, a 48-year old resident of Manchester, New Hampshire, pleaded guilty on April 27, 2006 to four counts of distributing crack to an undercover Manchester Police Officer.

## **United States v. Gary Milne**

Gary Milne, age 45, of Manchester was sentenced to 12 months and one day of incarceration on September 1, 2006. Milne

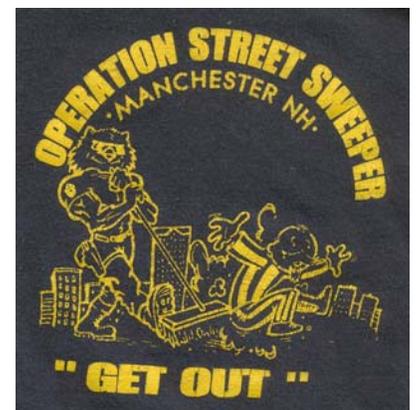
pleaded guilty to selling cocaine and crack cocaine to an undercover police.

## **United States v. Deborah Poirier**

Poirier, 36, of Manchester, pleaded guilty to selling crack cocaine to an undercover officer. She was sentenced to 3 months probation and 6 months home detention.

## **United States v. Maura Wylie**

Maura Wylie, 42, Manchester, was sentenced to 32 months in prison for selling crack to an undercover Manchester Police Officer.



# OPERATION CHECKMATE

A large percentage of the country's passport applications are processed here in New Hampshire at the National Passport Center in Portsmouth, making our U.S. District Court the proper venue for a large number of passport fraud cases having no other connection with New Hampshire. Operation Checkmate was initiated with the State Department as a program to investigate and prosecute a high volume of these cases.



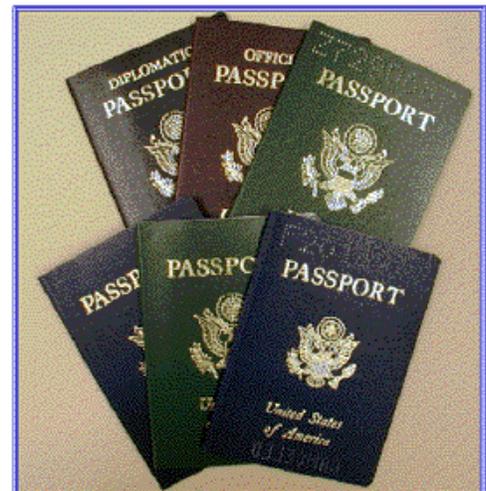
Maintaining the integrity of the U.S. passport is essential to the State Department's efforts to protect U.S. citizens from terrorists and imposters. Approximately one quarter of the 8.8 million passports issued by the State Department last year were issued at the National Passport Center in Portsmouth, NH. Consequently, the U.S. Attorney's Office has a special responsibility to work with the State Department to ensure that cases of passport fraud discovered at the Center are handled efficiently and effectively.

The State Department, the Department of Homeland Security Bureau of Immigration and Customs Enforcement, and the Social Security Administration Office of Inspector General, cooperated with each other and the U.S. Attorney's Office to deter passport fraud by improving fraud detection efforts and dedicating resources to prosecuting these crimes. Most evidence and witnesses are located where the fraudulent passport applications are detected by State Department passport adjudicators. Districts that are home to adjudication centers are therefore logical choices for prosecuting passport fraud cases, in addition to the districts where the perpetrators temporarily, and often illegally, reside. The Districts of New Hampshire and South Carolina, where the largest passport centers are located, have agreed to supply the additional prosecutorial resources necessary to support the increased enforcement efforts. The Department of Justice is also working with Congress on legislation that will clarify and preserve the **Operation Checkmate** program.

The State Department faces a number of challenges to its passport fraud detection efforts, which make it more difficult to protect U.S. citizens from terrorists and other criminals. These challenges include identifying, tracking and locating imposters, aliens and others who falsify passport applications in order to obtain the benefits that a U.S. passport affords. The U.S. passport is considered the "gold standard" among travel documents because it enjoys wide acceptance around the world. It also establishes conclusive proof of U.S. citizenship.



*National Passport Center,  
Portsmouth, NH*



## OPERATION CHECKMATE CASES

**United States v. Joseph Amegah**— Joseph Amegah, who is a citizen of Ghana, attempted to obtain a United States passport by falsely stating on his application that he was born in Southbridge, Massachusetts, and by attaching a counterfeit birth certificate to his application that purported to show that he was born in Southbridge, Massachusetts. Amegah's passport application was received and reviewed by the National Passport Center located in Portsmouth. Amegah was charged with making a false statement to an agency of the federal government as a result of submitting the allegedly false passport application and allegedly counterfeit birth certificate.

**United States v. David Bertrand**— David Alexander Bertrand, 46, of New York City, was sentenced to one year probation after pleading guilty in U.S. District Court in Concord to a charge of making false statements on an application for a United States Passport. Bertrand was indicted by a federal grand jury in September, 2005 after his passport application was found to contain false statements by personnel at the National Passport Center in Portsmouth, NH. Bertrand, a citizen of the Dominica, West Indies, falsified a United States Passport Application by claiming that he was a United States citizen, and that he was born in Patterson, New Jersey.

**United States v. Jesus Carrillo-Perez**— Jesus Carrillo-Perez, who is also known as "Miguel Galavis-Rentarias", was charged with re-entering and being illegally present in the United States

after he was deported on or about April 19, 2000. Carrillo-Perez was arrested on July 19, 2006, by Immigration and Customs Enforcement agents after he was found in Manchester, New Hampshire.

**United States v. Jesus Diaz-Luna**— In June, Diaz-Luna was sentenced to 40 months in jail for re-entering the United States after having been deported. Diaz-Luna formerly lived on Wilson Street in Manchester. He was deported from the United States on September 14, 2004. On or about June 8, 2005, he was found in Manchester, New Hampshire by an agent of the Department of Homeland Security, Bureau of Immigration and Customs Enforcement.

**United States v. Evane Eustaquio Alves-Duarte**— Forty year old Evane Eustaquio Alves-Duarte of Nashua pled guilty to 12 counts of unlawfully selling identification documents. In April and June, Alves Duarte sold a total of six counterfeit social security cards and six counterfeit Resident Alien Cards, which are commonly called "green cards", to an individual who was cooperating with federal law enforcement officials.

**United States v. Richard Guerrier**— In May, Guerrier was sentenced to 27 months in jail for re-entering the United States after having been deported.

**United States v. Hector Horta-Arriaga**— In August, Horta-Arriaga pleaded guilty to re-entering the United States after having been deported. He is scheduled to be sentenced in December. Horta-Arriaga, who also used the name "Alberto Mendoza" formerly lived on Ledge Street in Nashua. He

was first deported from the United States on March 23, 1998 and was deported for a second time on October 27, 2000. On or about May 15, 2006, an Immigration and Customs Enforcement Agent encountered Horta-Arriaga at the Nashua District Court. The agent arrested Horta-Arriaga for being illegally present in the United States.

**United States v. James Kamau**— In August, James Kamau pleaded guilty to re-entering the United States after having been deported. He is scheduled to be sentenced in December. Kamau is charged with re-entering and being illegally present in the United States after he was deported on or about June 18, 2004. He was arrested in Dover, New Hampshire by Immigration and Customs Enforcement agents on July 19, 2006.

**United States v. Wanderlei Martins-Campos**— Wanderlei Martins-Campos, 27, of Nashua pled guilty to 11 counts of unlawfully selling identification documents. From last December through February, Martins-Campos sold a total of five counterfeit social security cards, five counterfeit Resident Alien Cards, which are commonly called "green cards", and one counterfeit United States visa to an individual who was cooperating with federal law enforcement officials.

**United States v. George Ifeanyi Nnaji**— George Ifeanyi Nnaji, 36, of Staten Island, New York, was sentenced on September 18, 2006 to two years of probation for committing passport fraud. Nnaji pled guilty in U.S. District Court in Concord in January of 2006 to one charge of making false statements in

applying for a passport. Nnaji submitted a passport application in which he claimed that he was born in Bronx, New York. Nnaji was indicted after agents of the U.S. State Department's Diplomatic Security Service uncovered the fraud at the National Passport Center in Portsmouth. Nnaji pleaded guilty to willfully and knowingly making false statements to the State Department in a passport application.

**United States v. Jose Portillo**— Jose Manuel Portillo, 37, of Owens Mills, Maryland, was convicted of making false statements on a passport application. Portillo is



being held in custody by the Department of Homeland Security, Bureau of Immigration and Customs Enforcement, pending deportation proceedings.

**United States v. Jose Rodriguez**— Jose Rodriguez was convicted of falsifying information in a passport application. A citizen of the Dominican Republic, Rodriguez falsified a United States Passport Application by claiming that he was a United States citizen, and that he was born in Numacau, Puerto Rico.

**United States v. Ignacio Sepulveda-Catanowas**— In April 2006, Sepulveda-Catanowas was sentenced to 41

## OPERATION CHECKMATE (cont.)

months in jail for re-entering the United States after having been deported. Also known as Jesus Rivera and Emmanuel Montano, he formerly lived in Nashua. He was found in Nashua by agents of the Department of Homeland Security, Bureau of Immigration and Customs Enforcement.

**United States v. Arninder-Singh**— Arninder -Singh, 40, was charged with failing to appear for a sentencing hearing in the United States Court. Singh is charged with failing to appear at a hearing at which he was to be sentenced after pleading guilty to naturalization fraud. That charge involved false statements made by Singh in order to become naturalized as a United States citizen. However, Singh had been deported from the United States to India under the alias "Kuldip Singh." When he applied for United States citizenship, Singh falsely stated that he had never been deported. Singh was scheduled to be sentenced for this crime in June 2005, when he allegedly failed to appear in court. As a result of an investigation conducted by the United States Marshals Service with the cooperation of the Canadian authorities, Singh was apprehended in the Toronto area. He was recently deported to the United States by Canada and was taken into custody by the United States Marshal Service.

**United States v. Pavel Sury**— Pavel Sury was convicted of re-entering the United States after being deported to his

home country of the Czech Republic. Sury formerly lived in Grafton, New Hampshire, and was found in Lebanon, New Hampshire, by a United States Border Patrol Agent.

**United States v. Martinho Tereso**—On August 23, 2006, Martinho Tereso, 59, was sentenced to 48 months in federal prison for re-entering the United States after having been previously deported. Tereso was born in Portugal but is a citizen of Canada. He was found in New Hampshire on or about October 20, 2005.

**United States v. Alberto Vasquez**— Alberto Vasquez, 56, was sentenced on September 18, 2006, to 15 months in federal prison for selling identification documents. An investigation by the Inspector General for the Social Security Administration and Immigration and Customs Enforcement revealed Vasquez sold a total of five misappropriated Texas birth certificates and six misappropriated social security cards to individuals who were cooperating with federal law enforcement officials. The sales occurred at Vasquez's residence in Manchester, New Hampshire.

**United States v. Sing Yoong**—In July, Sing Yoong was sentenced to twelve months and 1 day in prison for re-entering the United States after having been deported.

**United States v. Henry Ramon Cabrera**—Cabrera pleaded guilty to using false personal identifying information to obtain a United States Passport for a child he

was paid to smuggle into the United States.

**United States v. Veronica Ellis**— Ellis was sentenced to one year of probation for using a counterfeit birth certificate to obtain a United States Passport.

**United States v. Javier Metza Borquez**—Borquez was convicted of unlawfully reentering the United States after having been deported. He obtained a United States Passport using another person's name and other identifying personal information.

**United States v. Jimmy Oshunkey**— A jury found Oshunkey, whose true identity is still uncertain, guilty of using the identity information of a Nigerian national in an attempt to obtain a "replacement" Social Security card.

**United States v. Gilmar Miranda**—Miranda was sentenced to five months and 15 days in jail for selling counterfeit Resident Alien Cards and counterfeit Social Security cards.

**United States v. Vera Johnson**—Johnson used personal identifying information belonging to another woman to establish a line of credit at Home Depot. Johnson then used the line of credit to purchase Home Depot gift cards worth \$15,000, which she sold for their face value. Johnson was sentenced to 5 years probation.



## BANK FRAUD

**United States v. Rebecka Ayers**— Ayers cashed counterfeit checks at branch offices of the Bank of America. She has not been sentenced.

**United States v. Nicole Hallman**— Hallman used false identities to open accounts at 11 credit unions throughout New Hampshire, Maine and Massachusetts, funding them with more than \$50,000 in counterfeit checks. Then, before the credit unions could determine they were counterfeit, she withdrew more than \$30,000 in cash. She was sentenced to one year in prison.

**United States v. Ronald Champagne**— Champagne “kited” checks between bank accounts he maintained at two federally insured banks. His scheme exposed the banks to a loss of more than \$513,000. He was sentenced to 27 months in jail.

**United States v. Sharon Belle**— Belle used personal identifying information belonging to eight other people to cash counterfeit checks. She was sentenced to 57 months in jail.

**United States v. Troy Gay**—Gay used credit cards he stole from health club locker rooms to purchase items totaling more than \$85,000. Gay was sentenced to 84 months in jail.

**United States v. Christopher Brown**—Using items stolen from the mail to obtain personal identifying information belonging to other people, Brown created and used counterfeit checks. He was sentenced to 18 months in prison.

**United States v. Tamiaka Lamos**— Lamos used the names of eight different people to cash numerous counterfeit checks totaling more than \$132,000 at federally insured banks. His scheme exposed the banks to a loss of more than \$120,000. Vrusho was sentenced to 3 years probation with 12 months of home confinement.

**United States v. John Doherty**—John Doherty cashed counterfeit checks at branch offices of the Bank of America. He was sentenced to 12 months and one day in jail.

**United States v. Sheri Guerriero**— Guerriero stole more than \$440,000 from her former employer, TD BankNorth. She was sentenced to 18 months in jail

and ordered to pay \$428,284.44 in restitution.

**United States v. Ioan Emile Codarcea**—Coadarcea and other people used devices they concealed at ATM facilities to obtain account information and personal identification numbers from people who used Bank of America ATM facilities. Codarcea used the stolen information to create counterfeit ATM cards which were then used to steal approximately \$375,000 from the Bank of America. A resident of Canada and a citizen of Romania, Codarcea was sentenced to 70 months in jail.

**United States v. Mark Delisle**—Delisle was convicted of stealing more than \$100,000 from numerous federally insured banks by issuing checks written from closed bank accounts.

**United States v. Bryant Green**—Green participated in a conspiracy by which personal identifying information that belonged to customers of a federally insured bank was used to withdraw more than \$42,000 from the customers’ accounts. Green has not been sentenced.



## BANK ROBBERY AND HOBBS ACT ROBBERY

**United States v. Louis DiFazio**— On May 24, 2006, Louis DiFazio, Jr., 49, of Massachusetts, was sentenced to 12 years and 7 months in federal prison after pleading guilty to committing the April 27, 2005 robbery of the Bank of America in Hollis, NH. DiFazio, wielding what appeared to be a small handgun, jumped over the teller's counter and screamed that he wanted the money from the teller drawers.

**United States v. Joel Drown**— Joel Drown, 26, of Pembroke, NH, was sentenced on September 11, 2006 to 37 months in federal prison for his attempted robbery of TD Bank North, Seabrook, NH. Drown solicited an accomplice to assist in the commission of a robbery in the Seacoast area of New Hampshire. The accomplice

cooperated with the FBI and the planned robbery was halted prior to its completion.

**United States v. Edward Gibbs**—On August 21, 2006, Edward Gibbs, 36, of Manchester, NH, was sentenced to 12 years and 11 months on one count of bank robbery for the May 26, 2005 robbery of the Bank of New Hampshire, 70 Bay Street, Manchester, NH. After robbing the bank, Gibbs fled to Tennessee, where he was apprehended.

**United States v. Daniel Lopez**—Daniel Lopez, 33, of Manchester, NH, was sentenced on January 26, 2006, to 63 months in federal prison after pleading guilty to robbing the Fleet Bank, 728 Massabesic Street, Manchester, NH, Ocean National Bank on South Main

Street, Manchester, on July 20, 2004.

**United States v. Reinaldo Ortiz**—On February 2, 2006, Reinaldo Ortiz, 26, of Boston, MA, was sentenced to a term of 63 months in prison, for the robbery of the Bank of New Hampshire branch located on Beech Street in Manchester, NH, on March 6, 2006. Ortiz was ordered to serve his sentence consecutive to a term of imprisonment Ortiz was serving in Massachusetts.

**“The Department of Justice is dedicated to investigating and prosecuting violent criminals. This office will continue to work with law enforcement agencies at all levels to remove these threats to public safety from the streets. This case is an excellent example of the good results that can be obtained when federal, state, and local officials work together towards a common goal.”**  
**U.S. ATTORNEY TOM COLANTUONO on the sentence imposed on Louis DiFAZIO**



**U.S. Attorney Tom Colantuono addresses a group of senior New Hampshire law enforcement officers and federal agents at the Fire Academy on January 31, 2006 regarding a string of bank robberies occurring throughout the state.**

## ENVIRONMENTAL CRIMES

### United States v. Algonquin Power Systems—NH, Inc.

Algonquin Power Systems was fined \$10,000 for negligently leaking oil from its hydroelectric plant in Franklin, New Hampshire into the Winnepausakee River.



## U.S. MILITARY IMPERSONATION

United States v. Matthew Phillips—Phillips was sentenced to one year probation and six months home confinement for wearing an armed services uniform and decorations, including the Navy Cross, without authorization.

## HEALTH CARE FRAUD

United States v. Joel Berg—While doing business as Medical Geriatrics, Inc., Berg submitted claims, totaling more than \$66,000, to Medicare for therapeutic shoes that he never provided to Medicare patients. DeBerg was sentenced to 3 years probation and six months home confinement.

## CAMPAIGN FINANCE LAW

United States v. Jesse D. Burchfield—While acting as the manager of a United States Senatorial campaign, Burchfield provided false information about the campaign's finances to the Federal Election Commission. Burchfield was sentenced to one year of probation and six months home confinement.



## TAX PROSECUTIONS

United States v. Michelle Winder—Winder evaded paying federal income tax on more than \$320,000 that she earned when she sold a business. She was sentenced to three years probation and ten months of home detention.

United States v. Michael Henning—A former federal employee of the Federal Aviation Administration, Henning, evaded paying approximately \$146,000 in federal income tax by filing false tax returns in 1998 through 2002, and not filing a return in 2003. Henning was sentenced to 12 months and one day in jail.



## POSTAL OFFENSES

United States v. Junior Nanny—Nanny was sentenced to 2 years probation for stealing mail and possessing social security numbers that belonged to other people.

United States v. Darrell Butcher—While working as an employee of the United States Postal Service, Butcher secretly opened mail belonging to other people. He was sentenced to one year of probation.



## ECONOMIC CRIME

**United States v. Samuel Bedient**—Bedient was sentenced to 12 months in jail for passing counterfeit currency at a fast food restaurant in Manchester.

**United States v. Ronald Elwell**—Elwell was sentenced to 24 months in jail for conspiracy to manufacture counterfeit currency.

**United States v. Aderci Dasilva**—Dasilva was sentenced to five months and 27 days in jail for selling counterfeit Resident Alien Cards and counterfeit Social Security Cards.

**United States v. Terri Thurlow**— While working as a home health care aid, Thurlow stole \$38,000 from the 94 year old husband of an Alzheimer's patient by forging the husband's signature on checks drawn from his personal checking account. Thurlow was sentenced to 10 months in prison. In July 2006, she was arrested for bail jumping because she failed to report to prison.

**United States v. Jayson Gardner**—Gardner entered a bank and asked a teller to convert a large quantity of coins to paper currency. While the teller was busy doing that, Gardner reached across the teller's counter and took a bag that contained forty blank money orders and two blank official bank checks. Gardner was sentenced to one year probation.

**United States v. Paul Berube**—While posing as an agent of the United States Department of Homeland Security, Berube utilized a dog to search locations in Weirs Beach and Laconia, New Hampshire. Berube was sentenced to one year of probation.

**United States v. Robert & Carolyn Lagerstedt**—The Lagerstedts used the identity of another person to obtain a \$10,450 loan from the Household Finance Corporation. They then tried to use the proceeds of the loan for their personal benefit. At the time of the offense, Mr. Lagerstedt was employed as a Police Officer in Springfield, Vermont. Both defendants were sentenced to two years in jail.

**United States v. Margaret Ann-Roan Osborn**—To obtain a license to work as an insurance agent, Osborn falsely reported to the New Hampshire Department of Insurance that she had never been convicted of a crime. She was sentenced to six months imprisonment.



## ECONOMIC CRIMES (CONT.)

**United States v. Adhemar Baptiste**—Baptiste engaged in a Canadian-based telemarketing fraud scheme targeting more than 80 elderly citizens of the United States. The intended losses from the scheme exceeded \$80,000,000. Baptiste's share of the restitution was \$1.5 million. He was sentenced to 78 months in prison.

**United States v. Edward Kardos**—Kardos created counterfeit VISA gift cards and used them to purchase products worth more than \$3,500 from stores in New Hampshire. He was sentenced to six months imprisonment

**United States v. Mark Landers**—Landers was convicted of using false information to obtain a loan of less than \$200,000 from a friend. He has not been sentenced.

**United States v. George Lin Wu**—Wu was convicted of conspiring to sell night vision optic lasers on E-bay, which he knew had been stolen from a company in New Hampshire.

**United States v. Ryan Staples**—Staples was convicted of transporting jewelry valued at between \$70,000 and \$120,000 across state lines, knowing that the jewelry had been stolen from an overnight courier's storage facility in New Hampshire.

**United States v. Christopher LeBlanc**—While working as security for a company, LeBlanc conspired to sell property he stole from the company by which he was employed.

**United States v. Frederick Dunfey**—Dunfey was convicted of hacking into the computer system of his former employer, Yankee Barn Homes.

**United States v. John Gregory Skorich**—Skorich was convicted of bankruptcy fraud for concealing assets in a Chapter 7 Bankruptcy case filed in the United States Bankruptcy Court for the District of New Hampshire.

**United States v. Lauro DaSilva**—DaSilva was convicted of stealing more than \$10,000 by submitting a claim for a fictitious automobile accident to Liberty Mutual Insurance Company.

**United States v. Wanderlei Martins-Campos**—A resident of Nashua, New Hampshire, Martins-Campos was convicted of selling five social security cards and Resident Alien Cards and one Counterfeit Visa to an individual who was cooperating with law enforcement.



## VICTIM/WITNESS ISSUES

Sheila Jenkins-Hamilton is the Victim Witness Specialist for the U.S. Attorney's Office. Mrs. Hamilton is responsible for the automated "Victim Notification System" (VNS) for the District of New Hampshire. VNS provides victims of federal crime with notice of major case events from investigation through prosecution, incarceration and inmate's release. During the 2006 fiscal year, the United States Attorney's Office opened 96 new victim cases and registered an additional 260 victims. The Victim Witness Specialist generated 21,807 notifications concerning 127,622 pieces of information relating to federal criminal cases. The VNS website registered 532 contacts.

Mrs. Hamilton is also responsible for assisting the prosecutors with schedules and travel for victims and witnesses testifying in U. S. District Court. In fiscal year 2006, the Victim/Witness Program provided assistance to 123 witnesses and assisted 26 out-of-state witnesses with travel and lodging.

Training and education on federal laws and initiatives concerning victims of federal crimes is also a major responsibility of the Victim/Witness Program. During March of 2006, Mrs. Hamilton participated in the Maine/New Hampshire Victim Assistance Academy, a 40-hour curriculum designed to train victim advocates and law enforcement. She also participated in the development of the Tri-State Consortium advance training conference hosted in Woodstock, Vermont in November 2005. Mrs. Hamilton is on the conference committees for New Hampshire's Attorney General's Task Forces on Domestic Violence and Sexual Assault as well as Child Abuse and Neglect, sponsors speakers and assists with obtaining funding to support these two annual conferences on these topics.

### DRUG ENDANGERED CHILDREN

On September 7, 2006, the United States Attorney's Office for the District of New Hampshire in partnership with the U.S. Attorney's Offices for Maine, Vermont, Connecticut, Massachusetts and Rhode Island, along with the New Hampshire Attorney General's Office, the Drug Enforcement Administration, the New Hampshire Department of Health and Human Services, the National Alliance for Drug Endangered Children and the Office for Victims of Crime hosted its first conference and training on drug endangered children. The scope and purpose of the training was to bring together professionals who respond to children who have been neglected and abused by drug addicted care givers, provide education on the effects of methamphetamine and to provide training on forming a multi-disciplinary response to children raised in these environments. Mrs. Hamilton chaired the U.S. Attorney's committee on the event.

The conference was held at the Red Jacket Mountain View Resort in North Conway, New Hampshire, chosen because of its location in the north country where the majority of New Hampshire meth labs have been located. The conference was attended by 153 participants from federal, state, county and local

law



**SHEILA JENKINS-HAMILTON**  
**VICTIM WITNESS SPECIALIST**

enforcement, social workers, legislative representatives, drug abuse counselors, victim advocates, court personnel, school resource officers and medical personnel. Sixty "scholarships" valued at \$95 each were awarded to participants who were located more than fifty miles from the conference center for one night's lodging. Welcoming remarks were offered by U.S. Attorney Colantuono, NH Attorney General Kelly Ayotte, Commissioner John Stephen of the NH Department of Health and Human Services and Leo Ducey, Resident Agent in Charge of DEA's New Hampshire office, Mrs. Hamilton was the Master of Ceremonies.

The National Alliance for Drug Endangered Children sponsored speakers who offered training on Clandestine Laboratory Safety and Awareness, Prosecuting DEC Cases, Child Abuse Investigations, Medical Protocols, Psychological and Social Needs of Drug Endangered Children, the Child Protective Services' Role in DEC Investigations, and Prevention and Treatment for the drug addicted care giver. A significant portion of the conference was the networking on the first day and the follow through on the second day of the conference. Participants were grouped by regions and their name tags color coded to easily identify their respective working groups. Breakout groups were given a series of questions to answer and report on at the end of the conference. Follow-up efforts to team suggestions were carried out in four weeks with teams reporting a continued effort to reach out to community partners to further the education and team-building efforts.



## TRAINING BY NH AUSAS

Assistant U.S. Attorney Mark S. Zuckerman is a regular instructor on grand jury practice at the National Advocacy Center. He teaches federal prosecutors about the grand jury's subpoena power and how to effectively use the grand jury to obtain evidence in cases under investigation. AUSA Zuckerman is typically asked to lecture on this topic at least twice a year. In the last year, AUSA Zuckerman was invited to speak on grand jury practice at the National Advocacy Center in October 2005 and March 2006.



AUSA Zuckerman is also a sought after speaker on human trafficking, which is a top priority of the Department of Justice. His talks on this global problem address the breadth and applicability of the federal Trafficking Victims Protection Act and how to recognize, investigate, and prosecute human trafficking cases. In the last year, AUSA Zuckerman was an invited speaker on human trafficking at a conference held at the Augusta Civic Center in Augusta, Maine in December, 2005; the Boston Human Trafficking Conference at Fort Devens in Ayer, Massachusetts in February, 2006; and the 2006 Solutions Conference held at Vermont Law School in South Royalton, Vermont in April 2006.



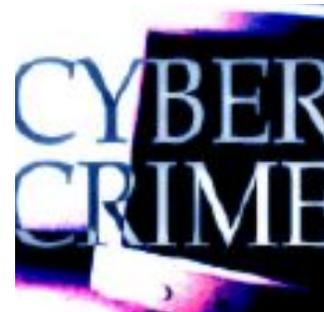
### THE WAR ON TERRORISM

In September 2006, AUSA Zuckerman was an invited speaker at a constitutional law forum at Plymouth State University in Plymouth, New Hampshire. As part of a two-person panel, AUSA Zuckerman spoke on constitutional issues impacting the investigation and prosecution of terrorism cases.

AUSA Arnold H. Huftalen has lectured at the National Advocacy Center (NAC) in Columbia, SC several times on drafting search warrants, complaints and indictments for the "Criminal Federal Practice" course held there. This course is designed for new AUSA's, most of whom have significant prior experience as state prosecutors. The courses were held in December 2005, March 2006 and July 2006. AUSA Huftalen also spoke on sentencing issues during an "Intellectual Property Seminar" held at the NAC in March 2006 for AUSAs handling IPR cases. That seminar was sponsored by the Computer Crimes and Intellectual Property Section (CCIPS).

AUSA Huftalen was a guest lecturer at the Franklin Pierce Law Center twice. First, on February 6, 2006, he spoke, as he has for several years, to the school's only "Cyber-Crime" class on the investigation and prosecution of computer crime. The second appearance was as a speaker and panel member for the law school's annual symposium on "Criminal Enforcement of Intellectual Property Rights Laws" held on March 31, 2006.

In the summer of 2006, AUSA Huftalen was invited by the United States Secret Service to speak at a multi-national Computer Forensic Investigative Training course held from July 31 through August 11, 2006 at the International Law Enforcement Academy (ILEA) in Bangkok, Thailand. His lectures focused on the international aspects of investigating and prosecuting computer hacking crimes.



## CIVIL DIVISION



Gretchen Leah Witt  
Chief, Civil Division

The Civil Division of the U.S. Attorney's Office defends and prosecutes all civil actions in the District of New Hampshire that involve the United States, its agencies, and its employees in their official, and sometimes in their individual, capacities. During Fiscal Year 2006, the Division's six attorneys, and the experienced staff that works with them, appeared in local, state, bankruptcy, federal trial, and federal appeals courts in furtherance of the interests of the United States and its populace.

The Civil Division's practice is diverse, ranging from both

defensive and affirmative cases. In 2006, the attorneys handled a vast array of defensive cases, defending lawsuits alleging medical malpractice by Federally-Supported Health Centers, challenges to agency decision making through the Administrative Procedures Act, Freedom of Information Act cases, Title VII discrimination in federal employment cases, Social Security disability claims cases, and an increasing number of immigration-based cases. In 2006, they also handled a wide variety of affirmative cases, including Americans with Disabilities Act enforcement, civil fraud cases,

asset forfeiture actions, and environmental and other regulatory enforcement cases.

In addition, the Civil Division provided legal counsel to federal agencies, and to individual federal employees subpoenaed to provide expert testimony or information obtained in the exercise of federal duties and responsibilities. Federal law strictly limits such appearance in order to minimize the otherwise substantial distraction of federal agencies and employees from their intended governmental mission.

## DEFENSIVE LITIGATION

A significant component of the Civil Division's responsibilities is representation of the United States, or one of its agencies or officials, as the defendant in litigation. In Fiscal Year 2006, the Civil Division handled a number of such cases. Although the Civil Assistant U.S. Attorney's were working on a number of ongoing significant matters during FY06, examples of cases that were completely concluded in FY 06 include:

**United States Citizenship Litigation** - In FY 06, the Civil Division undertook representation of the United States in numerous actions filed by immigrants whose naturalization applications had been delayed by a significant backlog in the required processing of background checks. In most instances, the claims were resolved upon expedited completion of the mandatory background checks.

**Gaylor v. U.S. Department of Justice** - This Freedom of Information Act litigation sought production of documents maintained by the U.S. Department of Justice Criminal Division in Washington, DC, regarding the plaintiff's extradition from Switzerland in connection with criminal charges brought by the States of New Hampshire. After the defendant Department of Justice moved to dismiss, the Court transferred the action to the District of Columbia, where the records are located.

**Gonyer v. United States** - A former employee of the United States Postal Service claimed that he had been fired in retaliation for previously filing an Equal Employment Opportunity. The Postal Service defended by asserting that the plaintiff, who was an

at-will employee, left work on Christmas Eve, which is a critical time for the Postal Service, to drive home an ill co-worker, but failed to return to work that night despite being advised that he should do so. He was terminated after his next shift at work. He previously had been terminated after a verbal altercation with a co-worker, but was restored to employment in settlement of a claim that he had been discriminated on the basis of sex. In view of the cost of the imminent trial and the disruption to the work place associated with the trial, the Postal Service settled the case for a nuisance amount.

**Lay v. United States** - An individual who purchased a property at a tax sale by the Internal Revenue Service sued when he was not able to obtain good title to or possession of the property. The United States moved to dismiss the suit because the United States is immune, under Federal Tort Claims Act, from such suits which are based upon alleged misrepresentations by federal employees. The Court granted the motion to dismiss.



## AFFIRMATIVE CASES

In addition to the affirmative work of the specialized units of the Civil Division, including the Affirmative Civil Enforcement, Financial Litigation, and Asset Forfeiture Units, which are described separately, the Civil Division handles other affirmative work on behalf of the United States and its agencies. These include regulatory enforcement, such as the case described below, which reached final conclusion in FY 06.

**United States v. Turner's Dairy, Inc.** - On November 3, 2004, the United States filed an action against Turner's Dairy, Inc., of Salem, New Hampshire, to recover in excess of \$454,787 owed to the United States pursuant to the provisions of the Agriculture Marketing Agreement Act of 1937 (AMAA), as amended, 7 U.S.C. §608(6); the Dairy Production Stabilization Act of 1983 (Dairy Promotion Act), as amended, 7 U.S.C. §4510(a); and the Fluid Milk Promotion Act of 1990 (Fluid Milk Promotion Act), as amended 7 U.S.C. §6411(a). The obligation arose out of Turner's milk handling and processing operations from 1998 to 2001. The company ceased operations in April 2001. Ultimately, Turner's Dairy consented to judgment and agreed to pay \$354,850 in full satisfaction of the debt.



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## BANKRUPTCY LITIGATION

The Civil Division represents federal agencies in bankruptcy proceedings in which the agencies have a financial interest. In many cases, the Internal Revenue Service (IRS) has claims in these proceedings. The bankruptcy AUSA, alone, or in conjunction with attorneys from the Tax Division of the U.S. Department of Justice, or the Special Assistant U.S. Attorney in the IRS' District Counsel's Office, represents the IRS' interest. Other agencies, including the Department of Agriculture (Farm Service Agency, Rural Housing Service), Department of Housing and Urban Development, Federal Aviation Administration, U.S. Small Business Administration and the Department of Education, are represented primarily by the bankruptcy AUSA. Typical actions involve proceedings to determine the validity and extent of liens, adversary proceedings to determine the dischargeability of certain debt, (including student loans), and hearings on motions to lift the automatic stay so that a federal lender may

foreclose on a defaulted mortgage loan. An example of a significant bankruptcy case handled in the past year which involved a federal agency was a creditor is:

**David E. Sleasman v. U.S. Department of Education**—In this case, the plaintiff filed an adversary proceeding in his bankruptcy case, seeking to have \$119,780 in student loans discharged on the basis of undue hardship. He claimed that an illness prevented him from obtaining gainful employment which made it impossible to pay his student loans. The government served comprehensive discovery requests upon the plaintiff and, when he failed to respond adequately, was able to convince the Court to dismiss the case. As a result, the plaintiff continues to be responsible for the payment of his student loans and the government may collect the debt by administrative means.

## FINANCIAL LITIGATION UNIT

The Financial Litigation Unit (“FLU”) is responsible for collecting money owed to the United States and crime victims (federal government, individuals, banks, insurance companies and other businesses or entities). Criminal cases include bond forfeitures, special assessments, fines, federal restitution (money owed to a federal agency), and non-federal restitution (money owed to individuals, banks, insurance companies and other entities). Money collected for special assessments and fines goes to aid victims of crime. The proceeds collected in the Crime Victims Fund are distributed by the Department of Justice, Office for Victims of Crime, through grants to state victim compensation and victim assistance programs. Money collected for restitution is paid to the U.S. District Court and then disbursed directly to the victim, with non-federal entities always taking priority over restitution to a federal agency.

Court-ordered restitution collected by the FLU for payment to non-federal victims for FY 2006 totaled \$683,424.72, a significant increase over the \$263,267 collected in FY 05. Court-ordered restitution collected by the FLU for payment to federal agencies totaled \$113,569.00. Examples of cases where federal agencies receive restitution are fraud, embezzlement and theft. A total of \$131,704.72 was collected from fines and assessments, and was deposited in to the Crime Victims Fund. At the end of FY 2006, the FLU maintained a criminal caseload of 500 criminal debts, totaling \$47,350,502.86 in debts owed to the United States and victims.

The FLU’s civil cases consist of defaults on government loans (such as Department of Education and Department of Health and Human Services student loans, and Small Business Administration loans), overpayments made by the United States (such as Social Security, veteran’s benefits, and Medicare), pre-trial diversion cases (in which criminal prosecution is deferred to pursue civil remedies), environmental fines and penalties, and monetary penalties owed to the United States as a result of successful civil prosecutions (such as health care fraud, and violations of ADA laws). At the end of FY 2006, the FLU maintained a caseload of 56 civil debts, totaling \$3,068,103.40.

The FLU collects money through voluntary payment plans, wage garnishments, bank garnishments, by attachment of personal property (cars, jewelry, etc.), offsetting federal benefits received by defendants (tax refunds, social security benefits, etc.), and by placing liens against real estate property. Total civil collections for FY 2006 totaled \$1,254,625.48, almost double the \$647,265 collected in FY 2005.

**U.S. v. Ronald and Susan Chappell**— Bk. No. 03-13891-JMD; Adv. No. 04-01151. This was a case the United States originally brought in U.S. District Court in September, 1998, for the recovery of a deficiency amount due the Farm Service Agency after a mortgage foreclosure. After the United States obtained a judgment, the defendants filed for bankruptcy, asserting that their non-exempt real estate assets were protected from the government’s secured judgment lien because the real estate was titled in the name of a trust established many years before they filed for bankruptcy. In 2006, the U.S. Bankruptcy Court held that the government’s lien attached to the property. As a result of that ruling, the defendants withdrew their bankruptcy case and sold their non-exempt real estate. The government received all of the sale proceeds in the amount of \$71,952.68.



## ASSET FORFEITURE

The Asset Forfeiture Unit is part of the Civil Division. Although most cases filed by the AFU are filed as civil litigation, the Asset Forfeiture AUSAs also work closely with the office's Criminal Division AUSAs to obtain forfeitures in their criminal cases. The AFU also collaborates with the Civil Division's Affirmative Civil Enforcement Unit to restrain the dissipation of assets during the pendency of affirmative litigation for the recovery of damages to the United States under the False Claims Act and other federal laws. For example, the AFU assisted in the [Berg, Burke](#), and [McPherson](#) cases, discussed in the ACE section of this Annual Report.

During FY 2006, a total of \$4,814,728.59 in assets were forfeited (\$4,798,675.09 forfeited civilly and \$16,053.50 criminally). The forfeited funds are used in several ways. First, forfeited funds may be restored to crime victims as restitution. During

FY 06, \$1,854,680.15 in forfeited funds were restored to victims as restitution, primarily to the elderly victims of a significant Canadian telemarketing fraud prosecuted in the District of New Hampshire, with companion civil forfeiture actions. Second, approximately 80% of the remaining amounts forfeited in the District was distributed to participating state and local law enforcement agencies under the Department of Justice's Equitable Sharing Program. These funds are earmarked for specific purposes authorized by the Attorney General, including drug education and narcotics investigation.

In FY 2006, the AFU opened 34 new civil cases and matters, and concluded 37 old cases and matters. Sixteen new civil complaints were filed, and criminal forfeitures were filed in five cases. Several seizure warrants were obtained, including the

seizure of a 2005 Citation recreation vehicle which was purchased in New Hampshire with \$22,000 in proceeds from credit card fraud.

Three significant cases, which have been in litigation for several years, were concluded at the district court level during FY 06, including: [U.S. v. Funds on Deposit at Bank of New York, et al.](#) (a PATRIOT Act forfeiture of \$3.8 million in funds laundered by a Montreal-based telemarketing fraud operation through seven Middle Eastern banks); [U.S. v. 6 Fox Street, Windham, NH, et al.](#) (forfeiture of approximately \$2 million in assets, including rental properties, accumulated by a large-scale marijuana trafficker); and [U.S. v. Robert Levine](#) (forfeiture of approximately \$500,000 in assets obtained through drug dealing and insurance fraud). All three cases are on appeal.

## OTHER EXAMPLES OF ASSET FORFEITURE HANDLED IN FY'06

[United States v. \\$38,000.00 in U.S. Currency](#)— In January 2005, Alvin Drake of Meredith, NH, was stopped for speeding in Lancaster, NH, on his way to Vermont by an officer by a NH Highway Patrol Officer. The officer smelled marijuana and located a marijuana joint in the ashtray. During his patdown of Drake, the officer discovered a pill bottle bearing a third-party prescription and containing over 100 oxycodone pills. Drake was arrested, and during the inventory of his Chevy S10 pickup truck, \$38,000.00 in U.S. Currency was found. The currency was made up of around \$20,000 in \$20 bills, \$10,000 in \$100 bills, and an assortment of \$50, \$10 and \$5 bills. The Highway Patrol's drug detection canine, *Rambo*, positively alerted to drug traces on the currency, and forfeiture proceedings were pursued by DEA. Prior to trial, the AF attorneys learned that, three months

prior to the seizure of the \$38,000, five teenagers had broken into Drake's barn and stolen over twenty (20) pounds of marijuana. Following a ten-day jury trial in August, which was one of the first trials within this judicial circuit that relied upon the evidence of a positive hit by a drug detection canine, the jury returned a verdict forfeiting of all of the funds.

[United States v. One Promissory Note Executed By Michael Bryant, et al.](#)— A former pharmacist, Dana Haselton of Derry, NH, was charged with illegal trafficking in oxycodone. He was arrested following the delivery of \$30,000 worth of "oxy" by undercover agents to one of Haselton's accomplices. Haselton had exploited his position as mortgagee of a small strip mall in Derry known as "Space Town," which gave him a reason to be present on the property, to conduct drug

transactions there. A civil forfeiture complaint was filed against Haselton's mortgage interest in the property. Following his conviction on the drug charges, Haselton agreed to a civil forfeiture of \$151,788.

[United States v. Land and Buildings Located at 29 Union Street, Claremont, NH](#)—Michelle Madeja was charged with distributing "crack" from this property, her residence. On May 19, 2005, a search warrant was executed, and officers found several items of drug paraphernalia, including paraphernalia used in cooking "crack" cocaine. Madeja was convicted in state court of conspiracy to distribute "crack" and five counts of "crack" sales. A civil forfeiture complaint was filed against the house, and an order of forfeiture was obtained.

## AFFIRMATIVE CIVIL ENFORCEMENT (ACE)

The ACE Unit pursues civil fraud cases, such as health care fraud and government program fraud, primarily under the False Claims Act, to recover damages and penalties for the United States, and often to obtain injunctive relief to prevent future fraud. The ACE Unit also pursues the enforcement of federal laws and regulations pertaining to the environment, public health, safety and welfare, including for example the Americans With Disabilities Act (ADA). The ACE Unit also handles "qui tam" litigation, or private citizen-referred lawsuits involving suspected governmental fraud.



In 2006, the ACE unit continued to pursue numerous investigations into possible violations of the False Claims Act and recovered over \$1 million on behalf of the United States. In appropriate cases, the ACE unit has coordinated closely with the Criminal Division and the Asset Forfeiture Section to ensure that all appropriate law enforcement options are used in particular cases. In some cases, the ACE unit has conducted "parallel proceedings" by pursuing civil remedies against individuals or entities that also are the subjects of criminal prosecutions. In other instances, the ACE unit has worked with the Asset Forfeiture Section to ensure that wrongdoers do not retain properties that were purchased with ill-gotten gains.

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### FALSE CLAIMS ACT CASES RESOLVED BY THE ACE UNIT IN 2006

**United States v. Joel Berg and Medical Geriatrics, Inc.**

In this health care fraud matter, Joel Berg and his business, Medical Geriatrics, Inc. paid a civil settlement of \$350,000 to settle civil allegations related to the submission of false claims to Medicare. Specifically, Berg and MGI were alleged to have submitted claims for diabetic footwear products that were not covered by Medicare and, in some cases, for products that were not supplied to patients. In addition, to the civil settlement, Berg was convicted of ten counts of health care fraud.

**United States v. Donna Levesque.**

Levesque, the owner and operator of a flower shop in Manchester, entered into a consent decree in which she agreed to pay \$140,000 to settle civil allegations that she defrauded the Social Security

Administration by falsely claiming to be disabled and unable to work in order to obtain disability benefits.

**United States v. Amy McPherson, Delilah Property Services, Inc., and John Nionakis.**

McPherson and Delilah entered into a consent decree in which they agreed to pay \$254,774 to resolve allegations that they submitted false claims to obtain benefits from the Department of Housing and Urban Development, the Department of Health and Human Services, the Department of Agriculture, and the Social Security Administration. Specifically, McPherson was accused of concealing her assets, including her financial interests in Delilah and in certain real estate. McPherson also pleaded guilty to related criminal charges and served a six month prison sentence. Nionakis, a former corporate officer of Delilah, also

agreed to pay a civil settlement of \$7,500 to resolve allegations that he also participated in the fraudulent scheme.

**United States v. John Burke, Burke Renovations, and Kelli Burke.**

Burke, who operated a contracting business, entered into a consent decree in which he and his business agreed to pay \$300,000 to settle civil allegations that he defrauded the Department of Veterans Affairs (VA) by submitting fraudulent claims for bribing an employee of the VA and then billing the VA for work that he did not do. Burke's sister, Kelli Burke, also agreed to pay \$40,000 to settle allegations that she also submitted false claims to the VA for cleaning work that she did not do. Burke also pleaded guilty to criminal charges and is awaiting sentencing.



## AMERICANS WITH DISABILITIES ACT ENFORCEMENT

The ACE unit works closely with the Disability Rights Section of the Justice Department's Civil Rights Division, the Governor's Commission on Disability, and other public and private entities to pursue, aggressively but appropriately, the Department's strategic plan of upholding the civil rights of all Americans by actively seeking out those public and private buildings, facilities and programs, which present physical barriers to accessibility, and to investigate vigorously those situations and to enforce the remedies under the ADA to its fullest extent. As part of that goal, the ACE Unit has provided consultation and technical assistance to municipalities and private entities to assist them in bringing facilities into compliance with the ADA without the need for litigation. The cases below are examples of ADA matters handled by the ACE unit.

- The City of Claremont agreed to make certain structural changes to its Visitor's Center building (including the installation of an elevator) to make it more accessible to individuals with disabilities.
- The Hampton Beach Casino Ballroom agreed to make modifications to its restroom and service counters to make them more accessible, designated seating for individuals with disabilities, designed a policy to make tickets available for individuals with disabilities, and agreed to provide assisted listening devices to individuals with hearing impairments.
- The operators of Merchants.com Stadium in Manchester, New Hampshire agreed to make a number of improvements related to counter and shelf heights, interior routes, storage space, accessible benches, and toilet rooms that were raised during a compliance review.



The ACE Unit also assists the Consumer Law Project for Seniors that is operated by New Hampshire Legal Assistance by hosting and participating in meetings of its Advisory Committee.

## SOCIAL SECURITY DISABILITY APPEALS

Other defensive litigation involves the Civil Division's representation of the Social Security Administration (SSA) in cases filed in the U.S. District Court by disability applications whose applications for disability benefits were denied by SSA after a hearing before an Administrative Law Judge.

Following the filing of an administrative transcript and answer, the plaintiff must file his or her brief within 30 days and, within 30 days thereafter, the defendant SSA must file its brief along with a Joint Statement of Material Facts agreed to by the parties. The initial draft of the Joint Statement of Material Facts and the defendant's brief are prepared by Regional Counsel of the SSA. These are reviewed and edited by the AUSA assigned to these cases and his paralegal. The Court decides these cases on the basis of the briefs filed by the parties, the Joint Statement of Material Facts and the evidence in the record as is contained in the administrative transcript. In FY 2006, 30 complaints were filed in U.S. District Court for further administrative proceedings; 13 were voluntarily remanded by SSA after further review of the evidence, and the remaining were voluntarily dismissed by the plaintiff or are otherwise pending.



## ADMINISTRATIVE DIVISION (CONT.)

### PERSONNEL MANAGEMENT & HUMAN RESOURCES

Ms. Carol Fortin is our Human Resource Specialist. She is responsible for all personnel matters from recruitment to retirement. The addition of this staff position has greatly improved our efficiency by allowing many issues to be handled locally which had previously been handled by personnel at the Executive Office for United States Attorneys, in Washington, DC. The office processed 4 new recruitment packages and 4 departure packages, over 300 individual actions were prepared and sent to EOUSA/HR for processing. These includes personnel actions, payroll transmittals, benefit forms, investigation packages, new hire packages, pre-employment packages, annuity estimate packages, disability packages, award packages, student loan packages, credential packages, retirement packages, vacancy announcements and position description renewal packages. This one person shop continues to be a busy operation.

### SYSTEMS AND INFORMATION MANAGEMENT

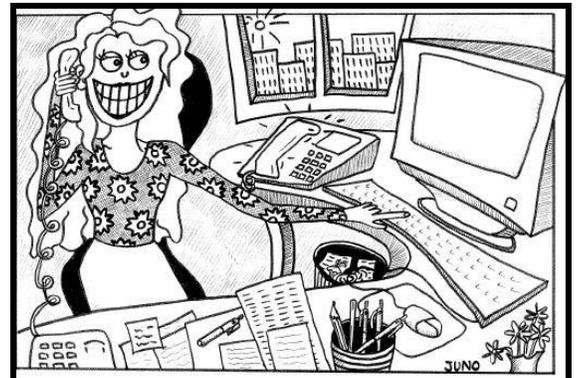
The Information Technology (IT) section is managed by Bob O'Connor and assisted by Jessica Magdziasz and Jason Bowser. They continue to maintain and enhance all IT servers, desktop computers and laptops. The office upgraded from Blackberries to Treo Pocket PC's for essential office personnel. The LIONS case management system moved to a centralized docketing schema. The new Process Model for case event recording, combined with the courts' recently implemented electronic case filing system (ECF) will provide a clear and concise representation of the District's prosecution efforts.

The wide area network was also upgraded to the Justice Unified Telecommunications Network (JUTNET). This bandwidth upgrade serves to enhance network security, video teleconferencing and general web access. The IT section also maintains the office's Internet WEB



### SUPPORT SERVICES

Arriving at our office you will be greeted by Janna Foote who serves as our Receptionist and Docketing Technician. The District receives hundreds of visitors and thousands of telephone calls per month. Janna greets all visitors and callers and routes calls to the appropriate extensions. She is responsible for ensuring that all visitors sign in and are given properly marked badges. Ms. Foote's responsibility as docketing technician is to properly docket all cases in a database for a clear and concise representation of the offices' Civil and the Criminal Division.



# UNITED STATES ATTORNEY'S OFFICE AUSA'S

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**Joe Laplante**

**Executive Assistant U.S. Attorney**  
**Michael J. Gunnison**

**Criminal Division**

**Don Feith, Criminal Chief**  
**Bob Kinsella, Deputy Chief**

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Mark A. Irish  
Mark S. Zuckerman  
William E. Morse  
Alfred Rubega  
Jennifer Cole-Davis

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Clyde R.W. Garrigan  
Terry L. Ollila  
Helen White Fitzgibbon

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Peter E. Papps  
Aixa Maldonado-Quiñones

**Civil Division**

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T. David Plourde  
David Broderick  
John Farley

**Asset Forfeiture Section**

**Jean B. Weld, Supervisor**  
Rob Rabuck

**Special Assistant U.S. Attorneys**

Debra Walsh, Project Safe Neighborhoods  
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