

U.S. Drug Agents Had Sex Parties Funded by Drug Cartels

By Reuters, March 26, 2015

WASHINGTON – U.S. Drug Enforcement Administration agents had alleged “sex parties” with prostitutes over several years, said a report published on Thursday and stemming from a review of allegations of misconduct by several DEA agents in Colombia.

The alleged parties were funded by local drug cartels, said the report by the Justice Department’s Office of the Inspector General, an agency internal watchdog.

Among the DEA allegations, 10 agents - an assistant regional director and nine special agents - had the alleged sex parties “at government-leased headquarters,” and three of the special agents “were provided money, expensive gifts, and weapons from drug cartel members,” according to the report.

After investigation, seven of the agents admitted attending the parties, and were suspended for between two and 10 days.

The DEA declined to comment.

The report cited “repeated allegations of DEA Special Agents ... patronizing prostitutes and frequenting a brothel while in an overseas posting.”

It came in the wake of a prostitution scandal involving Secret Service agents in Cartagena, Colombia, in 2012 that damaged the agency’s straitlaced reputation.

Inspectors also criticized the FBI and DEA for initially refusing to provide unredacted information requested, and then providing information that was “still incomplete.”

Feds Gone Wild

By the Editorial Board of The New York Times, March 27, 2015

It certainly holds promise as a plot for a B-list thriller: Drug Enforcement Administration

agents stationed in Colombia regularly cavort with prostitutes at parties paid for by local drug cartels. In a few instances, cash and expensive gifts appear to change hands. A local officer is kind enough to keep an eye on the agents’ guns and property while the agents are busy with the girls.

It sounds like fiction, but in fact, this is all documented in a new Department of Justice inspector general report, which found systemic failures in how cases of misconduct by American law enforcement agents abroad were reported and investigated. In the sex parties case, agents who admitted attending the events received suspensions that ranged from just two to 10 days.

The review, which focused on investigations of sexual misconduct by American law enforcement officers between 2009 and 2012, found that in some cases supervisors chose to handle the allegations without reporting them to headquarters or fully assessing the security risks.

Such behavior makes federal agents vulnerable to extortion and blackmail. It also has the potential to imperil criminal prosecutions that the agents help build because the documented misdeeds can easily be used to challenge the agents’ integrity and credibility.

In some instances, cases of misconduct came to light only when the State Department brought them to the attention of officials in Washington. In May 2010, for example, officials at the drug agency’s headquarters learned that the assistant to a senior agent posted abroad had complained that the agent had invited the assistant to watch pornographic movies and routinely threw items around the office. When a second employee complained about the agent’s behavior to the top agency official in the undisclosed country, that staff member was advised to avoid the agent, according to the report.

The reluctance by the F.B.I. and the D.E.A. to turn over embarrassing files and the lax punishment some of the offending officers received suggest there is little commitment to getting to the root of the problem.

As long as there is a sense of impunity

in some corners of the federal work force abroad, it will very likely continue to be tempting for some agents to believe that they can operate under boys-will-be-boys rules.

Commentary: Boys-will-be-boys and that’s what this incident reveals. They are not grown men, holier-than-thou types sacrificing fame and fortune to fight this “war on drugs.” They’re kids. It’s why I am amused when big time drug dealers “flirt” with these guys. Treat them with respect, but don’t grovel. They’re just kids.

And for g-d’s sake, boys, can’t you get your own girls?

– David Zapp

[Michele Leonhart resigned as head of the Drug Enforcement Administration, on april 21, 2015.]

Steep Costs of Inmate Phone Calls Are Under Scrutiny

By Timothy Williams, Mar 30, 2015 NYTimes

Since the Pennsylvania police arrested Anthony Kofalt last March for walking out of a Walmart with 21 boxes of Crest White Strips he had not paid for, his wife, Heather, has spent \$3,000 — about \$60 a week — on phone calls to the prisons and jails where he has been held.

The cost of a 15-minute call is \$12.95, although Mr. Kofalt is in a prison only a few hours’ drive from his wife’s home in Franklin, Pa. The cost for a similar non-prison call would be about 60 cents. And every time Ms. Kofalt deposits \$25 into the prison phone account, the private company that runs the system charges her \$6.95.

Until the 1990s, inmates could place and receive calls to lawyers and family members at rates similar to those outside prison walls. But the prison phone system is now a \$1.2 billion-a-year industry dominated by a few private companies that manage phones in prisons and jails in all 50 states, setting rates and fees far in excess of those established by regular commercial providers. The business is so considerable—that it has caught the eye of private equity firms. Now, after years of complaints from prison-rights groups and families of the

incarcerated, the Federal Communications Commission is investigating the financial intricacies of the industry, which has been largely unregulated.

At the core of the inquiry are the hundreds of millions of dollars in concession fees, known as commissions, paid by the phone companies to state and local prison systems in exchange for exclusive contracts. The fees help drive phone charges as high as \$1.22 per minute, and the leading companies say they need to charge at least 20 cents per minute, compared with typical commercial rates of about 4 cents a minute.

The agency is expected to rule this year on whether to ban the concession fees and limit the costs of prison phone calls.

An analysis released in 2013 by the F.C.C. said the fees “have caused inmates and their friends and families to **subsidize** everything from inmate welfare to salaries and benefits, states’ general revenue funds and personnel training.” (emphasis supplied)

It added, “The companies compete not based on price or service quality, but on the size of the commission.”

The possibility of eliminating the fees has met fierce opposition from prisons and jails, sheriff’s departments and local officials.

Global Tel-Link, which controls 50 percent of the market for correctional institutions, was sold for \$1 billion. Securus, which has about 20 percent of the market, was most recently sold in 2013 for \$640 million.

“They are profiting off of people in vulnerable situations,” said Kasie Campbell, who said she lives paycheck to paycheck and spends \$150 a month on phone calls to her husband, Allen, in a Texas prison for robbery. “The cost determines when I can talk to my husband and when my son can read a book to him.”

Ms. Campbell, 33, said Securus’s fees for its prison phone service included a charge of \$2.49 for processing her bill and \$5 if she wants to pay it over the phone. Securus, according to company documents, imposes dozens of fees for calls and basic services, including establishing, maintaining and closing an account. The fees make up an estimated 40 percent of the average prison phone bill.

In its first foray into regulating the industry, the F.C.C in February 2014 capped the cost of interstate calls to and from prisons at 25 cents. Phone companies responded by increasing fees on calls made to and from prisons **in the same state**, which account for about 90 percent of prison and jail calls.

Global Tel-Link and Securus say any rate cap below about 20 cents a minute would cut too deeply into their operating margins. But prisoner advocates say a cap of about 7 cents a minute would allow phone companies to make a profit while providing inmates more opportunities to speak to their families.

The significance of the fees paid to win a contract was illustrated recently in a solicitation by the Arizona Department of Corrections for a new five-year phone contract. The department’s bidding system awarded 1,250 points to the company that proposed paying the highest concession fee. All other factors, including technical requirements, were worth only a combined 300 points.

Joymara Coleman, a 25-year-old California college student, met her father for the first time last summer at the Louisiana penitentiary. She said the cost of phone calls meant that she had talked to him only twice since her visit.

[S]he said [she] had two brothers also serving time in prison. “I’m the first in my family to go to college,” Ms. Coleman said. “I don’t have the money. I’m just trying to keep the family together.”

Commentary: Disgusting. If there is indeed divine retribution for the sin of avarice then these investors are going to get their due. This is a variation of what was happening in Ferguson. They are not ticketing poor people to supplement the government coffers as in Ferguson. They are raising telephone rates to make up for the kickbacks they gave the government for letting them have the exclusive right to gouge the poor.

— David Zapp

The United States Attorney’s Wall St. Task Force Has a Shifting Roster of Lawyers

By Ben Protess and Matthew Goldstein,
Feb. 16, 2015, NYTimes

The prosecutors — once members of an elite Wall Street task force at the United States attorney’s office in Manhattan — have moved on.

“Over the last year, eight prosecutors have departed the unit, most landing at big law firms. And the current chief of the

unit is now fielding interest from multiple firms, people briefed on the matter said, suggesting that another vacancy will soon emerge.

“The departures, the prosecutors say, reflect the natural ebb and flow in the Justice Department’s roster. Lawyers are leaving public service for private law firms as the economy gathers steam and as demand for white-collar specialists grows from Wall Street firms and other companies facing government investigations. Prosecutors must cut their teeth on general crimes and narcotics cases before joining the Wall Street unit, which is among the office’s most senior divisions.

Commentary: It’s where these prosecutors are coming from. So when defense lawyers say they are real close with their counterparts, don’t believe it. Federal prosecutors have no interest in currying favor with non white-collar defense lawyers. There is nothing in it for them. Their eyes are on the prestigious private firms and the money that comes along with it.

Prosecutors could like your lawyer, respect him, but a friendship is not in the cards. They do not want to be them. This article says as much. Why should they even do your lawyer a favor? Are you paying them? Get someone wise, honest, smart. That’s what you need. And work with the home team. Your odds are always better especially if your intention is to plead guilty.

— David Zapp

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