

**UNITED STATES ATTORNEY'S OFFICE
DISTRICT OF NEBRASKA
2019 ANNUAL REPORT**



**JOSEPH P. KELLY
UNITED STATES ATTORNEY**

WELCOME TO THE DISTRICT OF NEBRASKA



Nebraska, is a state that lies in both the Great Plains and the Midwestern United States. It is the 16th largest state geographically, and became the 37th state to join the Union on March 1, 1867. Its 77,000 square miles encompass 93 counties, and a population more than 1.9 million people. As one of the 26 states with only one federal judicial district, Nebraska boasts a diverse and varied topography, geography, and economy. Nebraska is also unique in having the only state legislature that is a unicameral and non-partisan. Nebraska has more underground water reserves than any other state in the continental U.S. The name Nebraska is from an Oto Indian word that means "flat water" (referring to the Platte River, which means "flat river" in French).

The Omaha and surrounding cities make up a population of more than 900,000 which accounts for a large percentage of the District's population. Lincoln, the state's capital, is home to more than 280,000 residents. Much of the state is rural, with more than 90% of Nebraska's cities and towns having fewer than 3,000 people.

The state has a mixed economic base with substantial agricultural and agri-business sectors, as well as significant manufacturing, technical, and service sectors. More than 93% of Nebraska's land is in production agriculture with approximately 46,000 farms and ranches. The state is a national leader in production of beef, pork, corn, and soy beans. Other economic sectors include freight transport by rail and truck, manufacturing, telecommunications, information technology, and insurance. Nebraska is also known for its production of ethanol, accounting for an estimated 12 percent of the nation's operating production. Several Fortune 500 companies, including Berkshire Hathaway, Union Pacific, Mutual of Omaha, and Peter Kiewit & Sons, are headquartered in Nebraska, and many others such as TD Ameritrade, Valmont, Gallup Organization, and Woodmen of the World have substantial operations in the District. In 1974 Lincoln's Kawasaki Motors plant was established which manufactures various all-terrain, utility, and recreational vehicles, along with passenger rail cars.



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

The National Park Service Regional Headquarters is located along the Nebraska side of the Missouri River at Omaha. The U.S. Department of Agriculture operates several facilities in the District, including research national forests, and a national grassland. Omaha's Henry Doorly Zoo & Aquarium, ranked as one of the best zoos in the world, is home to the world's largest indoor desert, the largest indoor rainforest in the United States, and the largest zoo aquarium in the country.



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STRATEGIC GOALS OF THE UNITED STATES ATTORNEY'S OFFICE — DISTRICT OF NEBRASKA

I. PREVENT TERRORISM AND PROMOTE THE NATION'S SECURITY CONSISTENT WITH THE RULE OF LAW

- STRENGTHEN PARTNERSHIPS TO PREVENT, DETER AND RESPOND TO TERRORIST INCIDENTS

II. COMBAT CRIME, PROTECT THE RIGHTS OF THE AMERICAN PEOPLE AND ENFORCE FEDERAL LAW

- COMBAT THE THREAT, INCIDENTS AND PREVALENCE OF VIOLENT CRIME
- PREVENT, SUPPRESS AND INTERVENE IN CRIMES AGAINST NATIVE AMERICANS AND IMPROVE SERVICES TO CRIME VICTIMS
- COMBAT THE THREAT, TRAFFICKING, AND USE OF ILLICIT DRUGS AND THE DIVERSION OF PRESCRIPTION DRUGS
- COMBAT CORRUPTION, ECONOMIC CRIMES, FRAUD, CYBER-CRIMES, HUMAN TRAFFICKING AND INTERNATIONAL ORGANIZED CRIME
- PROMOTE AND PROTECT AMERICAN'S CIVIL RIGHTS
- PROTECT THE FEDERAL MONIES AND DEFEND THE INTERESTS OF THE UNITED STATES

III. ENSURE AND SUPPORT THE FAIR, IMPARTIAL, EFFICIENT AND TRANSPARENT ADMINISTRATION OF JUSTICE AT THE FEDERAL, STATE, LOCAL , TRIBAL, AND INTERNATIONAL LEVELS



MESSAGE FROM THE UNITED STATES ATTORNEY

The United States Attorney's Office embarked on another industrious year as we increased our efforts to ensure public safety and accomplish the mission of the Department of Justice. I am honored to work with an extraordinary group of dedicated Assistant U.S. Attorneys, Special Assistant U.S. Attorneys and support staff.

This mission cannot be achieved without the valiant efforts of the men and women, from federal, tribal, state and local law enforcement with whom we partner. Their hard work and selfless dedication to duty is inspiring to all.

We are immensely grateful to our numerous community partners. These organizations and individuals are vital to our community outreach and education, and significantly contribute to a safer community for all. We are privileged to serve the United States Department of Justice, the U.S. Attorney's Office - District of Nebraska, and all Nebraskans.

Joe Kelly
United States Attorney - District of Nebraska



Joe Kelly
United States Attorney

United States Attorney's Office — Mission Statement

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

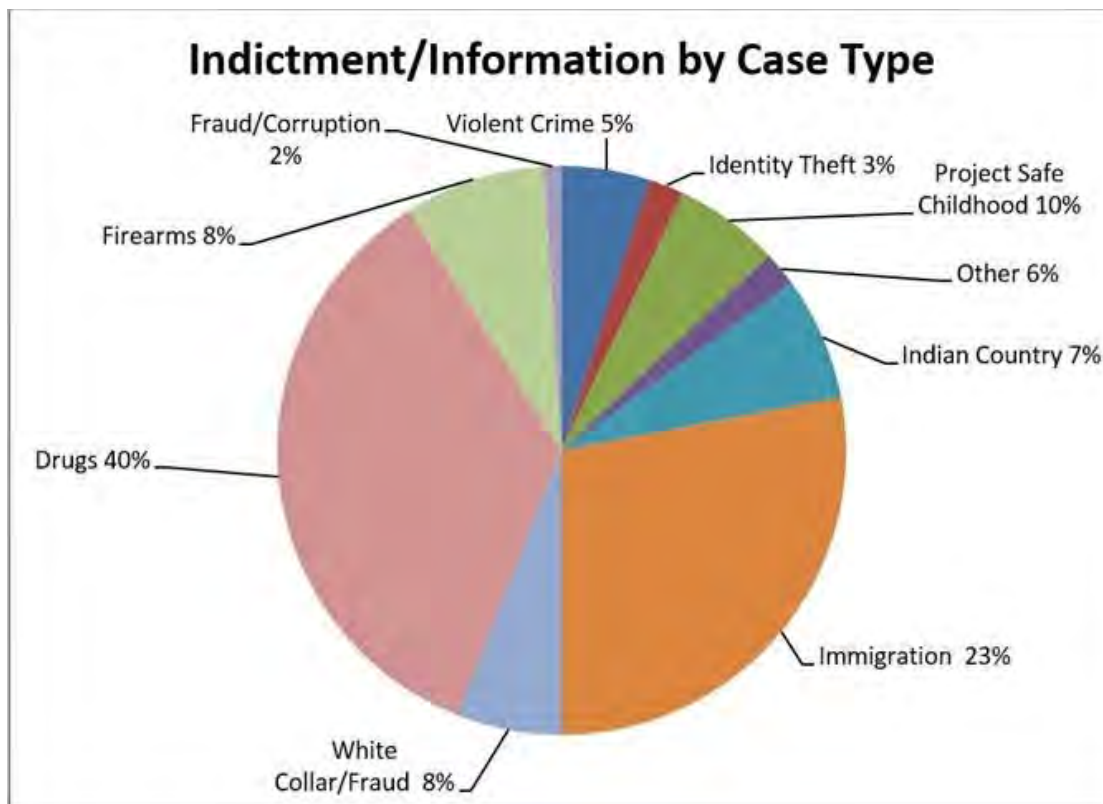


CRIMINAL DIVISION

The United States Attorney's Office (USAO) Criminal Division, which consists of the General Crimes Unit and the Drug Enforcement Unit, prosecutes violations of federal criminal law. The attorneys in the General Crimes Unit are supervised by Criminal Chief Michael Norris while Susan Lehr supervises the Drug Enforcement Unit and Asset Forfeiture. AUSA Steve Russell is the Lincoln Branch Office Manager and the Senior Litigation Counsel/Appellate Coordinator.

General criminal cases include child pornography, financial crimes, criminal immigration, identity theft, robbery, Indian Country major crimes, etc. The Drug Enforcement Unit cases include drugs, guns, money laundering, structuring and interstate transportation in aid of racketeering. For 2019, the USAO filed 525 criminal cases involving 603 defendants. Between the two units, there were a total of 23 trials and 39 civil and criminal 8th Circuit Court appeals.

In 2019 the Criminal Division continued to focus its efforts on areas identified as national priorities by the Department of Justice: anti-terrorism, assuring the safety of our communities, and drug enforcement. Working closely with federal, state, tribal, and local law enforcement agencies, there are 22 Assistant United States Attorneys and three Special Assistant United States Attorneys in the general crime and drug units. The majority of these cases related to illegal drugs; however, firearms cases, immigration cases, and offenses involving identity theft and fraud comprised a significant portion of the criminal cases filed. The USAO prosecutes numerous individuals for immigration-related offenses every year. Those offenses can involve charges of illegally reentering the United States after removal, identity theft, possession of false documents, or distributing false documents.



GENERAL CRIMES UNIT

The General Crimes Unit, under the direction of the Criminal Division, handles a wide range of criminal cases to include terrorism, violent crime, white collar crime, child pornography and child enticement cases. Crimes occurring in Indian country are also handled by the General Crimes Unit. Over the next several pages there are some noted cases that were handled by the General Crimes Unit and the Drug Enforcement Unit. There is no “good time” in the federal system and every defendant is under supervised release (probation) after serving their prison sentence. There are no federal prisons in Nebraska so these defendants are removed from their local areas to serve their time.

ANTI-TERRORISM

The fight against terrorism, both international and domestic, continues to be the first priority of the Department of Justice. The Criminal Division in the District of Nebraska has committed significant resources to this effort. Working closely with the FBI and other federal, state, and local law enforcement agencies, office personnel continue their active membership in the Joint Terrorism Task Force (JTTF) and the Nebraska Information Analysis Center (NIAC) to detect indications or warnings of terrorist activities, identify potential targets of terrorist activities within the District, disrupt activities that support terrorism, and prevent through aggressive prosecution, any crimes that may in some way contribute to terrorism.



The District of Nebraska continues to chair the Suspicious Activity Report (SAR) Review Team. The SAR Review Team is comprised of members from more than a dozen different federal, state, and local law enforcement agencies. Monthly, each member reviews the previous month's SAR(s) through their respective organizational filters and shares information that arise from their investigative efforts. This has been successful in bringing investigative and prosecutorial resources to bear on individuals and entities engaging in violations of the Bank Secrecy Act, and de-confliction with ongoing investigations.

The USAO also serves as a member of the U.S. Strategic Command Threat Working Group, whose mission is to identify and mitigate threats to the command and its supporting Department of Defense elements, including innumerable private contractors. Reduction of these threats requires a concerted effort which includes information sharing and networking among law enforcement personnel at every level.

PROJECT SAFE NEIGHBORHOODS AND HOBBS ACT CASES

In cooperation with federal and local law enforcement agencies and prosecutors, Project Safe Neighborhoods (PSN) continues to be a high priority of the USAO. PSN is a nationwide commitment to reduce gun and gang crime in America by networking existing local programs that target gun and gun crime, and providing these programs with additional tools necessary to be successful. The goal of PSN is to create safer neighborhoods through a sustained reduction in gang violence and gun crime. Assistant U.S. Attorney Matt Lierman serves as the point of contact on PSN-related matters for the USAO.

The USAO worked closely with the Bureau of Alcohol, Tobacco, Firearms & Explosives, the Omaha Police Department's Gang and Firearm Units and other agencies to target gang members and others who committed violent, firearm and drug trafficking offenses.

In 2019, as part of the PSN initiative, the Omaha Police Department traced and tracked 1,076 guns. Of these 454 guns were used in criminal activity. The Federal Grand Jury returned 119 indictments which included firearms associated with the delivery or conspiracy to deliver narcotics.

The Hobbs Act is a tool increasingly utilized by the United State's Attorney's Office to prosecute those engaged in serial robberies. Through this act, and under the Project Safe Neighborhoods initiative, a broad spectrum of criminal justice investigators and prosecutors work together to identify the most pressing violent crime problems in the community and develop comprehensive solutions to address them.

As part of this strategy, PSN focuses enforcement efforts on the most violent offenders. Some of the dollar amounts of these robberies are not significant, but these violent crime sprees target innocent, hard-working members of the community. The convictions result in lengthy prison sentences for those who show a total and repeated disregard for law and order and the lives and well-being of the community.

There is no parole in the federal system, and these are important reasons for law enforcement to consider federal prosecution in these types of cases.

Although federal prosecution is a powerful tool in the fight to reduce violent crime, not every offender needs to be prosecuted federally. In some cases, prosecution in the state, local, or tribal system can effectively remove a criminal from the community and provide the most appropriate sanction for violent offenders.

Featured below are some of the significant violent crimes under PSN and Hobbs Act initiatives.

Amir Muhammad

Muhammad was sentenced to 28 years' imprisonment after having pled guilty to two counts of brandishing a firearm and two counts of robbery. His offenses occurred in Douglas, Lancaster and Sarpy Counties.

On September 21, 2018, Muhammad robbed the Max I. Walker, at 9211 Maple Street, Omaha, Nebraska. He entered the store, claimed to have a knife, demanded money from the clerk and threatened to cut the clerk if he wasn't provided money. He was given money and left the store.

Muhammad robbed P.L. Jewelers, Lincoln, Nebraska, on October 1, 2018, by entering the store, threatening to shoot the owner of the store, demanding money and striking him in the head with a hard object. He left the store after taking a number of pieces of jewelry. On October 5, some of the items taken were found in a residence at which he had been staying.

On October 3, 2018, Muhammad robbed the Juice Stop at 11910 Standing Stone Drive, Gretna, by entering the store, brandishing a firearm to the clerk, and demanding money. After obtaining less than \$300, he ran out of the store.

On October 5, 2018, Muhammad brandished a firearm when he carjacked an employee leaving Bergan Mercy Hospital. As she was walking towards her car, Muhammad approached her from behind, pushed her over the center console and got into the driver's seat. Throughout the encounter he was pointing a gun at her. They fought over the gun and she was able force him to drop it, after which she ran from the car back to the hospital. Muhammad took her keys and her bag, leaving the car in the parking lot.

PROJECT SAFE NEIGHBORHOODS AND HOBBS ACT CASES

Richard Gathercole

Richard L. Gathercole, 41, formerly of Roundup, Montana, was sentenced to 35 years in prison for bank robbery, brandishing a firearm and carjacking. In addition to his prison sentence, Gathercole will be ordered to serve 5 years on federal supervised release and pay restitution in the amount of \$392,392.06 to the numerous victims of his crime spree.

Gathercole was one of the most wanted bank robbers in the nation when his criminal career ended in a string of violent crimes that he committed in western Nebraska and northern Kansas in June, 2017. He was ultimately arrested in Lexington, Nebraska after carjacking a farmer in Kansas.

Gathercole was known as the “AK Bandit,” because he went armed with an AK-47 assault-style rifle to each of his bank robberies. Early in his crime spree, he hit several banks in California and was believed to be from that area of the country. In a particularly violent bank robbery in California, he shot an officer with the Chino Police Department, and that bullet struck an artery. The officer drove himself to the hospital. He was unable to resume his career duty due to a shattered femur bone.

Gathercole used maximum threats of violence to control bank employees. On top of brandishing the AK-47 style weapon, he often used tactics such as shutting them in the bank vault, threatening to kill them, and he sometimes would also take an explosive device to place the employees in fear that the bomb could go off inside the bank.

Gathercole did this at a bank robbery in Iowa in 2015. Gathercole robbed a bank in Nebraska City, Nebraska in 2014, and during that bank robbery, he forced the employees into the vault and threatened to harm them if they did not wait a certain period of time before calling police.

In addition to the bank robberies in California, Nebraska, and Iowa in 2014 and 2015, Gathercole also used his assault rifle to rob banks in Washington and Idaho in 2012. Gathercole would sometimes wear a bullet proof vest that was marked “Sheriff” or “Police.” A bullet proof vest with “Sheriff” on it was recovered from the defendant’s residence in Montana following his arrest after the carjacking.

In June of 2017, Gathercole left Montana and traveled through Nebraska before a Kansas Highway Patrolman noticed several irregularities with Gathercole’s vehicle and a traffic violation, and attempted to stop the vehicle. Gathercole led troopers on a high-speed pursuit while repeatedly firing a weapon at them. Due to the danger of the pursuit, troopers were forced to leave more space between themselves and Gathercole, which led to the troopers losing sight of him.

Gathercole abandoned his vehicle after the shootout with Kansas troopers and began walking where a farmer offered him a ride outside of Atwood, Kansas. Gathercole got into the truck and pointed a gun at the victim and forced him to drive toward the Nebraska state line. Eventually, the driver was able to escape and Gathercole continued in the vehicle. When stopping for gas in Lexington, Nebraska the vehicle was identified by deputy sheriffs as the vehicle that was the subject of the carjacking report and Gathercole was taken into custody as he exited the gas station.

This case was investigated by the Federal Bureau of Investigation along with law enforcement agencies in Nebraska, Kansas, Washington, Iowa, California, Idaho, and Montana.

PROJECT SAFE NEIGHBORHOODS COMMUNITY OUTREACH

Omaha PSN Initiative

The Omaha PSN initiative continues to attract national attention after winning a national DOJ award in December 2018, and continuing to decrease gun assaults and homicides as well as building great relationship with the community through 2019. The success of this program has dramatically decreased gun violence in Omaha and demonstrates that partnerships with non-criminal justice can greatly assist enforcement efforts through comprehensive prevention and community support.

Omaha 360 is a group of more than 400 organizations and thousands of participants. It grew out of the Omaha Empowerment Network founded in 2006 by Barney. The focus of Omaha 360 is to work together to end gun and gang violence, and develop peaceful and prosperous neighborhoods.

The collaborative effort brings together residents and stakeholders to reduce gun violence (gun assaults), reduce youth violence and gang violence, provide positive alternatives and activities.

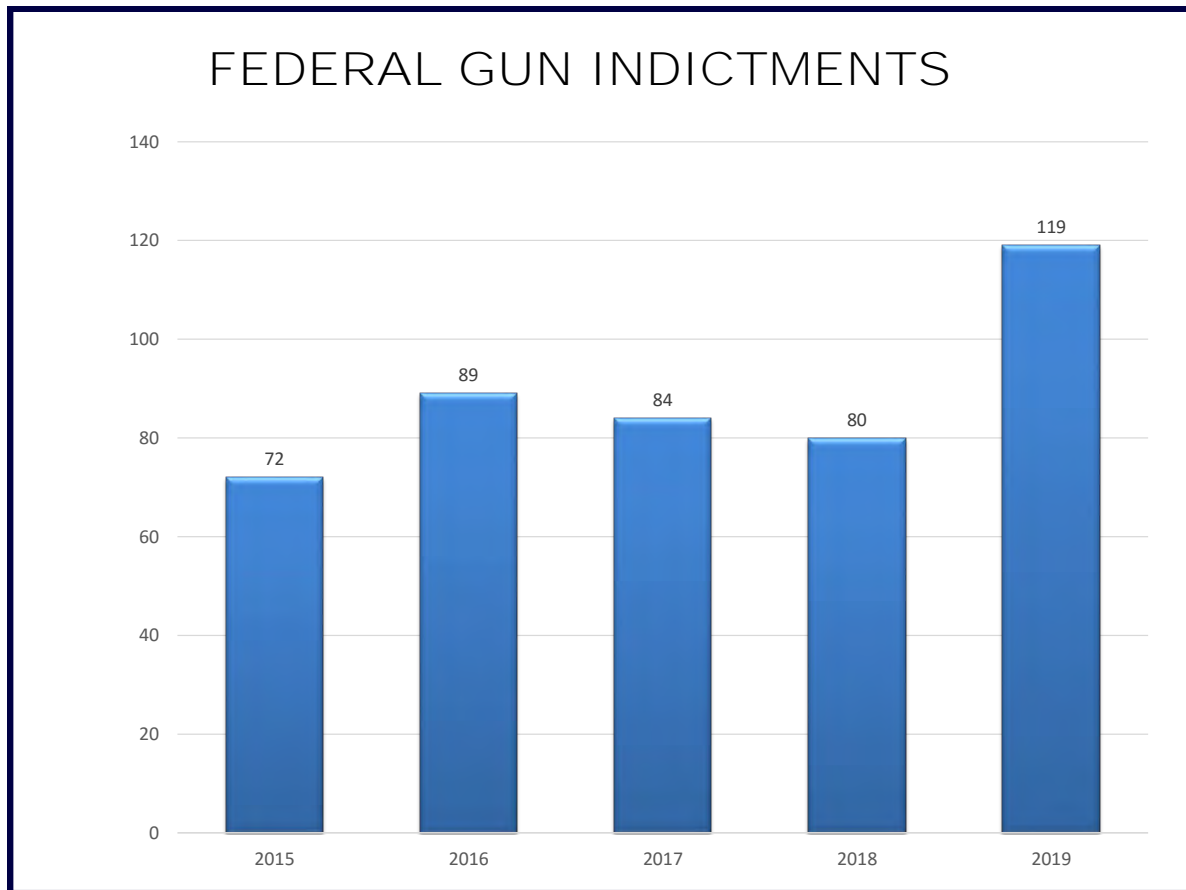
These stakeholders meet on a weekly basis and work together to address the root causes of gun violence and develop positive opportunities as alternatives to violence. Omaha has developed strong police-community relations as a result of this collaboration, and OPD's strong community engagement programs.

These efforts have been key to violence reduction and community building, resulting in increased calls for service, witness cooperation, and clearance rates. Omaha 360 has fully embraced its partnership with the United States Attorney's Office.

This partnership allows the United States Attorney's Office to focus on its primary role of enforcing the law, and by doing so, improving public safety, while supporting other individuals and organizations to address the factors that contribute to violent crime. The combination of these efforts has made a significant impact in Omaha and is an integral component of the PSN effort.

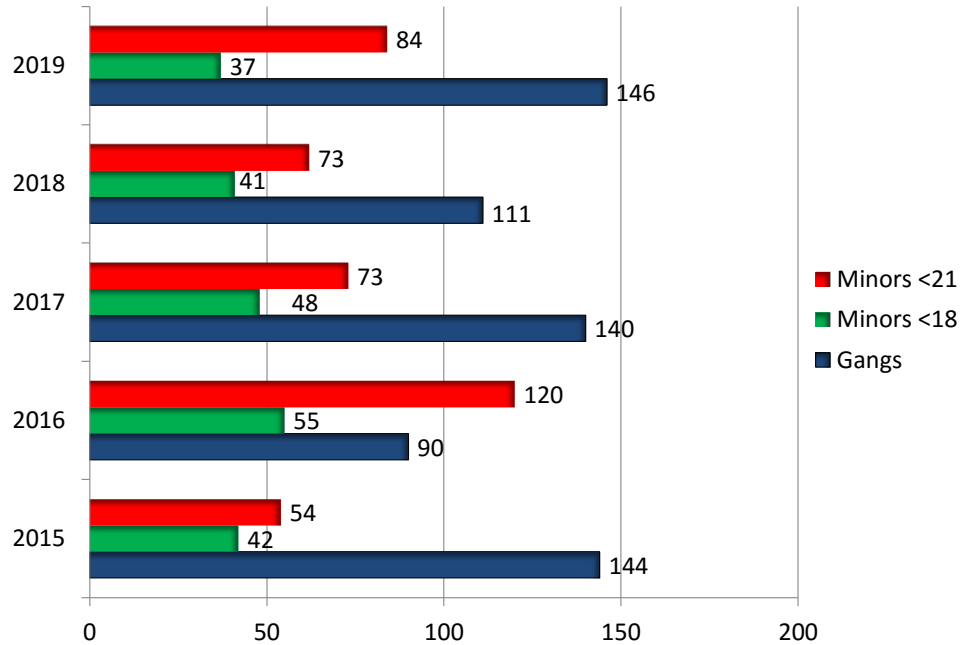


PROJECT SAFE NEIGHBORHOODS

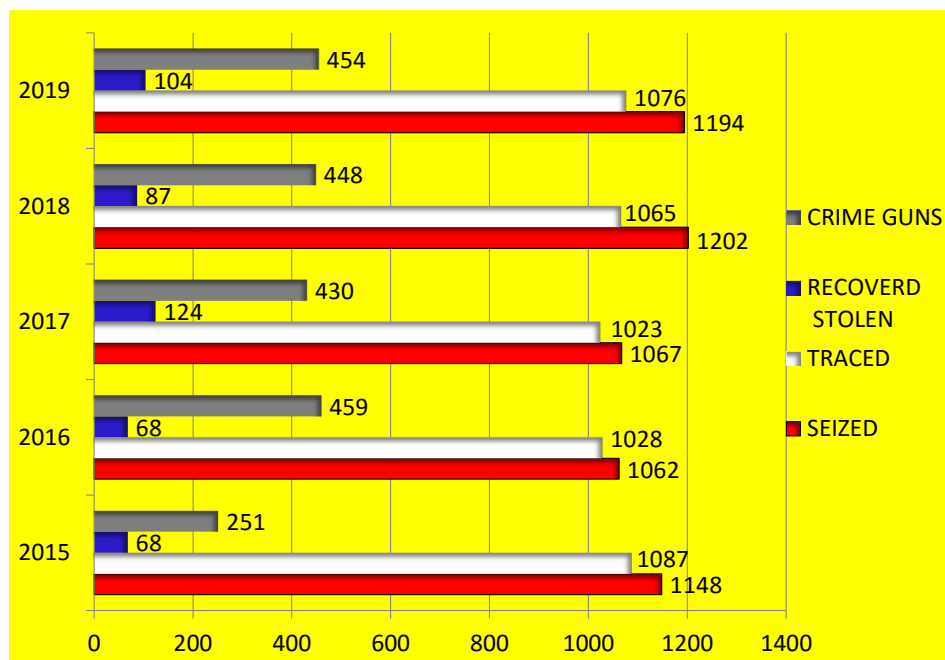


PROJECT SAFE NEIGHBORHOODS

SEIZED FIREARMS TIED TO MINOR
AND GANG MEMBERS / ASSOCIATES



FIREARMS SEIZED BY OPD FOR TRACKING



PROJECT SAFE CHILDHOOD CASES

Project Safe Childhood (PSC) is a nationwide initiative to combat the growing epidemic of child sexual exploitation and abuse. Launched in May of 2006 by the United States Department of Justice, it is led by United States Attorneys' Offices nationwide and the Criminal Division's Child Exploitation and Obscenity Section (CEOS). The program marshals federal, state and local resources to better locate, apprehend and prosecute individuals who exploit children via the Internet, as well as to identify and rescue victims. Assistant U.S. Attorney Mike Norris serves as the point of contact for PSC.

In calendar year 2019, the USAO filed charges involving the receipt or production of child pornography against 39 people, and 6 others were charged with sex trafficking crimes. In total, 54 people were convicted and sentenced in 2019 for crimes involving child pornography. In addition, charges were brought against 5 others who failed to register as sex offenders. Indictments were returned against several individuals for other crimes involving the exploitation of children via the Internet or other crimes of sexual abuse.

Those indictments included charges for interstate travel to engage in sexual acts with a juvenile. The Nebraska Attorney General's office has collaborated with the USAO on child pornography cases and cross-designated assistant attorney generals assist in bringing federal charges on individuals throughout the state.

Here are a number of the significant cases that were prosecuted under this initiative.

Randall Alan Hughes

Randall Alan Hughes, 58, of Lincoln, Nebraska, was sentenced in Lincoln, Nebraska, to 38 years in prison to 456 months (38 years) for production of child pornography. After serving his prison sentence, Hughes will then be required to be on supervised release for the remainder of his life and register as a sex offender.

In 2017, the Department of Homeland Security received information that an ISP subscriber who resided in Lincoln, Nebraska was uploading child pornography in a chat room. A federal search warrant was served at Hughes's residence in Lincoln, for evidence relating to production, distribution and possession of child pornography.

As a result of the search, cellular telephones and other computer storage media were seized for forensic analysis and investigators found evidence that proved Hughes has been producing child pornography involving prepubescent minor victims.

Steven R. Carlson

Steven R. Carlson, 38, of Omaha, Nebraska, was sentenced to 400 months (35 years) for filming himself engaging in forcible, sexual acts with a non-communicative minor. A search warrant executed on Carlson's residence resulted in the discovery of hundreds of images of child pornography involving minors including infants and toddlers.

The FBI Cyber Crimes Task Force investigated this case. Trial Attorney William M. Grady of the Criminal Division's Child Exploitation and Obscenity Section (CEOS) and Assistant U.S. Attorney Michael P. Norris of the District of Nebraska prosecuted the case.

Jack Eugene Knight

Jack Eugene Knight, age 54, of Omaha was sentenced in federal court in Omaha, Nebraska, to 400 months of imprisonment on two counts of Receiving Child Pornography and two counts of Possessing Child Pornography. After completing his term of imprisonment, Knight will begin a lifetime term of supervised release. Knight was convicted of the offenses following a four-day jury trial in October of 2019.

The evidence at trial established that a November 2017 CyberTip from the National Center for Missing and Exploiting Children led federal law enforcement agents from the Department of Homeland Security to investigate Knight for committing federal child exploitation offenses. As part of the investigation, on August 22, 2018, federal agents executed a search warrant of Knight's van which is where Knight was living at the time. Agents seized two cellular telephones, one laptop, and multiple external storage devices. Knight admitted to agents to collecting child pornography and told agents that child pornography would be located on the devices inside of his van. Knight also told agents that he had a storage unit in Lincoln, Nebraska and a cellphone which contained child pornography.

Agents conducted forensics analysis of Knight's

PROJECT SAFE CHILDHOOD CASES

devices. Among Knight's laptops, cell phones, and external storage devices, agents located more than 8,000 images of child pornography and 3,000 videos of child pornography. The images included children under the age of 12 and prepubescent minors engaging in sex acts.

Knight has prior convictions for attempted sexual assault of a child (1996- Lancaster County, Nebraska), Third Degree Sexual Assault of a Child (2013- York County, Nebraska), and Possession with Intent to Distribute Visual Depiction of Sexually Explicit Acts (2013- York County, Nebraska). Knight is a registered sex offender in the state of Nebraska.

Gregory Bartunek

Gregory Bartunek, 65, was sentenced to 204 months' imprisonment for distributing child pornography. He was sentenced to 120 months' imprisonment on the charge of possessing child pornography. The terms of imprisonment were ordered concurrent. The district court further imposed concurrent 15 year terms of supervised release.

On March 26, 2016, a computer at Bartunek's residence was detected using an online chat service to distribute images of prepubescent minors engaged in a sexual act.

On May 25, 2016, members of the FBI Cyber Crimes Task Force served a search warrant at Bartunek's residence in South Omaha. In addition to seizing computers, agents observed four life-sized infant and toddler dolls. Two of the dolls had male genitalia appended. All were clothed in children's underwear. More children's underwear was recovered mixed with Bartunek's underwear in his dresser.

Advanced forensics were used to recover the numerous videos and images that Bartunek, a computer specialist, had erased from his hard drives. Forensic artifacts recovered from the computer showed in excess of 40 titles indicative of or of known child pornography videos. Also recovered were images from the online chat service.

Mark Ringland

Mark Ringland, 53, was sentenced to 168 months in federal prison to be followed by 10 years of

supervised release for Receiving Child Pornography.

Agents with the Federal Bureau of Investigation's Child Exploitation Task Force received information in the spring of 2017, from the National Center for Missing and Exploited Children, that a specific email address was receiving child pornography. The investigators were able to determine that it was Ringland's email. He was arrested on September 1, 2017, and had a cell phone and iPad in his possession which contained more than 900 images of what they believed to be child pornography between the two devices. On the date of his arrest Ringland told the investigators he downloaded child pornography as a "pill for pedophilia," that is, he looked at the images so that he would not act out himself on children. At his sentencing hearing he blamed Google for providing a forum for child pornography to exist. He claimed to be searching for the images so he could report to Congress they need to change laws with respect to child pornographic content.

PROJECT SAFE CHILDHOOD CASES

Jordan Goeschel

Jordan Goeschel, 27, of Lincoln, Nebraska, was sentenced to 360 months for receiving and distributing child pornography. In addition to his prison sentence, Goeschel will serve 20 years on supervised release and be required to register as a sex offender.

Between May, 2016 and April, 2017, the Nebraska State Patrol received more than 90 CyberTips from the National Center for Missing and Exploited Children (NCMEC), indicating a specific user was uploading videos and images of child pornography.

Additionally, in August, 2017, Dropbox, Inc. provided information to law enforcement that more than 31,500 media files consisting of videos and photographs had been uploaded to a cloud account. More than 4,700 of those files contained child pornography in which appeared children under the age of twelve (12). After further investigation, a search warrant was executed at Goeschel's residence in Lincoln and his Apple iPhone was seized. A forensic examination of that phone identified an additional 92 files that contained child pornography that Goeschel had received and distributed.

Alexander M. Kingston

Alexander M. Kingston, 27, formerly of Locust, North Carolina, was sentenced to 10 years in prison for enticement of a minor. In addition to his prison sentence, Kingston will also serve 10 years on supervised release and be required to register as a sex offender.

In March of 2019, Lincoln Police Department Task Force Officers learned that a 14-year-old female met Kingston on a chatting website for teenagers. The minor communicated with Kingston through this website and other social media accounts.

Kingston offered to drive to Lincoln, Nebraska to pick her up. Officers learned Kingston was also talking to the minor through her friend's social media account. Officers were granted access to the friend's account, and continued the conversation with Kingston in an undercover capacity. Kingston believed that he was communicating with a 14-year-old female.

Kingston told the undercover officer he would drive from Kentucky and pick up the minor and take her to another state where she would live with him. Kingston then negotiated a meeting place in Lincoln, Nebraska. Kingston indicated he wanted to meet with the minor in a hotel room in Lincoln, Nebraska.

Through several search warrants to social media sites, Kingston was identified and located as living in Monroe, North Carolina.

On April 19, 2019, Kingston arrived at the pre-determined meeting site located in Lincoln to meet with the minor and her friend. Kingston got out of a vehicle with North Carolina license plates and was approached and arrested by Lincoln Police Department Officers. Kingston was holding a cellphone at the time of his arrest. The cellphone was observed to be open to an Instagram conversation between Kingston and the undercover officers.

Larry R. Harris

Harris of Omaha, Nebraska, was Larry R. Harris, age 73, of Omaha, Nebraska, was sentenced to 46 months in federal court after his arrest in a sex trafficking sting. United States District Court Judge Brian C. Buescher sentenced Harris to 46 months' imprisonment.

On April 12, 2019, Federal Bureau of Investigation and other law enforcement officers were conducting sex trafficking interdiction work in Omaha. Harris responded to an online ad for escort services which was posted by law enforcement. Harris used a cell phone to engage in a text conversation with a law enforcement officer acting in an undercover capacity and posing as a 15-year-old girl. The age of the girl was related to Harris through the text conversation. Harris, through text, asked for and received the address of the girl with the intent to engage in sexual activity with that person. Harris was arrested the same day at the agreed upon address in Omaha.

PROJECT SAFE CHILDHOOD AND HUMAN TRAFFICKING CASES

Brooklyn Pohl

Brooklyn Pohl, age 37 of Wisconsin, received a sentence of 10 years' imprisonment for sex trafficking of a minor. After her release from prison, she will begin a five-year term of supervised release.

On November 22, 2016, law enforcement made contact with a 16-year-old minor who was found to be by herself at a truck stop in Gretna, Nebraska. Investigators with the Nebraska State Patrol determined that between November 18, 2016, and November 22, 2016, Brooklyn Pohl and the minor female traveled from Illinois to Iowa and Nebraska.

While traveling together, Pohl transported and advertised the minor for the purpose of engaging in prostitution in the States of Iowa and Nebraska. Pohl and the minor stayed together at various motels in Iowa and Nebraska, posting online advertisements offering to perform sex acts for money.

Pohl, using her cell phone as well as the cell phone of the minor, advertised the minor's picture on Backpage.com to solicit commercial sex. After posting the minor's picture and advertisement on Backpage.com, Pohl would assist the minor with negotiating the price of the commercial sex acts with potential customers.

As a result of the Backpage.com advertisements, the minor engaged in numerous commercial sex acts in Iowa and Nebraska. Oftentimes, Pohl would remain in the motel room while the minor engaged in sex acts with customers. Pohl used at least some of the money from the minor's commercial sex acts to purchase a vehicle in Iowa, which Pohl then used to transport herself and the minor to Nebraska, where they continued to advertise and engage in sex acts.

Devontez Bobo

Devontez Bobo, 26, of Omaha, was sentenced to 72 months' imprisonment for transportation with intent to promote prostitution, distribution of cocaine, and felon in possession of a firearm. Bobo was ordered to serve three years on supervised release after the completion of his prison term.

On or about September 6, 2018, using an internet website identified as skipthegames.com, an adult female was advertised as an escort available in Sioux City, Iowa. Bobo transported the female from Omaha, Nebraska to a hotel in Sioux City, Iowa, for the purpose of engaging in prostitution. Sioux City Police officers identified Bobo, his vehicle, and the female at the hotel.

A Sioux City Police officer, acting in an undercover capacity, contacted the female using the telephone number advertised. After providing the officer with the hotel room number, the officer arrived and was allowed entry to the room by the female for purposes of engaging in commercial sex.

Sioux City Police officers entered the room and placed the female into custody. Hotel paperwork obtained by law enforcement revealed that Bobo rented the room where the female was detained. Sioux City Police officers subsequently encountered and arrested Bobo as he drove his vehicle away from the hotel.

In November 2018, Bobo sold one ounce of powder cocaine and a Colt .32 caliber revolver to a confidential informant who was monitored in real time by law enforcement surveillance units.

WHITE COLLAR CRIME CASES

The USAO investigates and prosecutes a broad range of “white collar” offenses. Cases involving government program fraud, tax fraud, financial institution fraud, health care fraud and frauds targeting the elderly and other citizens are prosecuted every year. Prosecutions of such crimes can often yield substantial prison sentences and/or fines, along with restitution.

Lisa Kwapniowski

Lisa Kwapniowski, age 49, of Omaha, Nebraska, was sentenced to 48 months of imprisonment for wire fraud. She was also ordered to pay restitution in the amount of \$3.742 million.

From 2010 to 2018, Kwapniowski, the former Director of Pharmacy Services for Children’s Hospital and Medical Center (“Children’s Hospital”) located in Omaha defrauded Children’s Hospital out of more than \$4,622,234. Beginning sometime prior to 2010, Kwapniowski submitted to Children’s Hospital fraudulent invoices from legitimate pharmaceutical suppliers.

In early 2012, Kwapniowski set up a business called RxSynergy. Soon after setting up RxSynergy, Kwapniowski knowingly began to submit fraudulent invoices from RxSynergy to Children’s Hospital for payment. The invoices purported to be for pharmaceuticals and supplies, however, neither RxSynergy nor Kwapniowski ever provided any goods to Children’s Hospital in relation to the invoices. A number of the RxSynergy invoices were for a drug called Broxcilam, which is not a real drug. Kwapniowski fraudulently invoiced Children’s Hospital at least 227 times between 2012 and 2018.

Between January 2012 and November 2013 Kwapniowski submitted fraudulent invoices to Children’s Hospital that appeared to come from PharMedium, a legitimate pharmaceutical vendor. Kwapniowski created fraudulent invoices directed to Children’s Hospital that appeared to come from PharMedium. Using a PayPal vendor’s account Kwapniowski had created using the name Advantage RX, Kwapniowski would utilize PayPal’s website to make a payment to the Advantage RX PayPal account, using a Children’s Hospital corporate credit card.

Kwapniowski would submit to Children’s Hospital the fraudulent PharMedium invoices along with an internal approval form, which would act as the justification for Children’s Hospital to pay the outstanding corporate credit card bill. Children’s Hospital would pay the credit card company directly. Kwapniowski then transferred funds from the fraudulent Advantage RX PayPal account to her personal bank account.

This case was investigated by the Federal Bureau of Investigation.

Charles F. Martin and Sherri L. Atkins

Charles F. Martin, 57, of Bellevue, Nebraska, was sentenced to 33 months’ imprisonment and Sherri L. Atkins, 59, of Omaha, was sentenced to 18 months’ imprisonment for their roles in a felony conspiracy to commit bank fraud. Both were ordered to pay restitution in the amount of \$4,634,803.

During an investigation conducted by Agents with the Federal Bureau of Investigation and U.S. Postal Inspection Service it was determined that from 2010 to 2013, Martin and Atkins, owners of IROCK Concrete, LLC, a business formerly located in Gretna, Nebraska, repeatedly submitted materially false and fraudulent financial statements and business records to multiple local financial institutions in the District.

The false financial documents included overstated accounts receivable reports and sales invoices reflecting fictitious invoice numbers, inflated sales amounts, and fabricated deliveries of concrete. Martin also provided the financial institutions multiple personal financial statements which over reported \$1,800,000 in personal assets.

Martin and Atkins provided the false financials in an effort to obtain and maintain at least five loans that had been made to IROCK and other associated entities. Once the loans were approved, both Martin and Atkins used at least some of the funds for personal expenses, such as car payments and credit card charges.

Loans extended based on the fraudulent conduct totaled more than \$12 million dollars, resulting in losses exceeding \$4.6 million dollars to the local financial institutions.

WHITE COLLAR CRIME CASES

Wild Willy's Fireworks/Dan Williams

Wild Willy's Fireworks, LLC ("Wild Willy's"), a corporation with its principal office in Springfield, Nebraska, was sentenced in federal court to three years of probation and a \$35,000 fine. Wild Willy's, through its representative and owner, Dan Williams, pleaded guilty to the crime on August 21, 2019.

On January 17, 2017, an Occupational Safety and Health Administration ("OSHA") inspector traveled to Wild Willy's facility in Springfield to conduct a workplace inspection. Dan Williams was not present when the inspector arrived. The inspector was not permitted to enter the Wild Willy's facility. Williams spoke with the inspector over the telephone and agreed that the inspector would return the next day on January 18, 2017. Williams then traveled to the facility and instructed employees to perform tasks in preparation for the inspection. Williams contacted a forklift operator trainer to conduct forklift training for individuals at Wild Willy's.

When the forklift trainer arrived, Williams advised him that there was insufficient time to perform the forklift training. Williams instructed the trainer to complete certificates for four individuals stating that each of them received the forklift training. The trainer completed certificates for the four individuals. On January 18, 2017, an OSHA representative requested copies of the forklift training certificates. An employee of Wild Willy's emailed OSHA copies of the falsified certificates. Each of the certificates were back dated to September 28, 2015, when actually none of the individuals received forklift training on that date.

The case was investigated by the United States Department of Labor - Office of Inspector General.

Diane Ludwig

Diane Ludwig, age 59, formerly of Nickerson, Nebraska, was sentenced to 6 months' imprisonment and a fine in the amount of \$10,000.

An investigation conducted by the Federal Bureau of Investigation determined that Ludwig was employed as a cashier, Information Technology Officer, and Bank Secrecy Act Officer for First Community Bank of Beemer, Nebraska. Ludwig

was also a Director and Shareholder of First Community Bank. While working for the bank, Ludwig misapplied bank funds by transferring funds from First Community Bank's general ledger accounts to her personal bank accounts. In a series of 56 transactions between May 2014 and May 2018, Ludwig misapplied \$491,411 in bank funds. After being caught, Ludwig repaid First Community Bank \$491,411.

As part of Ludwig's conviction, she is prohibited from serving as an officer, director, employee or institution-affiliated party of a federal financial institution without approval.

Anthony Hanel and Courtney Clark

Anthony Hanel, age 30, was sentenced to 46 months in prison for Illegal Possession of Access Device-Making Equipment and of being a Felon in Possession of a Firearm. Courtney Clark, age 33, was sentenced to 12 months for Illegal Possession of Access Device-Making Equipment.

Both are formerly from Washington State.

On February 5, 2019, officers with the Omaha Police Department conducted a traffic stop of the vehicle Hanel and Clark were travelling in. Following the alert of a narcotic detecting canine, a search of the vehicle revealed a credit card embossing machine, 43 counterfeit credit cards, blank cards (commonly referred to as "white plastic"), and 18 cards that were in various stages of production. Officers also found a defaced Sig Sauer 9mm handgun and a .22 caliber 1911 model handgun. Hanel is a convicted felon.

This case was investigated by the Omaha Police Department, the United States Secret Service, and the Sarpy County Sheriff's Office.

Frank Sadecki

Frank Sadecki, age 34, of Omaha, Nebraska, was sentenced to 100 months in prison for Possession of Analog, Digital, and Electronic Images for Counterfeiting Obligations and Securities, and Possession with Intent to Distribute at Least 50 grams of a substance containing methamphetamine.

Following the execution of a search warrant, law enforcement determined that Sadecki was in possession of approximately 56 grams of a substance containing methamphetamine.

WHITE COLLAR CRIME CASES

During this search warrant, law enforcement located numerous items consistent with the manufacture of counterfeit United States currency to include multiple printers and scanners, paper cutters, cutting board, aerosol sprays, assorted ink cartridges, numerous sheets of specialized printing paper, and a computer containing digital images of United States currency. Law enforcement also found \$1,180 in counterfeit United States currency and 56 sheets of printed uncut counterfeit United States currency.

This case was investigated by the Omaha Metro Area Fraud Task Force and, specifically, the United States Secret Service and the Omaha Police Department.

Adewale Aniyeloye

Adewale Aniyeloye, age 32, was sentenced to a 96-month term of imprisonment for wire fraud.

From approximately February 2015 to September 2016, Aniyeloye and other co-conspirators engaged in a form of fraud commonly referred to as business e-mail compromise.

Aniyeloye used compromised e-mail accounts to send spoofed e-mails to thousands of business employees across the United States who had accounting responsibilities, to include authorizing and sending wire transfers.

A spoofed e-mail is one in which the e-mail appears to be originating from a sender other than the person who is truly the sender. Aniyeloye and his co-conspirators posed as Chief Executive Officers or other business executives and would direct recipients of the spoofed e-mails to complete wire transfers. The business employees, thinking that the wire transfer requests were legitimate, would comply with the wire transfer requests and wire money to the location designated in the written instructions.

The scheme was primarily conducted from Nigeria where Aniyeloye was living. In 2016, investigators learned Aniyeloye was planning to travel to the United States. He was arrested upon his arrival in Atlanta. Pursuant to this scheme, businesses, including businesses in the District of Nebraska, lost more than \$6 million.

The attempted losses pursuant to the scheme are more than \$30 million. The two Nebraska victims of the fraud scheme lost approximately \$163,230.

This case was investigated by the Federal Bureau of Investigation.

Paul Sellon

Paul Sellon, age 63, of Hamburg, Iowa, was sentenced to 24 months in prison for Theft of Government Money. Sellon was also ordered to pay \$314,121.00 in restitution to the United States Department of Education.

Sellon was the Superintendent of Santee Community Schools on the Santee Sioux Nation Reservation in Santee, Nebraska from 2010 to 2014. Sellon's duties as Superintendent included administering the development and maintenance of a positive educational program and recommending and implementing the school district's professional development plan and staff training.

Sellon caused Santee Community Schools to contract with an educational consulting business owned and operated by an associate of Sellon. This educational consultant was paid to provide services to the Santee Community Schools with funds from the American Recovery and Reinvestment Act School Improvement Grant. As a precondition to this educational consultant being hired by Santee Community Schools, Sellon informed the consultant that the consultant would have to pay Sellon a portion of the proceeds he would receive from the School Improvement Grant. From 2012 to 2013, Sellon received \$314,121.00 of the School Improvement Grant funds as a result of this kickback arrangement.

This case was investigated by the Federal Bureau of Investigation.

Maurice J. Paola

Maurice J. Paola, 24, of Las Vegas, Nevada, was sentenced to 18 months' imprisonment for interference with flight crew members and attendants. On September 3, 2018, Paola boarded a 12-passenger charter jet in Las Vegas, Nevada, which was bound for White Plains, New York. During the flight, Paola became agitated and began yelling profanity and threats at other passengers while pacing about the cabin.

WHITE COLLAR CRIME CASES

The pilot in charge decided to divert the plane and declared an emergency landing of the aircraft. Paola continued to act in an enraged and threatening manner until the plane landed at Lee Bird Airfield in North Platte, Nebraska, and he was secured by local law enforcement. This case was investigated by the Federal Bureau of Investigation.

Craig A. Barnett

Craig A. Barnett, 62, of Lincoln, Nebraska, was sentenced to a prison term of 16 months, and restitution of \$277,000 for his conviction for wire and mail fraud.

During the six-year period from February 2010 through September 2016, Barnett misappropriated monies from his father's various income sources including his Social Security benefits, his pension plan payouts and various investment funds that were to be used for the care of his elderly father. Barnett used the money for his own personal use and enjoyment.

As part of his scheme, Barnett had his father execute a power of attorney granting Barnett control over his father's financial affairs. Barnett then used this power of attorney to steal his father's personal funds, which were to be used to pay for his father's care at an assisted-living facility where he resided. Some of these stolen funds were used by Barnett to purchase a new home and an automobile unbeknownst to his elderly father.

It was not until the Office of the Public Guardian for the State of Nebraska intervened on behalf of his father that the fraudulent conduct on the part of the defendant was discovered. As part of his sentence, Barnett is required to make restitution in the total amount of \$277,000 to his father, the State of Nebraska, and the assisted-living facility where his father still resides.

This case was investigated by the United State Department of Labor, the Office of Inspector General for the Social Security Administration, the Nebraska Department of Health and Human Services and the Office of the Public Guardian for the State of Nebraska.

Christopher Charles Heinz

Christopher Charles Heinz, age 30, of Romulus, Michigan, was sentenced to 54 months'

imprisonment and ordered to make restitution in the amount of \$22,126 for his conviction for the fraudulent use of Social Security numbers and aggravated identity theft.

From December 2017 through June 2018, Heinz and another used stolen identifications of credit worthy individuals to purchase high-end cellphones at retail stores in Kearney, Holdrege, Norfolk, Beatrice, Columbus, Grand Island, Hastings, Ainsworth and O'Neill, Nebraska. Heinz provided counterfeit driver's licenses and Social Security numbers belonging to actual people to stores to qualify for credit.

This case was investigated by the Federal Bureau of Investigation, the Social Security Administration - Office of Inspector General, the Nebraska State Patrol, Sheriff's Offices of Brown County and Holt County Nebraska and the Police Departments in Lexington, Kearney, Holdrege, Norfolk, Beatrice, Columbus, Grand Island and Hastings.

Rolley D. Bennett, Jr.

Rolley D. Bennett, Jr., age 53, of Omaha, Nebraska, was sentenced to a jail term of 12 months and 1 day for the willful failure to pay withholding and F.I.C.A taxes. Bennett was also ordered to pay restitution in the amount of \$31,576.19 to the Internal Revenue Service.

Bennett, while the controller of Diesel Power Equipment Company, headquartered in Omaha, during the period of 2013 and 2014, failed to pay approximately \$879,000 in payroll trust fund taxes to the Internal Revenue Service.

Diesel Power was a business that engaged in the distribution and repair of diesel engines, generators, pumps, parts and accessories, primarily to the mining, railroad, industrial equipment, and agricultural irrigation industries. His failure to make the payroll trust fund tax payments in 2013 and 2014 resulted in Diesel Power going out of business. Bennett took steps to willfully conceal the nonpayment of Diesel Power employment taxes including creating cash flow reports, which reported the employment tax liabilities had been paid and creating journal entries in the company's general ledger, which accrued the employment tax liabilities and their associated payments.

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INDIAN COUNTRY

The USAO has jurisdiction over major crimes committed on the Omaha, Winnebago and Santee Reservations.

The Omaha and Winnebago reservations are contiguous to one another and are situated 80 miles north of the City of Omaha. The Santee Sioux Reservation is located 190 miles northwest of the City of Omaha and 115 miles west of the Winnebago and Omaha reservations.

The population on the Winnebago Indian Reservation is approximately 2,600. The Omaha Reservation is home to 5,194 Native Americans and the Santee Sioux has approximately 800 people residing on their reservation.

Although Nebraska was originally designated as a Public Law 280 state, each of these reservations has retroceded jurisdiction so that the USAO has jurisdiction under Title 18, United States Code, Section 1153 for major crimes committed by Native Americans against other Native Americans or property owned by other Native Americans. Additionally, the USAO has jurisdiction under Title 18, United States Code, Section 1152 for all offenses committed by non-Native Americans against Native Americans or property owned by Native Americans.

Federal laws of general applicability which are not dependent on Indian Country or exclusive federal jurisdiction as a jurisdictional basis also apply in Indian Country. These crimes include, but are not limited to, mail and wire fraud, felon in possession of a firearm, use of a weapon during a crime of violence, interstate violence against women, interstate violation of protection orders, and illegal distribution of controlled substances.

Felony assaults, rapes, child sexual assaults and child physical abuse are the main offenses routinely prosecuted federally on the three reservations.

The Federal Bureau of Investigation (FBI) assumes primary responsibility for these investigations on the Omaha and Santee Sioux Reservations to investigate major crimes. A Bureau of Indian Affairs (BIA) criminal investigator assumes primary responsibility on the Winnebago Reservation.

There is one Bureau of Indian Affairs (BIA) investigator assigned in Nebraska and this agent covers criminal matters on the Winnebago Reservation.

The Winnebago Reservation is covered by uniformed BIA sworn officers with federal certification and Winnebago Tribal Police officers without federal certification. The Omaha Reservation and the Santee Sioux Reservation are covered by tribal officers who do not have federal certification.

The USAO, dedicates a Tribal Liaison AUSA, and several other AUSAs to the prosecution of Indian Country cases. The Tribal Liaison AUSA assists in the coordination among the three tribes and local, state, and federal investigators and prosecutors; bridges gaps in jurisdictional coverage; establish cohesive relationships between federal prosecutors and tribal communities; and improve the quality of violence against women cases through effective case management.

All three reservations have domestic violence shelters. The AUSA and the Victim advocates work closely with the directors of these shelters in regard to domestic violence cases. The shelter directors are kept informed of the status of cases concerning their residents and the directors aid in facilitating contact with victims. The USAO Tribal Liaison, and the Victim advocates are members of the Child Abuse multi-disciplinary teams for the tribes. These teams monitor the coordination of services in regard to child abuse and neglect cases.

Ponca Tribe of Nebraska

The Ponca Tribe of Nebraska with a population of slightly more than 3,100 nationwide, does not have a reservation. In 1858, the Ponca Tribe relinquished most of its land to the federal government. In 1962, Congress terminated its relationship with the Ponca Tribe. However, federal recognition was restored in 1990 when Congress re-recognized the Ponca Tribe. Although the Ponca Tribe lacks a land base in Nebraska, the Tribe does have designated "Service Delivery Area" counties; fifteen counties in Nebraska with 1,100 members in these counties.

INDIAN COUNTRY CRIME

The following cases highlight some of the Indian Country cases prosecuted on the Omaha, Winnebago and Santee Indian Reservations in 2019.

Cyrus Free

Cyrus A. Free 51, an enrolled member of the Winnebago Tribe of Nebraska, was sentenced to **life imprisonment for sexually abusing a child** on the Winnebago Indian Reservation. Free will be required to register as a sex offender for the remainder of his life.

Free sexually abused the minor victim from approximately eight years old to fourteen. Free had a previous conviction for sexually abusing a child.

Michael Aldrich

Michael Aldrich 36, a member of the Omaha Nation, was sentenced to 96 months' imprisonment for sexually assaulting a woman on the Winnebago Indian Reservation. After his release from prison, Aldrich will begin a 25-year term of supervised release and must register as a sex offender.

Aldrich sexually assaulted a woman who was walking on the Winnebago Indian Reservation. Aldrich pushed the woman to the ground in a secluded area and forcibly sexually assaulted her.

Dalton L. Webster

Dalton L. Webster, age 27, was sentenced to 121 months of imprisonment. There is no parole in the federal system. After completing his term of imprisonment, Webster will begin a five-year term of supervised release.

On or about August 18, 2018, within the Omaha Reservation, Webster physically assaulted an adult female victim causing a non-displaced nasal fracture with extensive soft-tissue swelling. Webster then sexually assaulted the victim while threatening to kill her.

USAO Indian Country Contact Tribal Liaison Coordinator

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Tribal Police Chief contacts:

Omaha Tribe of Nebraska

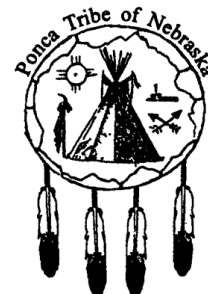
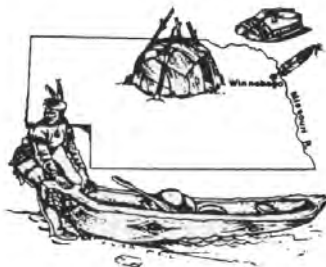
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Winnebago Tribe of Nebraska

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IMMIGRATION CASES

Juan Pablo Sanchez-Delgado and Magdalena Castro-Benitez

Sanchez-Delgado and his wife, Magdalena Castro-Benitez, were sentenced to prison for their roles in a conspiracy to harbor illegal aliens across north central Nebraska. Chief Judge John M. Gerrard described the conspiracy as “one of the most egregious financial crimes,” that he had seen before sentencing Sanchez-Delgado to the maximum allowable time by statute, 120 months in federal prison.

The Court also sentenced Sanchez-Delgado to a \$150,000 fine and approved a preliminary order of forfeiture based on ICE seizures of over \$130,000 in cash along with 3 Las Vegas residences owned by both Sanchez-Delgado and Castro-Benitez. The residences have an estimated worth in excess of \$1.5 million. Castro-Benitez was sentenced to 30 months in federal prison for serving as Sanchez Delgado’s “money manager.” Both defendants were ordered to serve a term of three years of supervised release each to follow their respective terms of imprisonment.

The conspiracy as a whole resulted in hundreds of undocumented workers being harbored and financially exploited by Sanchez-Delgado and his wife for years leading up to their arrests by Homeland Security Investigations on August 8, 2018. Several of the workers testified at a recent trial that Sanchez-Delgado was wrongfully taking money from their paychecks, not paying them for all of the hours they worked, and indicated that Sanchez-Delgado would take income tax withholdings and Social Security and Medicare withholdings from their paychecks but not actually pay that money in to state and federal taxation authorities.

Another worker testified that Sanchez-Delgado charged him \$300 a month for utilities for a one bedroom apartment because the worker could not get the utilities in his own name. Some workers were not paid their wages at all, and all of the workers were charged money to cash their checks at Sanchez-Delgado’s grocery store, where they were also forced to buy food from him. At the same time that undocumented workers were being defrauded, Sanchez-Delgado and Castro-Benitez were acquiring expensive homes in Las Vegas with the proceeds of the harboring scheme and hoarding cash generated by the conspiracy at

their various residence and business locations.

Sanchez-Delgado and his wife conducted over \$9 million in financial transactions with the money generated by this conspiracy, and they received more than \$5 million dollars from labor contracts with agricultural businesses like O’Neill Ventures, LLC, the first company to partner with Sanchez-Delgado at the inception of this conspiracy and a tomato plant located in O’Neill, Nebraska. A human resources officer for the tomato plant, Mayra Jimenez, was recently convicted by a jury at trial for her own participation in the conspiracy and for her efforts to aid Sanchez-Delgado in harboring undocumented workers at the plant. Corporate emails admitted at trial revealed that Jimenez was aware that Sanchez-Delgado was not paying in taxes on his workers to government authorities and that his workers were likely paid less than lawful workers at the plant.

The victims will be allowed additional time to provide the United States Attorney’s Office and the Court with the money owed to them as restitution for these crimes, and Chief Judge Gerrard will determine the final restitution to be paid to the workers on a future date.

This case was investigated by Immigration and Customs Enforcement and Homeland Security Investigations.

Alma Hernandez-Moreno

Alma Hernandez-Moreno was sentenced to 24 months in prison for her role in a conspiracy with Juan Pablo Sanchez-Delgado to harbor illegal aliens. Hernandez-Moreno’s role in the conspiracy was that of a bookkeeper. She handled the cashing of payroll checks and answered financial questions for Sanchez-Delgado’s alien workforce.

Hernandez-Moreno advised one of the workers not to file a tax return seeking a refund as doing so would require the issuance of another social security number to continue working.

Fabian Castro

Fabian Castro, age 48, a citizen of Mexico, was sentenced to 16 months in prison for his role in an animal fighting venture.

Evidence at Castro’s change of plea hearing revealed that Castro was in possession of 31

IMMIGRATION CASES

gamecocks at the time that USDA conducted a search of Juan Pablo Sanchez-Delgado's ranch where Castro trained the birds to fight in matches and where others would gamble on the outcome of the fights. Several of the birds had visible injuries and deformities from both their training and from participating in fights. Castro served as the trainer for Sanchez-Delgado's animal fighting venture.

Kwaku Bright

Kwaku Bright, 58, a citizen of Ghana, was sentenced to 27 months in prison for using the social security number of a United States citizen to gain employment in the United States. The sentence includes a three-year term of supervision after Bright is released from prison. In addition to imprisonment, Bright is required to comply with all rules and regulations of the Bureau of Immigrations and Customs Enforcement and if deported shall not reenter or reside in the United States without permission.

Bright entered the United States and assumed the identity of a United States citizen in 2007. Since that time, Bright used the citizen's identity to receive loans, apply for a passport, and to work in the United States.

DRUG ENFORCEMENT UNIT

The fight against illegal drug trafficking continued to be a major priority of the USAO in 2019. Nebraska is a significant trans-shipment area for drug traffickers due to its location in the central United States, between western drug sources and eastern drug markets, and a major interstate and other highways which pass through the State. Omaha, Lincoln, Grand Island, and other Nebraska cities serve as redistribution points for drug markets within Nebraska and neighboring states and markets, and to smaller rural communities within the District.

The coordinated efforts of Assistant United States Attorneys (AUSAs) and Special Assistant United States Attorneys (SAUSAs) address the comprehensive threat posed to the United States and the District of Nebraska by the trafficking, diversion and abuse of illegal drugs. SAUSAs from the Douglas County Attorney's Offices have multiplied the prosecutorial resources dedicated to this effort.

Attorneys who prosecute drug cases are supported by the cooperative investigative efforts of federal, state and local enforcement agencies throughout the District. To enforce the Nation's drug and firearm laws, prosecutors in the Drug Enforcement Unit obtained 221 indictments this year charging 282 defendants. This was an increase of almost 50 defendants from 2018.

Jeremiah Joseph Burkhart and Anna J. Chernyy

Burkhart, 39, of Lincoln, was sentenced to 18 years in prison and Chernyy, 24, also of Lincoln, was sentenced to 10 years in prison for their involvement in a conspiracy to distribute and possess with intent to distribute over 500 grams of methamphetamine and at least 10 grams of heroin. Chernyy was sentenced to an additional 5-year consecutive sentence for possession a firearm during the conspiracy. Between January 30, 2019, and March 25, 2019, an undercover officer made 12 purchases of methamphetamine or heroin from Chernyy in Lincoln. During one of the buys, she had a firearm.

She provided information that Burkhart was her supplier. He was traffic stopped on April 2, 2019, and in his car officers found a Taurus 9mm handgun matching what they had seen earlier at Chernyy's residence. A search warrant was obtained for Chernyy's residence. Officers located

additional amounts of methamphetamine and heroin. The conspiracy involved over 1.5 kilograms of methamphetamine and 10 grams of heroin.

Hersel Raymar Bradley and Alexis Marie Perez

On October 24, 2019, Hersel Raymar Bradley, 41, of Lincoln, was sentenced to 19 years and seven months, (235 months) for conspiracy to distribute, and possess with intent to distribute, 500 grams or more of methamphetamine, 5 grams or more of methamphetamine actual and 500 grams of cocaine in July of 2019. Bradley was held responsible for the distribution of at least 15 kilograms (approximately 33 pounds) of methamphetamine mixture, at least 20 grams (approximately ¾ ounce) of methamphetamine actual and at least 500 grams (approximately 18 ounces) of cocaine in the Lincoln area between August of 2016 and August of 2018. On December 12, 2019, Bradley's co-defendant, Alexis Marie Perez, 35, of Lincoln, was sentenced to six and one-half years (78 months) for conspiracy to distribute and possess with intent to distribute 500 grams or more of methamphetamine mixture. Perez was held responsible for the distribution of at least 1.5 kilograms (approximately three pounds) of methamphetamine in the Lincoln and North Platte areas between August of 2016 and August of 2018.

Angelo Benjamin Ybarra

On October 17, 2019, Angelo Benjamin Ybarra, 39, of Lincoln, was sentenced to 10 years and 1 month, (121 months), in prison for conspiracy to distribute and possess with intent to distribute 500 grams or more of methamphetamine between July of 2017 and March of 2019. Ybarra was held responsible for the distribution of at least 1.5 kilograms of methamphetamine in the Lincoln area during that timeframe. On March 11, 2019, a search warrant was executed at Ybarra's home. During that search, officers found more than 26 ounces of methamphetamine, a handgun and over \$15,867.01 in cash which Ybarra was ordered to forfeit.

Dajuan Sharron

Dajuan Sharron was charged with and convicted by a jury of Robbery of United States Property, 18 USC 2112, when, on August 7, 2018, Sharron, threatened to shoot an ATF Confidential Informant (CI) if the CI did not turn-over \$1,500. Sharron was sentenced to 96 months in prison.

DRUG TRAFFICKING CASES

Farrell Mitchell

Farrell Mitchell pleaded guilty to being a felon in possession of a firearm. During a foot pursuit by United States Marshal's Service on October 2, 2018, he tossed the firearm he was carrying. Mitchell was sentenced to 90 months in the Bureau of Prisons.

Alex Kellum

Alex Kellum was found guilty of three counts of Distribution of more than 28 grams of crack cocaine with a prior serious drug felony conviction, following a bench trial. This case stemmed from an FBI investigation involving the use of a Title III wire intercept and confidential informants. Kellum is scheduled to be sentenced June 15, 2020 and faces a minimum 10-year sentence on each of the three counts of conviction.

Jayson Yanes

Jayson Yanes was indicted after Omaha Police served a search warrant on his residence and recovered 11 grams of methamphetamine within arm's reach of a handgun. Yanes pleaded guilty to the gun charge and was ultimately sentenced to 26 years' imprisonment.

Martin Corona Valenzuela

Martin Corrola Valenzuela was indicted after a cooperating witness was charged with sending approximately 50 grams of heroin and 55 grams of actual methamphetamine from Nebraska to a Texas prison inmate. The cooperator told postal inspectors that he had shipped the drugs at the request of Valenzuela who had been sending him money and directing him to send drugs to various parties, including prisoners. The case was significant as Valenzuela received a lengthy 225-month prison sentence.

William Daugherty, Lonnie Arthalloney, Roman Ceballo Gaspar, and Omar Rodriguez Lopez were all indicted after Homeland Security Investigation agents witnessed Gaspar deliver more than 2 pounds of meth to Daugherty and Arthalloney. Two days later a Deputy Lancaster County Sheriff conducted a traffic stop of Lopez and found approximately twelve pounds of methamphetamine hidden inside the vehicle he was driving. The investigation revealed that Lopez was intending to deliver the 12 pounds to Gaspar at his Omaha residence. A search warrant served upon Gaspar's residence revealed approximately one pound of methamphetamine, \$18,953 in US currency, and other evidentiary items. The money

was forfeited. Daugherty and Gaspar were sentenced to 135 months' imprisonment, Lopez was sentenced to 120 months and Arthalloney received 36 months.

Pest Control

This OCDETF investigation was initiated by members of DEA Task Force Group 1 and Iowa Division of Narcotics Enforcement (DNE), using cooperating source/defendant information, surveillance, telephone analysis, and controlled purchases. The target drug trafficking organization (DTO) is based in Sinaloa, Mexico, and distributes multi-pound quantities of methamphetamine throughout the Omaha/Council Bluffs metropolitan area. Investigators have presented five defendants for prosecution in the District of Nebraska and the Southern District of Iowa. One of the five defendants, **Jason "Chico" Rodriguez**, was sentenced to imprisonment for a term of 360 months. At the end of 2019, investigators obtained a Title III wiretap authorization to intercept a cell phone used by another defendant, a cell head for the DTO who was identified in several active investigations in 2019. Despite the use of encrypted communications platforms, the wire communications intercepted between December 27, 2019, and January 11, 2020, provided investigators with enough probable cause to obtain search warrants for two locations, resulting in the seizure of over 32 lbs. of methamphetamine, 1/2 kilo of cocaine, and \$10,300 in drug proceeds. The defendant was arrested and is being prosecuted in the U.S. District Court for the District of Nebraska.

DRUG TRAFFICKING CASES

Hannah Pauly, Dustin Pauly, Jose Santos-Zepeda

In January 2019, investigators received information from the Nebraska State Penitentiary regarding possible drug activity involving Dustin and Hannah Pauly, brother and sister, of Kearney, Nebraska. At the time, Dustin Pauly was an inmate at the Penitentiary, and Hannah Pauly resided in Kearney with Jose Santos-Zepeda. Investigators determined that Hannah Pauly received a parcel containing several pounds of methamphetamine at the residence she shared with Santos-Zepeda.

The delivery of the parcel was coordinated by Dustin Pauly while he was incarcerated. Investigators obtained a warrant to search the residence shared by Santos-Zepeda and Hannah Pauly and recovered five bundles of methamphetamine in varying quantities located throughout the house, totaling close to five pounds. It was determined that some of the methamphetamine came from the parcel, and several additional ounces were found within a bedroom. Dustin Pauly was sentenced to a term of imprisonment of 262 months, Hannah Pauly and Santos-Zepeda were sentenced to terms of imprisonment of 70 and 76 months, respectively, for their involvement in the conspiracy.

Steak Your Bets

In March 2019, investigators with the Drug Enforcement Administration (DEA), Federal Bureau of Investigation (FBI), and Omaha Police Department (OPD) obtained and executed three Title III wiretaps of the cellphones utilized by Brett Feder, Dale Gaver, and Leo Luetticke. The wiretaps helped investigators identify several co-conspirators involved in a poly-drug distribution ring and establish probable cause to search several drug-involved locations in Omaha.

In May 2019, investigators executed seven search warrants at the residences of target subjects and at JD's Circle In, a bar in south Omaha operated by Feder. As a result of those searches, investigators seized methamphetamine, cocaine, marijuana, live marijuana plants, and tetrahydrocannabinol (THC)-oil cartridges using in vaping devices. Additionally, investigators seized approximately \$80,000 in drug proceeds and nine firearms. As a result of the investigation, seven defendants have been prosecuted in state and federal court. Among them, Brett Feder pleaded guilty in the U.S. District Court for the District of

Nebraska to drug trafficking and money laundering charges after investigators established that JD's Circle In was essentially functioning as a front business for an illegal bookmaking and drug trafficking operation. He is pending sentencing. The Internal Revenue Service, Criminal Investigations, also assisted in this investigation, which was approved as OCDETF Operation Steak Your Bets.

Thomas Newland

On May 22, 2018, law enforcement was called to Newland's Omaha residence. Miranda Koci was found deceased. The investigation revealed that Newland had injected Koci with a combination of methamphetamine and Fentanyl. Seized from his residence was 5 grams of methamphetamine and 14 grams of fentanyl. Newland had also videotaped her overdose for several hours. Newland pleaded guilty and was sentenced to 192 months.

Ashely Whited, Jared Schaefer

On May 10, 2019, a search warrant was executed on Ashley Whited's Sidney, Nebraska residence and approximately one pound and 4 ounces of methamphetamine was seized. In the driveway was another defendant's vehicle where law enforcement seized 10 pounds of methamphetamine in a rear tire well. During the execution of the warrant, law enforcement noticed Schaefer waiting from across the street and conducted a traffic stop and located another 4 ounces of methamphetamine. Schaefer has pleaded guilty and was sentenced to 30 months' imprisonment. Whited pleaded guilty in June 2020.

Racquel Hamilton

Racquel Hamilton, 31, from Grand Island, was sentenced to 110 months following her conviction for possession with intent to distribute methamphetamine. In March 2019, the Grand Island Police Department received a tip of Hamilton's whereabouts. Hamilton had an active warrant for her arrest. The police located Hamilton and found her to have methamphetamine in her coat pocket. The methamphetamine was sent to the Nebraska State Crime Lab for testing. Results confirmed that the methamphetamine found on Hamilton in March of 2019 was 11 grams of pure methamphetamine. This case was investigated by the Grand Island Police Department and the Central Nebraska Drug and Safe Streets Task Force.

DRUG TRAFFICKING CASES

Luis Haro Ramirez

On May 16, 2019, Luis Haro Ramirez, a Mexican national residing in Omaha, Nebraska, was sentenced to a total of 264 months for conspiracy to possess with intent to distribute 50 grams or more of actual methamphetamine, alien in possession of a firearm, use of a firearm in furtherance of a drug trafficking crime, and a violation of supervised release. He also forfeited \$4,140.92 in U.S. currency. Haro's offense conduct included a pattern of dealing methamphetamine to a CI from December 14, 2017 through December 27, 2017, including two individual sales of approximately 28.7g and 110g quantities.

On February 12, 2017, when law enforcement took Haro Ramirez into custody, he had in his possession a Taurus 9mm handgun, a Century Arms model RAS47 AK-47-style assault rifle, a tactical vest containing multiple loaded AK-47 magazines, numerous rounds of ammunition, materials for packaging and distribution (including bags and a scale), \$4,140.92 in United States Currency, and 472.38g of actual methamphetamine. After his arrest, he told officers he wished he had shot it out with them. Haro Ramirez has a prior federal felony conviction for conspiracy to distribute methamphetamine.

Jacob Raymond Wistrom

On August 5, 2019, Jacob Raymond Wistrom, from Omaha, was sentenced to 77 months' imprisonment following his conviction for possession of a firearm by a prohibited person. The sentence was ordered to be consecutive to a Douglas County District Court sentence of a minimum of 16 years pursuant to convictions for two counts of theft by receiving stolen property, two counts of robbery, theft by deception, burglary, child abuse, false imprisonment, and possession of a firearm by a prohibited person.

Wistrom's federal conviction stems from a November 10, 2017 incident in which officers who had responded to a hit and run report discovered a loaded, defaced, Hi-Point model C 9mm handgun nearby the suspect vehicle, which had flipped off a roadway in Omaha. The vehicle owner told officers she had lent the vehicle to Wistrom, and an eyewitness to the accident picked him out of a lineup. Wistrom is a convicted felon.

Roberto Luna-Nava

A joint investigation by the DEA and the Nebraska State Patrol into the distribution of methamphetamine in the Norfolk, Nebraska area, led investigators to Luna-Nava. Luna-Nava was arrested and over 9.8 kilograms of methamphetamine was seized.



CIVIL DIVISION

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

Work on 254 civil cases and matters were completed in 2019. Included in that number are defensive cases in which the validity of federal laws, or the acts of federal agencies and employees, was challenged. Also included were affirmative cases brought to enforce federal statutory and regulatory requirements, and to collect debts owed to the United States. The chart below depicts the types of civil cases and matters completed during 2019.

The Internal Revenue Service, Housing and Urban Development, and Department of Justice, were the agencies involved in the largest number of civil cases in the District during 2019. There was a slight increase in the number of bankruptcy matters, social security cases, and civil immigration cases filed this past year and a substantial increase in the number of subpoena matters involving federal employees. In 2019, the number of foreclosures decreased slightly and employment cases remained the same as the prior year. The number of tort cases (medical malpractice, personal injury) also decreased slightly from the prior year. A variety of cases involving the agencies within the Department of Justice also made up a significant portion of the overall civil workload again this past year. The number of cases completed for various federal agencies is reflected in the chart on page 33.

A primary function of the Civil Division is to provide quality representation to the United States and its agencies and officers in defensive litigation in federal and state court. During 2019, Civil Division AUSAs defended a number of cases brought in federal court to set aside or modify the actions of federal agencies and officers. Civil Division AUSAs also handled several cases seeking damages for alleged negligence or other wrongful conduct by federal employees, as well as cases alleging discrimination in federal employment.

In the area of affirmative litigation, the Civil Division

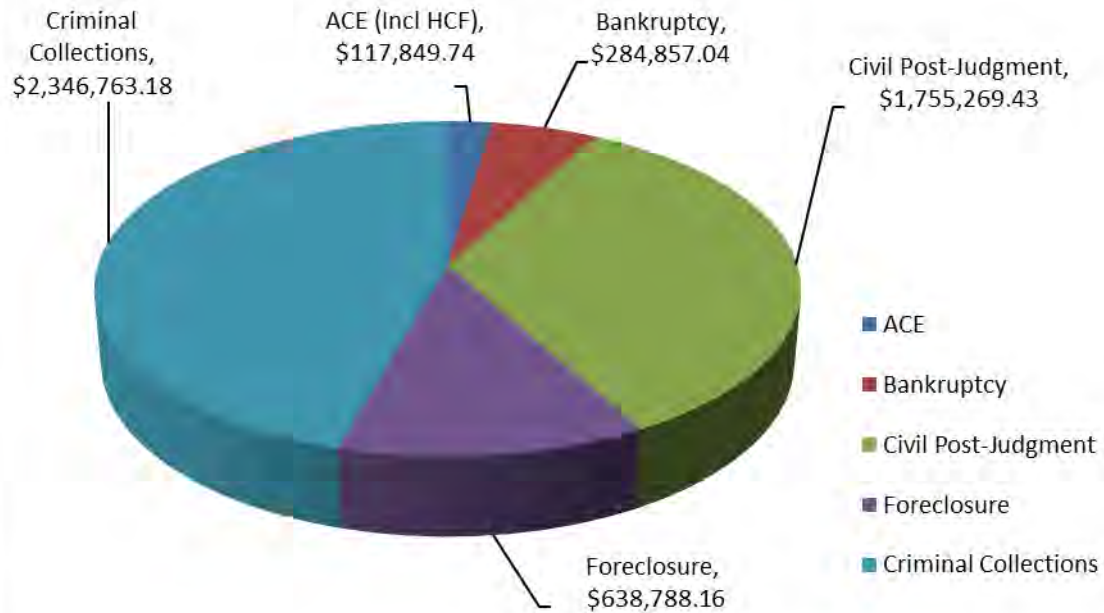
continued its Affirmative Civil Enforcement (ACE) program, which involves various initiatives designed to collect civil monetary penalties and damages for violations of federal law, to recover costs incurred by agencies as a result of violations of federal statutes and regulations, and to obtain compliance with the requirements of federal law through civil litigation.

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

As in most years, Civil Division AUSAs also conducted a significant amount of litigation in 2019 to collect debts owed to the United States. Suits to obtain judgments for unpaid balances of delinquent loans made by agencies such as the U.S. Department of Agriculture, the U.S. Department of Education, the U.S. Department of Veteran's Affairs, and the U.S. Department of Health and Human Services comprise a significant portion of the Office's civil workload. Those cases are litigated in federal district court, in bankruptcy court, and in state courts throughout Nebraska. All told, the Financial Litigation Unit, within the Civil Division, collected slightly more than 5 million dollars.

CIVIL DIVISION

Nebraska Collections - Calendar Year 2019 1/1/2019 - 12/31/2019



Criminal Collections	\$2,346,763.18
Bankruptcy	284,857.04
Civil Collections	1,755,269.43
Foreclosure	638,788.16
ACE (Incl. HCF)	117,849.74

Total Collections for Calendar Year 1/1/2019 – 12/31/2019: \$5,143,527.55

CIVIL LITIGATION CASES

AFFIRMATIVE CIVIL ENFORCEMENT

Qui Tam Litigation

United States *ex rel.* Bonnie Kelly v. Housing and Urban Development (HUD) – Kelly was a former employee of the Omaha Housing Authority (OHA), who alleged that during her 12-year employment in contracting and procurement positions, she uncovered various fraudulent activities. Kelly claimed HUD assured her she would be compensated, if her information led to a monetary recovery from OHA. Kelly claimed that she was also told that information and documentation led to the recovery of \$1,103,287. A forensic audit report examined unauthorized fund transfers, but concluded they were made to cover project-related financial deficits, not fraud or for personal gain. The U.S. declined to intervene in the *qui tam*, Relator's fourth, and moved to dismiss because (1) the complaint was barred by *res judicata* and/or collateral estoppel; (2) the *qui tam* lawsuit against a federal agency presented no justiciable case or controversy; (3) the United States did not waive its sovereign immunity; (4) the Relator's allegations were conclusory and failed to state a claim upon which relief could be granted; and (5) she failed to plead fraud with particularity. The District Court agreed and dismissed the complaint.

Health Care Fraud

Relator alleged an inpatient compounding pharmacy improperly billed Medicare and Medicaid by using and billing for overfill from single use/single dose vial drugs. Because the conduct did not violate a statute or regulation, the claims were not legally false. Before declining to intervene, the United States Attorney's Office (USAO) also conferred with the Food and Drug Administration to confirm safe handling guidance and protocols were followed. When informed of the USAO's legal analysis, Relator's counsel voluntarily dismissed the complaint.

Americans with Disabilities Act (ADA)

In re: Crescent Moon Bar and Grill – An individual who uses a wheelchair complained the restaurant lacked accessible parking and that the route from the parking lot to the front entrance was too steep. The USAO conducted a site visit and

worked with the Department of Justice's (DOJ) disability rights architect to provide findings the establishment agreed to address. When the City made the street in front of the establishment two way, it eliminated a convenient, level parking space directly in front of the front door, but there were two designated accessible spaces in the parking lot which the owner agreed to repave and restripe. With respect to slope, while the route from the parking lot to the front door was too steep to comply with the ADA, it was not readily achievable to regrade the parking lot nor technically feasible to alter the slope of sidewalk. To address this issue, the proprietor agreed to make its menu available for dining in or takeout at the downstairs, accessible establishment he also owns.

Internal Revenue Service (IRS) Summons Enforcement

In connection with an investigation into the payroll taxes of a business entity, the IRS issued third party summonses to various financial institutions. Because the business owner had requested a Collection Due Process hearing, the USAO worked with counsel to afford him that opportunity. We also filed an opposition to the motion to quash and a petition to enforce the summonses under the Supreme Court's factors for IRS summons enforcement. The District Court denied the taxpayer's motion to quash and granted the government's petition, and the summonses were served on the financial institutions.

DEFENSIVE TORT LITIGATION

Federal Tort Claims Act (FTCA)

Carrizales v. United States - The USAO obtained dismissal with prejudice of this medical malpractice case after a grant of summary judgment by the District Court. The USAO moved for summary judgment, with the declaration of an expert OB-GYN and declaration of treating midwife indicating that there was no breach of the standard of care by the at-issue nurse midwife. Plaintiff opposed the motion and attempted to belatedly disclose an expert, which were stricken by the District Court after motion by the United States.

CIVIL LITIGATION CASES

FTCA and Bivens Claims

- In a combined FTCA and Bivens case, a young man was shot and killed at Offutt Air Force Base after he entered the heavily guarded Base without proper authorization to do so and engaged the Base and other local law enforcement officers in a high-speed chase throughout the Base. Nearing the end of the car chase, the young man drove his vehicle and crashed into three separate parked cars, prior to making a complete stop at one of the Base's guarded entrance/exit gates. Law enforcement at the gate yelled several commands to the driver, to which the driver failed or refused to comply. Instead, the driver revved his engine, surging forward as if to continue his dangerous flight from law enforcement. Civilian Base law enforcement, posted at the gate, shot the driver and he died from his injuries.

The driver's estate then filed personal liability claims (Bivens claims) against various individuals who were officials of the Department of Defense (serving in both national and local positions) and civilian law enforcement officers serving at the Base, for alleged violations of Plaintiff's constitutional rights and improper use of deadly force. Following extensive briefing by the USAO in connection with a motion seeking dismissal of all personal liability claims against the individually named defendants, the District Court granted the motion to dismiss. In 2018, all individually named defendants were dismissed from the case. In 2019, the FTCA claim against the United States was settled, following a court-approved mediation for an amount mutually acceptable to the parties.

- In another combined Bivens and FTCA case, a pro se Plaintiff sought claims against officials with the Bureau of Prisons and U.S. Marshal's Service. Plaintiff was a prison inmate and at the time of his incarceration, he disagreed with the placement of his children with certain family members. The federal officials and agencies named in the suit had nothing to do with child placement decisions, as such matters are and were handled by appropriate local and state officials. Plaintiff had also made a prior challenge involving these same facts and events in a state court action, which gave rise to the defense of res judicata, as the matter had been previously litigated. The USAO successfully argued to the District Court that the matter should be dismissed.

After dismissal, Plaintiff then appealed to the Eighth Circuit Court of Appeals. Soon thereafter, co-appellees (to include the federal officials and agencies) submitted a joint motion to dismiss and the Eighth Circuit dismissed the appeal summarily.

- In this Bivens action filed in District Court, Plaintiff alleged excessive force during his 2015 arrest by the U.S. Marshal's Service – Omaha Metro Area Fugitive Task Force. In 2018, the USAO secured Plaintiff's voluntary dismissal of the Bivens claims against the officers. In 2019, the USAO became involved through requests for testimony under the Touhy regulations, seeking evidence to support Plaintiff's case against the remaining defendants who were non-federal defendants. The testimony was granted by the USAO and the case against the non-federal defendants remains pending.

- In this pro se Bivens litigation in District Court, Plaintiff sued various federal officials, alleging that he was being improperly subjected to non-stop federal law enforcement surveillance, for no legal purpose. His allegations were against the highest office holders and agency officials in the U.S. The USAO filed a motion to dismiss for failure to state a claim, as his allegations were conclusory, unfounded, not credible, and failed to connect the conduct alleged to the named defendants. The District Court agreed. Following dismissal by the District Court, Plaintiff sought an appeal to the Eighth Circuit Court of Appeals challenging dismissal. On appeal, the Eighth Circuit summarily affirmed dismissal by the lower court.

CIVIL ASSET FORFEITURE

United States v. \$31,915 – The USAO obtained a verdict in favor of the United States in a civil asset forfeiture matter after a one-day bench trial. Claimant asserted the money was not properly subject to forfeiture, because it was not substantially connected to drug trafficking. The United States adduced evidence at trial showing claimant had a strange travel pattern; made numerous, false statements to law enforcement; provided inconsistent stories; a K-9 alert; the presence of drug / drug paraphernalia; and a large amount of concealed currency. The United States was allowed to keep the forfeited cash.

CIVIL LITIGATION CASES

DEFENSIVE EMPLOYMENT LITIGATION

Chapman v. United States Air Force – In this District Court action, Plaintiff alleged he suffered discrimination based on his race, retaliation for making claims of discrimination through the EEO process, and that he was subjected to a hostile work environment. The USAO filed a motion for summary judgment, which was granted by the District Court and the case was dismissed. The Court agreed with the government's arguments that Plaintiff failed to timely notify the EEO office within 45 days of the alleged conduct or any acts contributing to the alleged hostile work environment. The Court rejected any equitable tolling or estoppel arguments of the Plaintiff that would have extended the 45-day deadline.

Byer v. Sec'y of the Department of Veterans Affairs – Plaintiff filed a complaint in District Court asserting discrimination on the basis of his age, sex, disability, and for retaliation in making his claims of discrimination through the EEO process. Following the filing of a motion for summary judgment by the USAO, the District Court granted the government's motion and dismissed the case. The Court determined Plaintiff had failed to establish a prima facie case of discrimination or retaliation, and the government had offered legitimate, non-retaliatory reasons for its actions.

Scott v. Barr – In this District Court action, Plaintiff, a former employee in the Omaha Federal Bureau of Investigation (FBI) office, filed a complaint in District Court asserting discrimination on the basis of her sex, race, retaliation in making her claims of discrimination through the EEO process, and she asserted a claim for hostile work environment. Following the filing of a motion for summary judgment by the USAO, the District Court granted the government's motion and dismissed the case. The Court determined Plaintiff had failed to show she faced a hostile work environment at the FBI or that she was otherwise discriminated against on the basis of sex or race. The Court determined that she also failed to raise a genuine dispute as to whether the FBI unlawfully retaliated against her under Title VII of the Civil Right Act of 1964.

DEFENSIVE PROGRAM LITIGATION

Sandahl Farms v. USDA – Plaintiff, Sandahl Farms, a Nebraska general partnership, filed an action seeking judicial review of a final agency determination by the National Appeals Division (NAD) of the United States Department of Agriculture (USDA). NAD upheld a determination by the Farm Service Agency (FSA) that Plaintiff was ineligible for USDA program benefits in 2010 and 2011, because it was not "actively engaged in farming" under 7 C.F.R. § 1400.201 and had adopted a scheme or device to evade USDA Payment regulations. Plaintiff also claimed it was denied due process with respect to the "scheme or device" finding, for which it requested declaratory and injunctive relief to prevent withholding of the USDA program benefits. In 2018, the USAO filed a motion for summary judgment and the District Court granted the motion. The District Court concluded: (1) the final agency decision should be affirmed because (a) it was not arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law, and (b) it was supported by substantial evidence; and (2) Plaintiff's due process claim should be dismissed because it fails as a matter of law. Plaintiff then filed a Notice of Appeal to the Eighth Circuit Court of Appeals. In 2019, while the appeal was pending, the parties negotiated a substantial recovery for the government, whereby the USDA was able to recoup program payments previously made to Sandahl Farms, for which the USDA believed them to be ineligible. The settlement (\$1.47 million paid to the United States) went beyond the program years at issue in the litigation and included a broad settlement based on similar conduct for multiple program years.

Teague v. Ginnie Mae – Ed Teague, II, filed an action in District Court against several commercial lenders who he alleges were involved with his secured real estate loans and who improperly foreclosed on his property. The Government National Mortgage Association ("Ginnie Mae") was also named as a Defendant. On behalf of Ginnie Mae, the USAO filed a motion to dismiss which was granted by the District Court in 2018. The Court found that all claims against Ginnie Mae should be dismissed for lack of subject matter jurisdiction or, alternatively, for failure to state a

CIVIL LITIGATION CASES

claim upon which relief can be granted. In 2019, Teague filed Notice of Appeal to the Eighth Circuit Court of Appeals, which affirmed the lower court ruling in favor of the government.

Koch v. SBA and USDA – Pro se Plaintiff was a small business owner who had received loans for business operations through a private small business lender approved by the Small Business Administration (SBA) and USDA. The private lender assigned its note and security instruments to a third-party entity who then conducted a non-judicial foreclosure of the business properties. Plaintiff filed suit in District Court, seeking a Temporary Restraining Order and/or Injunction to have further collection efforts against him or his business properties ceased. He believed that because either SBA or USDA had provided the original funding for the loan program, that the government was a necessary party. The government had been fully repaid their original loan/grant funds by the private lender and had no involvement with loan servicing or liquidation efforts. The USAO appeared at the hearing to oppose Plaintiff's request for injunctive relief and briefed the issue to the District Court, arguing the Court did not have subject matter jurisdiction over the government agencies named in the suit. The District Court agreed and dismissed the United States. Plaintiff filed his Notice of Appeal and the matter is presently pending on appeal to the Eighth Circuit of Appeals.

COMMERCIAL LITIGATION

Fraudulent Transfer

United States v Stabl, et al – The United States brought this action to recover a 2014 judgment on a debt, pursuant to the Federal Debt Collection Procedures Act. The United States, through the Environmental and Natural Resources Division, and Defendants Leon and Ann Johnson and Stabl, Inc., filed motions for summary judgment that were partially granted by the District Court. In December 2019, the parties participated in a Magistrate Judge settlement conference through which they reached a settlement. Through the settlement, Defendants have agreed to pay the United States a total of \$880,000 in settlement of their debt to the United States.

Affirmative Federal Foreclosures

The USAO pursued several single-family housing foreclosures, primarily on behalf of the USDA, and had its largest monetary recovery in several years. In 2019, the USAO recovered approximately \$432,000 from the affirmative federal foreclosures filed in District Court.

Bankruptcy

United States v. Charles Hanzel, Edward Hanzel and Advanced Ag Services, LLC – This matter was filed by the USAO as a Bankruptcy Adversary proceeding. In 2018, after considerable discovery in the Chapter 12 case of Charles Hanzel, the USAO sought a determination that USDA's debt was non-dischargeable in bankruptcy and sought judgment in the approximate amount of \$145,000. The adversary complaint was filed against Charles Hanzel, his company Advanced Ag Services, LLC, and Edward Hanzel, his father. In 2019, a settlement was reached in which Edward Hanzel agreed to pay USDA \$10,000, and a non-dischargeable judgment was obtained against Charles Hanzel and Advanced Ag Services, LLC, in the amount of \$145,049.53. Charles Hanzel further agreed to reaffirm certain debt with USDA in the amount of \$78,391.

In re: Milton and Robin Widick – In 2019, the USAO successfully defended a debtor's request to have the IRS held in contempt for collection activities taken after the debtor received a discharge in his Chapter 13 case. On behalf of the IRS, we were able to show the Bankruptcy Court the debtor's 2007 and 2008 income tax returns were delinquent filed in March and April of 2010. As this was within the two years before the debtor filed for bankruptcy, the tax would have been non-dischargeable under the Bankruptcy Code. Where the underlying taxes or penalties are non-dischargeable, post-petition interest on same is non-dischargeable as well. While the 2007 and 2008 taxes were paid through the Chapter 13 plan, the interest was not. Additionally, the debtor had trust fund recovery penalties for 2008 and 2010, which were non-dischargeable. While the penalties were paid through the plan, interest was not. Thus, after the discharge was entered, the IRS began collection of the interest and Widick moved to have the IRS held in contempt. Since the interest was not

CIVIL LITIGATION CASES

dischargeable and since it was not paid through the Chapter 13 plan, the IRS was determined to not be in contempt of the collection order.

Sam and Rose Campagna v. IRS – The USAO successfully defended an adversary complaint filed by Sam and Rose Campagna, seeking to hold the IRS in contempt for allegedly violating a discharge order in the Chapter 13 case. The IRS was a priority unsecured creditor for 2005 taxes, among other taxes. The debtor had objected to the proof of claim of the IRS but did not give appropriate notice to the IRS. Thus, the objection was sustained and the debtors' Chapter 13 plan paid the IRS less than what was owed on its priority claim. The priority taxes were non-dischargeable. Therefore, the IRS waited until the bankruptcy case was closed and then began collecting on the 2005 taxes. The USAO was able to show the Bankruptcy Court how amounts paid through the plan, and credits from refunds and stimulus payments from other tax years, were applied to prove the non-dischargeable 2005 taxes remained outstanding. Because the taxes were non-dischargeable, the IRS prevailed on a summary judgment motion.

United States v. Mark Ackerman – Regarding the Mark Ackerman criminal case, the USAO filed a motion for relief from stay in his post-conviction bankruptcy case to be able to continue to pursue asset forfeiture and collection of restitution. We were then able to work with MLARS and the asset forfeiture unit to get restoration of forfeited assets to be applied to restitution. The amount ultimately applied to the restitution from the forfeited funds was \$277,630.

USAO FINANCIAL LITIGATION UNIT (FLU)

The USAO FLU had a successful collection year making recoveries on criminal restitution, civil judgments, and pre-litigation settlements. In 2019, through the use of various collection tools, the FLU collected more than \$5.1 million.

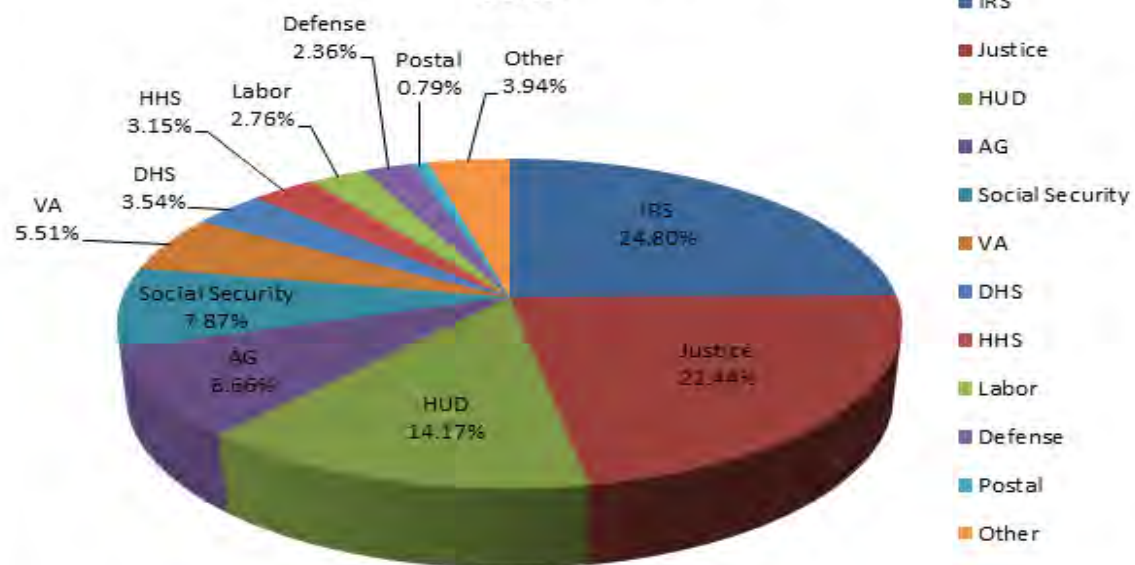
CIVIL IMMIGRATION LITIGATION

Vega v. Acting Secretary McAleenan, et al. – Plaintiff Vega, a Special Immigrant Juvenile from Mexico, brought a habeas action against various agencies in the Department of Homeland Security. Plaintiff alleged Immigration and Customs Enforcement (ICE) improperly determined he was

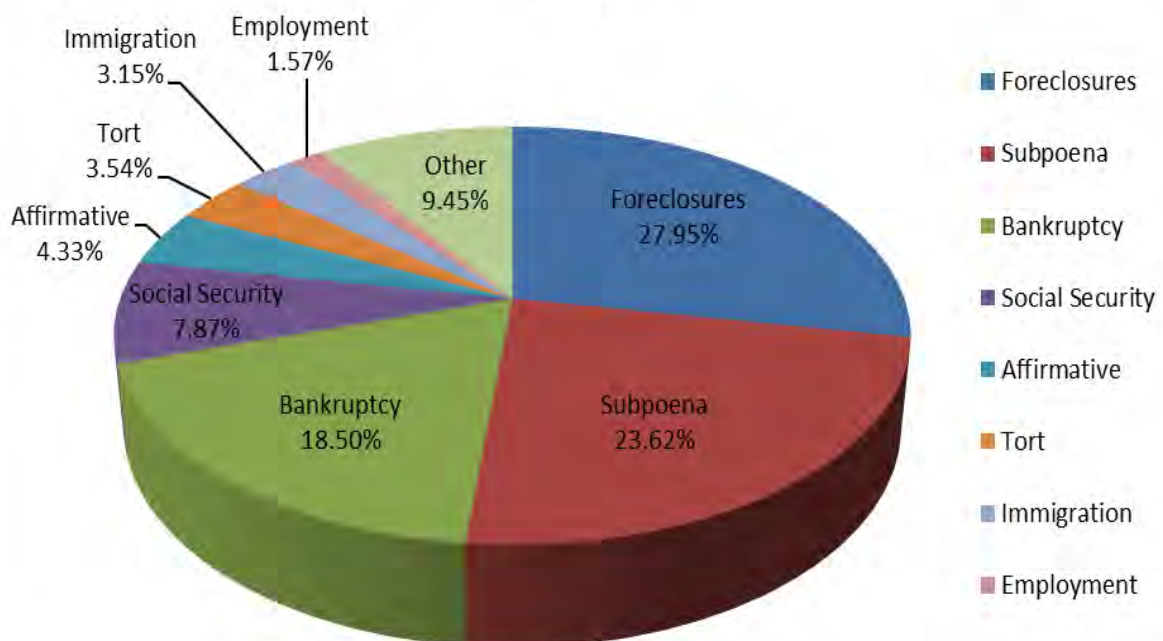
subject to mandatory detention after Plaintiff was arrested on state charges relating to a cockfight in Cass County. Plaintiff alleged U.S. Citizenship and Immigration Services (USCIS) unreasonably delayed and interfered with his efforts to obtain an adjudication of his application for adjustment of status. Plaintiff moved to voluntarily dismiss the case after USCIS issued a final decision on the Plaintiff's application, and the Board of Immigration Appeals denied an appeal by Plaintiff of the Immigration Judge's decisions.

CIVIL DIVISION

Civil Cases Closed by Agency 2019



Civil Cases Closed by Cause of Action 2019



LAW ENFORCEMENT COORDINATION AND COMMUNITY OUTREACH

The USAO Law Enforcement and Community Coordination (LECC) and Victim's Unit facilitate a number of programs designed to support and coordinate the objectives of the criminal justice system at various levels; provides services to victims of federal crime; conducts training; and apprises the community at large about issues related to the criminal justice system. In 2019, the Unit continued its work to maintain strong collaborative partnerships with federal, state, tribal, and local law enforcement agencies to maintain the effectiveness of law enforcement in the District. The Law Enforcement Coordination/Victim Services Unit is headed up by Joe Jeanette. Jose Palacios leads the day-to-day activities of victim services.

The LECC works with the Nebraska Sheriff's Association, the Police Officers' Association of Nebraska, the Police Chiefs' Association of Nebraska, Nebraska Coalition for Victims of Crime and the Nebraska County Attorneys Association to develop and present training on subjects related to criminal justice and victim assistance. A three-day LECC criminal justice conference hosted by the USAO and the Nebraska County Attorneys Association is held in Kearney each year. Awards recognizing accomplishments in law enforcement are presented at the 2019 conference. They are described starting on page 36 of this report.

Training sessions and conferences are held across the state at various venues. The training sessions hosted by the USAO in 2019 focused on a number of topics:

- ◆ Speaking of Children Annual Conference
- ◆ Victim Services Training and Academy
- ◆ Crime Victim Issues in Indian Country
- ◆ Regional Human Trafficking Trainings
- ◆ Crime Victim's Rights Week Training

In April 2019, the USAO continued its partnership with Project Harmony and Children's Hospital & Medical Center to host the annual Speaking of Children Conference and luncheon. This conference provides training on the most current issues regarding crimes against children; specifically child sexual/physical abuse, online enticement, and child pornography. The conference features national and local experts in these fields, and is an excellent opportunity for various disciplines to build partnerships with local, state and federal agencies to benefit child victims, and contribute to a more effective investigation and prosecution of the offenders.

This annual conference is designed to address the needs of law enforcement, prosecutors, victim service providers, social workers, probation/parole/correctional officers, judges, child advocates, therapists, educators and health care providers. The conference addresses the priority initiatives of the Department of Justice, through Project Safe Childhood.

One of the most successful initiatives in Omaha in regard to gun violence is Omaha 360, a collaborative effort under the Umbrella of Omaha's Empowerment Network. The Omaha Police Department gang units and precinct captains attend these weekly meetings with members of the community, government officials and non-profit organizations to focus on the timeline of gun violence and discuss on-going prevention efforts to address the gun violence.

The meetings are also attended by the Law Enforcement Coordinator. The meetings feature shooting timeline reports, scheduling of prayer walks for homicide victims, mentoring efforts and reports of reward money paid out each week for gun assault/homicides from Omaha Crime Stoppers.

LAW ENFORCEMENT COORDINATION AND VICTIM SERVICES

The Victim Assistance Unit is an integral part of the LECC Unit, and provides victim advocacy services for federal prosecutions in the District. The Victim Assistance Unit, funded by the Office for Victims of Crime, works with victims of federal crime from the time of the occurrence of the crime through the completion of the prosecution. The Victim Notification System (VNS) notifies victims of the status of investigations, as well as developments in cases accepted for prosecution.

VNS provided 16,938 notices to victims of federal crime in Nebraska. There were 132 new victim cases involving 1,055 new victims of federal crime identified and entered into the system during 2019. There are currently 233 active victim cases providing notice and services to 2,139 victims.

Services include information and assistance with travel and lodging related to court appearances, courtroom support, and referrals to other agencies for counseling, shelter, and other assistance. The Victim Assistance Unit provides oversight and coordination to the Multi-disciplinary Child Abuse Investigation Teams located on the three Tribal Reservations.

The Crime Victims' Rights Conference was held in August, 2019, the Victim Assistance Unit, along with the Nebraska Alliance of Child Advocacy Centers and the Nebraska Coalition for the Victims of Crime, held the 15th Annual Crime Victims' Rights Conference. This conference provides training for victim service providers, mental health professionals, law enforcement and corrections personnel on coordinating and enhancing services to victims. The theme for the 2019 CVRW Conference was "Honoring Our Past. Creating Hope for the Future." The conference agenda featured a victim of sexual abuse, Alicia Kozakiewicz, who spoke on her abduction, recovery and the survivors perspective. A presentation by Cheryl Turner, MA, LIMHP, LPC discussed moving from trauma informed to trauma capable care. Victim Advocate, Jane Straub from the Zero Abuse Project, spoke on post-trial advocacy to victim empowerment.

The United States Attorney's Office, in partnership with Creighton University and University of Nebraska, Kearney, held the 6th Nebraska Victim Assistance Academy (NEVAA). Creighton University has ownership of NEVAA which will keep the academy moving forward as a standard course of education. This gives Nebraska a comprehensive, foundation level victim assistance course of study with a focus on victimology, victims' rights, and victim services that reflect the laws and practices of the state, specifically for Nebraska. NEVAA is available to victim service providers, prosecutors, educators, clergy and all allied professionals who routinely assist crime victims.

Office for Victims of Crime

OVC

2019 LECC AWARDS

The three-day LECC criminal justice conference hosted by the USAO and the Nebraska County Attorneys Association features an awards banquet recognizing accomplishments by those in the criminal justice system who have initiated or participated in cases, or developed programs that had a substantial impact in their community. The nominees may also be individuals who have made a major contribution to the sponsorship, development, or maintenance of cooperation between agencies.

Jeff Howard, Special Agent, FBI

Special Agent Jeff Howard is assigned to the FBI's Sioux City, IA field office and works Indian Country cases in Nebraska. The U.S. Attorney's Office has jurisdiction to prosecute major crimes that occur within the boundaries of the Winnebago, Omaha, and Santee Sioux Indian Reservations. Agent Howard works tirelessly on the three Indian Reservations to investigate those major crimes.

Approximately 75% of the crimes the FBI investigates in Indian Country fall under the following priorities: death investigations, physical abuse of a child, sexual abuse of a child, violent felony assaults and sexual assault. Statistically, Native American women are the victims of violent crime at a rate of 50% higher than other populations. These statistics reflect the nature of every crime Agent Howard is called to investigate.

He understands how poverty, substance abuse and family violence impacts people's lives. Even people who he has investigated have turned to him when they needed help. He treats people with dignity and respect and in turn he is respected.

He collaborates from the beginning with local law enforcement, witnesses and with the United States Attorney's Office. If he is given a 'to do' list by an Assistant United States Attorney, he will knock it out without complaint or delay. He is dedicated to his work, organized, and knows when and how to plan for things.

Another tremendous accolade worthy to mention, if we are in a jam with a witness not being able to get to court, he will personally go far out of his way to pick them up. Not just when it's convenient, but even when it means he has to travel a couple hundred miles out of his way. It is not uncommon for him to drive from his home in Sioux City to the location where the witness is, drive them to Omaha for court take them home and return to trial the next morning.

One personal thing about Jeff—he also picks up stray cats and dogs and either rescues them himself or takes them to a rescue. If you ride along with him, you will see him get in the back of his vehicle and bring out a box of dog treats.

2019 LECC AWARDS

Trooper Courtney Horak

Trooper Courtney Horak was honored for her outstanding contributions in initiating several community outreach programs allowing the public to interact positively with law enforcement.

Leveraging social media to highlight her work, Trooper Horak has enhanced the way the Nebraska State Patrol interacts with stakeholders. Trooper Horak has developed a partnership with the local animal shelter in Scottsbluff, Nebraska. As part of this social media outreach, Trooper Horak introduces an animal of the week from the shelter on numerous social media platforms including Twitter, Facebook and SnapChat. This partnership has created the opportunity to help out animals and the local shelter - while involving the public.

Trooper Horak uses the social media apps to post about daily enforcement. This allows the public to interact by commenting as well as conversing with Troopers. Trooper Horak participates in driver safety programs for teens. She creates a fun environment for the participants while still educating them on the responsibility and the gravity of driving. She can be found presenting safety programs over the course of every year during a variety of community events.

Trooper Horak travels to recruitment fairs regularly to invite others to become a Trooper themselves. This includes traveling to different venues in and out of state. She is effective in carrying the message of NSP and is credited with gaining the interest of several applicants, to include many women who aspire to serve in Law Enforcement.

She creates a balance within her career that allows her to enforce public safety while maintaining a positive relationship with the citizens of Nebraska. The Nebraska State Patrol's social media platform continues to grow. This welcomes more people to stay involved whether it is keeping up on road conditions, arrests, accidents or local events.



2019 LECC AWARDS

Boyztown Drug Investigation

Special Agent Frank Feden - Drug Enforcement Administration
Special Agent Brent Fisher - Drug Enforcement Administration
Kevin Jimerson - Drug Enforcement Administration
Sergeant Mark Shiller, Sarpy County Sheriff's Office
Theresa Ogorzaly - Douglas County Sheriff's Office
Robert Branch - Omaha Police Department
Mike Mittan - Iowa Division of Narcotics Enforcement
AUSA Matt Lierman - United States Attorney's Office
Becky Lesser - United States Attorney's Office
AUSA John Higgins – United States Attorney's Office

Beginning in August 2015, agents from the DEA's Omaha field office began an investigation into a methamphetamine trafficking organization based out of Omaha with ties to Iowa, Minnesota and Arizona. What began as a small investigation using a single confidential informant culminated in a multi-agency effort that netted 11 co-defendants, shut down several money laundering funnel accounts and the flow of hundreds of pounds of meth into the Omaha area.

Jorge Sainz-Navarrete, a Mexican National and Arizona resident with ties to Mexican meth producers, began a meth distribution operation in the Omaha metro area. Navarrete had confederates drive or tow vehicles containing meth from Arizona to Omaha – each vehicle loaded with 8-12 pounds quantities. The cars were taken to a local distributor's house, unloaded, the meth distributed, and the vehicle sent back to Arizona, reloaded, and then sent back to Omaha. This continued from late 2015 until August 2016.

Several different law enforcement agencies had investigations that targeted different parts of the same organization. DEA coordinated its efforts with those ongoing investigations being conducted by the Omaha Police Department, Sarpy County Sheriff's Office, Douglas County Sheriff's Office and the Iowa Division of Narcotics Enforcement. Investigators conducted numerous controlled buys, initiated a Title III wire interception and used GPS trackers, cell phone location warrants and countless PEN registers.

Using information gained from the drug investigation, a financial investigator attached to DEA Omaha began tracking the movement of monies from the organization's drug proceeds. Analysis of bank records from just one funnel account showed cash deposits of more than \$125,000 in a 12-month period.

The investigation continued for more than a year. It ended in August 2016 when officers on routine patrol stopped a vehicle occupied by two of Navarrete's distributors – effectively his number 2 and 3 persons in Omaha. Within the vehicle officers recovered a firearm, more than \$10,000 in U.S. currency, meth, cocaine, drug ledgers and financial receipts. DEA and their partner agencies were forced to quickly secure search warrants and arrest warrants in order to gather up defendants and evidence. The searches netted approximately 8 pounds of meth, 3 firearms, cocaine, drug ledgers, financial receipts and currency.

2019 LECC AWARDS

Boyztown Drug Investigation

Eleven persons were indicted on drug trafficking and money laundering. All but one defendant was found guilty. Following a two-week jury trial, Navarrete, the organization's leader, was found guilty of all charges, which included conspiracies to distribute drugs and to launder money. He was sentenced to life imprisonment.

This investigation is a model of interagency cooperation. Investigators had to coordinate competing CIs and overlapping targets. They had to set aside agency competition and focus on the common goal of dismantling the entire organization. Doing so stopped substantial quantities of meth from flowing into the community and held accountable both those trafficking the drugs and those laundering the proceeds. The success of this case was further demonstrated by the incredible coordination and prosecution by AUSA's Lierman and Drug Chief AUSA John Higgins.



2019 LECC AWARDS

Fremont Police Detectives Matt Hultquist and Aaron Howe

On Wednesday evening, February 22, 2017 at approximately 9:30PM, an armed robbery was reported at the Tienda Mexicana Guerrero grocery store located at 350 North D Street in Fremont. Two masked men, one carrying an automatic rifle, entered the store and took approximately \$26,000 cash and a handgun. They fled the store and got into a Chevrolet Silverado pickup which was waiting outside, driven by a third suspect.

The pickup was found minutes later, abandoned, just a few blocks from the scene of the robbery. The driver's side door had been forcibly entered and the steering column was broken. Witnesses said three men exited the vehicle and got into a second vehicle and drove away. The owner of the pickup was called and it was confirmed the pickup was stolen.

Fremont Police Detectives Matt Hultquist and Aaron Howe assumed command of the investigation. They learned that earlier in the day on February 22, 2017 a Chevrolet Tahoe had been reported stolen from the parking lot of the Fremont High School. They viewed surveillance footage of the parking lot and saw that a car, driven by an unknown suspect, was driven into the parking lot and stopped by the Tahoe. Two men, wearing clothes similar to those worn by the robbers, got out of the car and appeared to forcibly enter the Tahoe. Soon after, the Tahoe was driven away with the third person in the car following.

On the morning of Thursday, February 23, 2017, the stolen Tahoe was found, abandoned, on a country road outside of Fremont. While inspecting the car, Detectives Hultquist and Howe realized it had been forcibly entered in much the same manner as the Silverado pickup used in the robbery and the steering column of the Tahoe was damaged in much the same manner as well. They suspected the two crimes were related.

Detectives Hultquist and Howe contacted the owner who said that her daughter, Andrea Samaniego-Contreras, usually drove the car. She was questioned and admitted taking the men to the Tahoe but denied she knew who they were. Her story changed during her interview and she was charged with Conspiracy to Commit Theft and Aiding and Abetting a Felony. During their investigation, Detectives Hultquist and Howe received information about three men who had recently arrived in Fremont from California. The men had apparently bragged about robbing Mexican grocery stores in California and that they had intentions of committing similar crimes in and around Fremont.

With the assistance of a group of concerned citizens, the three men were ultimately identified as Homer Palomino Ontiveros, Javier Beltran Alonzo, and Ulises Medina. Detectives Hultquist and Howe learned that Ontiveros had a criminal past in California, including crimes committed with guns. Alonzo was a known associate of Ontiveros and had been arrested with Ontiveros during the commission of crimes in California. Detectives Hultquist and Howe contacted investigators in Tulare County, California, who were investigating similar robberies there. Because the robberies in Fremont and Tulare County were so similar in how they were conducted, investigators in Tulare County began to suspect the same men were responsible for the robberies they were investigating.

At one point a witness came forward alleging to have witnessed Ontiveros and Alonzo steal the Tahoe from the Fremont High School parking lot on the morning of February 22, 2017. The witness was also able to provide Detectives Hultquist and Howe with a photograph of Medina wearing a baseball cap similar to the one recovered by the Silverado pickup on the night of the robbery.

2019 LECC AWARDS

Detectives Hultquist and Howe were able to name Beltran Alonzo and Ontiveros as the robbers and Medina as the getaway driver. Arrest warrants were obtained for several felony charges, including Robbery and Use of a Deadly Weapon for the arrests of Beltran Alonzo and Ontiveros. An arrest warrant was issued for the arrest of Medina for felony offenses, including Possession of Stolen Property, Aiding consummation of Felony and three counts of being an Accessory to a Felony.

It was later learned that the three men returned to California where they committed at least three more armed robberies. The local Sheriff's Department and FBI offices investigating the robberies relied on Detectives Hultquist and Howe's reports from the Fremont robbery to help them identify Beltran Alonzo and Medina and to establish the similarities in the robberies there and in Fremont. On February 25, 2019 Beltran Alonzo and Medina were federally indicted. Beltran Alonzo was sentenced to 23 years in prison and Medina was sentenced to 15 years. Ontiveros was arrested for attempted murder in the failed robbery of an armored truck and is still incarcerated. It is believed that all three men conspired with others to commit almost 15 robberies in 12 months in Tulare County, California.

This investigation was part of a multi-state collaboration including the Federal Bureau Investigation, Tulare County, CA Sheriff's Office and the Dodge County, NE Sheriff's office.



2018 LECC AWARDS

Douglas County Deputy Chad Miller

Throughout 2017 /18, a task force in the metro Omaha area was assembled to target a human trafficking ring in Omaha that was connected to other cities in the United States including Bakersfield, California; Los Angeles, California; Salt Lake City, Utah; Orlando, Florida; Lafayette, Louisiana; St. Louis, Missouri; and Kansas City, Missouri. This task force worked from an investigative model that was developed primarily by Douglas County Deputy Chad Miller.

The investigation identified numerous suspects, victims and clients involved in this lucrative large-scale trafficking ring that operated from what appeared to be legal massage parlors and hotels in the Omaha area. They have cooperated with other national trafficking investigations resulting in the dismantling and asset seizure of other organized crime groups profiting from prostitution.

- ◆ Homeland Security
- ◆ Douglas County Sheriff's Office
- ◆ Lancaster County Sheriff's Office
- ◆ United States Post Office
- ◆ Nebraska State Patrol

The Omaha Model for investigating Sex Trafficking uses a Task Force mentality building on the strengths, training and experience of individual members from multiple law enforcement agencies. Multiple undercover operations provide the probable cause for future search warrants. The undercover is not revealed as law enforcement and arrests are not made during the individual undercover operations. The investigation follows the money through the criminal organization. The primary operators are identified through subpoenas to financial organizations and the IP addresses used to place ads for commercial sex. The ultimate goal is to dismantle the organization, arrest the primary operators and seize assets gained from Sex Trafficking.

At the conclusion of "Operation Extended Stay" law enforcement officers and federal agents arrested numerous suspects and seized approximately \$1.4 million in suspected human trafficking profits and nearly \$3 million in property. There were a total of 13 arrests. In addition to the asset seizure and dismantling this particular organization, the value was the cooperation of the high value targets.

The "Omaha Model" was used again recently during another large scale investigation in the U.S. and Canada which resulted in the dismantling of another prominent human trafficking ring. Without Deputy Miller's dedication and hard work, much of the success would not have been possible.

2019 LECC AWARDS



Deputy Chad Miller pictured above with U.S. Attorney Joe Kelly

2019 LECC AWARDS

AUSA Lesley Woods – United States Attorney’s Office
Special Agent Montie Czaplewski – Federal Bureau of Investigation
Deputy Robert Thornton – Furnas County Sheriff’s Office
Sheriff Kurt Kapperman – Furnas County Sheriff’s Office
Deputy Shawn Rupp – Harlan County Sheriff’s Office

Taylor Michael Wilson, 26, of St. Charles, Missouri, boarded an Amtrak train in California on October 19, 2017. He remained on the train as it traveled into Nebraska. In Furnas County, Nebraska, Wilson, armed with a handgun, broke into the engine compartment of the train. He cut the lights to the passenger compartment and disabled the train. Some passengers panicked and attempted to escape through the windows.

Train conductors subdued Wilson. During the struggle, Wilson declared that he was the conductor. He stated that he was “trying to save the train from black people.” Wilson was restrained until law enforcement arrived, confiscated his gun and took him into custody. The Furnas and Harlan County Sheriff’s authorities arrived, secured the scene and took Wilson into custody. FBI SA Czaplewski began his investigation because of the federal jurisdiction of the train and coordinated the investigation. Wilson claimed membership in the Nationalist Socialist Movement. A search of his residence in Missouri recovered the unregistered short barrel rifle, a copy of Mein Kampf, and a play Wilson wrote about taking over America.

Wilson was sentenced in federal court to 168 months, for violence against a transportation system and possession of an unregistered short barrel rifle. Wilson was further ordered to make restitution to Amtrak in the amount of \$9,350. At sentencing the government produced evidence that Wilson participated in the riots at Charlottesville, Virginia. At sentencing, AUSA Woods secured a hate crime enhancement, in part, by showing a “Frontline” excerpt of Wilson assaulting a protestor in Charlottesville earlier in the year. In a first of its kind prosecution in Nebraska, AUSA Woods, through her diligence and hard work, made it clear that hate crimes will not be tolerated.

When imposing sentence, Chief United States District Judge John M. Gerrard stated about the day that Wilson disabled the Amtrak train, “On that day, October 21, 2017, you were a gun-toting, angry...white supremacist.” and that “Fortunately for others, you were caught while committing this particularly senseless and violent act.” He also commended the Federal Bureau of Investigation, the Furnas and Harlan County Sheriff’s Offices and Assistant United States Attorney Lesley Woods for their diligence in this case.

2019 LECC AWARDS



Pictured L-R, Deputy Shawn Rupp – Harlan County Sheriff's Office, AUSA Lesley Woods – United States Attorney's Office, U.S. Attorney Joe Kelly, Sheriff Kurt Kapperman – Furnas County Sheriff's Office, and Special Agent Montie Czaplewski – Federal Bureau of Investigation

2019 LECC AWARDS

Buffalo County Attorney Shawn Eatherton

Buffalo County Attorney Shawn Eatherton has been named Prosecutor of the Year by the Nebraska County Attorney's Association and the U.S. Attorney's Office. Sean Eatherton received the award, given by the Law Enforcement Coordinating Committee and the county attorney's association annually, at the annual LECC Criminal Justice Conference in May.

The prosecutor is nominated by the board of directors or a member of the association based on their contributions to the association and service to the profession.

Sean Eatherton has served as Buffalo County Attorney for 16 years, and was re-elected for a fourth term in November.



2019 LECC AWARDS

Travis Ocken - Drug Enforcement Administration
Jarrett Swearingen - Drug Enforcement Administration
Martin J. Conboy, III – United States Attorney's Office

Operation Speculation

In February 2017, 18 pounds of meth was interdicted in Utah. The driver of the vehicle cooperated and told the original investigators that the meth was destined for Lincoln, Nebraska. A controlled delivery was attempted; however, the meth was never picked up, and the investigation lost steam with very few leads.

DEA Agents Ocken and Swearingen took over the investigation in approximately June 2017, and what followed were more than 3 dozen warrants including phone location warrants, vehicle tracker warrants, PEN registers, pole cameras, and grand jury subpoenas. The investigation spanned multiple Nebraska jurisdictions from Lincoln to Norfolk, and California.

In the end, Agents Ocken and Swearingen were able to identify at least 9 primary targets involved in the conspiracy, and another 7 that were distributing part of the imported meth. Despite never seeing any meth since the original 18 pounds were seized, the investigation was so solid that multiple search warrants were authorized, and during the various takedowns more than 40 pounds of meth and more than \$100,000 were seized. Ultimately, all 16 targets were indicted. One key to the success of this investigation was the ability for Agents Ocken and Swearingen to bring in and coordinate with multiple law enforcement agencies, including the Lincoln/Lancaster County Narcotics Task Force and the Nebraska State Patrol. This investigation received great orchestration and prosecution by Assistant United States Attorney Marty Conboy.

Agent Ocken and Swearingen are also currently involved in Operation Dog Pound, which is an ongoing multi-state meth investigation. Dog Pound so far has had more than 4 dozen warrants, 3 oral and electronic wire intercepts, more than 3 dozen grand jury subpoenas, multiple pole cams, and countless hours of surveillance that has resulted in more than \$55,000, 9 firearms, and 20 pounds of meth being seized, with 10 conspirators being indicted.



2019 LECC AWARDS

OPD Detective Kim Woolery - SSTF Task Force
OPD Detective Patrick Dempsey
OPD Detective Adam Kruse
OPD Sergeant Aaron Hanson
OPD Detective Dustin Morris
Douglas County Deputy Attorney Jeff Lux
Douglas County Deputy Attorney Mike Jensen

Operation Urgent Safety

In May 2016, Omaha Police Department (OPD) officers responded to a shooting which resulted in the death of a 22-year-old male victim. The victim was shot multiple times during an altercation with two men who were later identified as Bloods gang members. It was determined the victim was a rival gang member and the murder was the result of a turf war. The two suspects were charged with First Degree Murder and held at Douglas County Corrections.

While housed at Douglas County Corrections, one of the suspects began to call several associates regarding the lone State of Nebraska witness, a relative of the victim who was present during the events that led to the victim's death. The suspect indicated during calls that if the witness could not be intimidated into not cooperating with authorities, then the witness should be killed. Specifically and beginning in November 2016, the suspect contacted several individuals with whom he conspired to carry out his plans against the witness.

While reviewing recorded jail phone calls made by the subject, law enforcement determined the subject relayed coded information to associates to include the name of witness, the location of the witness's residence, and the vehicle the witness was known to drive. During recorded jail calls, the subject also made statements to associates which made clear his intentions to have the witness killed or scared off from testifying at trial. Based on the training, experience, and knowledge of law enforcement assigned to this investigation, they had become familiar with the coded language used by the subject and his associates in reference to the killing or intimidation of the witness.

In November 2017, through information provided by the witness and information from recorded jail calls, members of the FBI's Greater Omaha Safe Streets Task Force, members of OPD's Gang Suppression B-Shift, and prosecutors from the Douglas County Attorney's Office obtained authority for the Title III interception for wire and electronic communications of three telephones.

Using the information from the intercepted communications, officers determined the subject's associates were out actively looking for the witness, OPD Gang Suppression Units conducted a traffic stop of a car occupied by documented Bloods gang members. One individual was arrested and a revolver was recovered thereby preventing an act of violence against the witness.

In January 2017, law enforcement obtained the cooperation of a defendant. Through interviews with the cooperating defendant, the cooperating defendant verified it was the intent of the subject and his associates to scare the witness into refusing to testify or, if unsuccessful, kill the witness. The cooperating defendant indicated he/she had conversations with other associates, at their request and at the request of the subject, to relay information between them necessary to intimidate the witness into refusing to testify or to kill the witness.

2019 LECC AWARDS

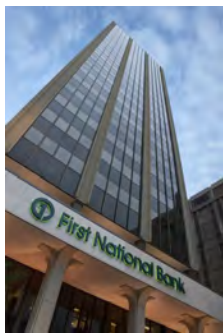
With the evidence obtained from witness interviews, Title III intercepts, the traffic stop, and interviews of the cooperating defendant, five individuals were charged by the Douglas County Prosecutor's Office in relationship to their shared agreement to commit the murder of the State of Nebraska witness. All five subjects pleaded guilty to their roles in the plot and three have been sentenced from two to up to 20 years in prison. The cooperating defendant will be sentenced pending the sentencing of the primary subject who committed the murder and attempted to arrange the intimidation or murder of the witness. The primary subject pleaded guilty in April 2019 and faces up to 70 years in prison.

These individuals honored were key to this investigation and they represent a much larger group assigned to the Safe Street's Task Force who also worked on this investigation.





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United States Attorney's Office Core Values

Equal Justice Under the Law

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Commitment to Excellence

Respect for the Worth and
Dignity of Each Human Being



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WEBSITES OF INTEREST

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

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

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

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

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

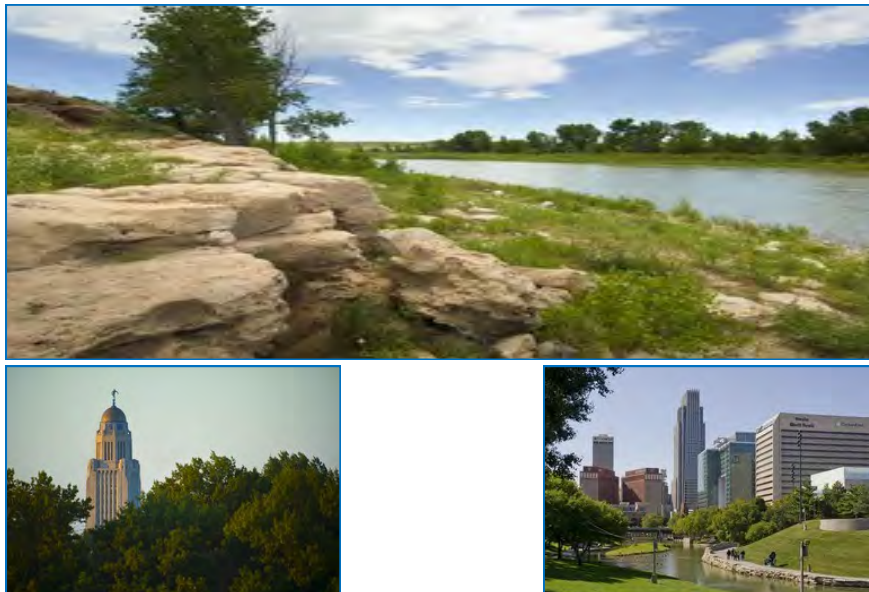
Bureau of Alcohol, Tobacco, and Firearms and Explosives:
<https://www.atf.gov/kansas-city-field-division/nebraska-field-offices>

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

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

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

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



Photos courtesy of The Nebraska Tourism

