

Department of Justice Criminal Division



Performance Budget
FY 2023 Congressional Submission



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I. Overview of the Criminal Division

Mission Statement

The Criminal Division’s mission is to protect the American people from serious criminal activity, including transnational criminal organizations, violent gangs, drugs, cybercrime, child exploitation, corruption, fraud, and money laundering. The Criminal Division’s specialized prosecution units develop and enforce federal criminal laws that target complex, international, and multi-district crime. The Division responds to critical and emerging national and international criminal threats and leads a coordinated, nationwide response to reduce those threats.¹

To accomplish its mission, the Division joins with domestic and foreign law enforcement partners to pursue criminal investigations and prosecutions. The Division often partners with U.S. Attorneys’ Offices in investigating and prosecuting criminal matters, particularly in complex multi-jurisdictional or international cases. The importance of the Division’s centralized expertise and coordination has been recognized for decades: former Attorney General Robert H. Jackson noted that it is necessary “to promote uniformity of policy and action, to establish some standards of performance, and to make available specialized help.” Attorney General Jackson emphasized a balance that “avoid[s] any lessening of the prestige and influence of the district attorneys” while proceeding “with that uniformity of policy which is necessary to the prestige of federal law.”

The Division also plays a critical and unique role in fighting transnational crime. As the “central authority” for U.S. law enforcement interactions with other countries, the Division secures evidence critical to solving crimes against Americans and obtains the extradition of criminals from foreign countries to face justice in U.S. courts. No other organization within the Department of Justice or the United States Government is authorized to fulfill this critical international role.

To sustain mission needs, the Criminal Division requests a total of 796 permanent positions (489 attorneys), 785 direct Full-Time Equivalent work years (FTE), and \$230,205,000 in its Salaries and Expenses appropriation for Fiscal Year (FY) 2023.

Division Priorities

The Criminal Division has identified the following key strategic goals to address our country’s most critical justice priorities:

- Disrupting and dismantling domestic and transnational criminal organizations and networks that threaten our country through violence, drug trafficking, human smuggling and immigration offenses, and computer crime;
- Ensuring trust and confidence in government institutions, by reducing public corruption at every level of government;

¹Electronic copies of the Department of Justice’s Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: <https://www.justice.gov/doj/fy-2021-CJ>.



- Ensuring the stability and security of domestic and global markets, as well as the integrity of government programs, by reducing fraud, money laundering, and other economic crimes committed by both corporations and individuals;
- Combating cyber threats and attacks while assuring that agents and prosecutors across the country can obtain digital evidence critical to every sort of investigation;
- Protecting our children from exploitation and defending human rights;
- Securing evidence located abroad that is essential for successful U.S. prosecutions, and seeking international enforcement of U.S. asset forfeiture orders abroad;
- Assisting foreign law enforcement authorities to obtain evidence in the United States, thereby empowering them to interdict criminal actors on foreign soil before the threat can migrate to the United States;
- Ensuring accountability through extradition for criminals who seek safe haven abroad, while removing violent criminals and other fugitives from our communities to face justice in foreign courts;
- Strengthening justice-sector institutions in countries throughout the globe; and
- Supporting crime-fighting efforts across federal, state, and local governments.

The Criminal Division engages in several program activities to achieve its mission:

- Investigating and prosecuting cases;
- Providing expert guidance and advice to our prosecutorial and law enforcement partners;
- Authorizing the use of sensitive law enforcement tools; and
- Engaging with domestic partners and foreign counterparts to enforce the law, advance public safety, and achieve justice.

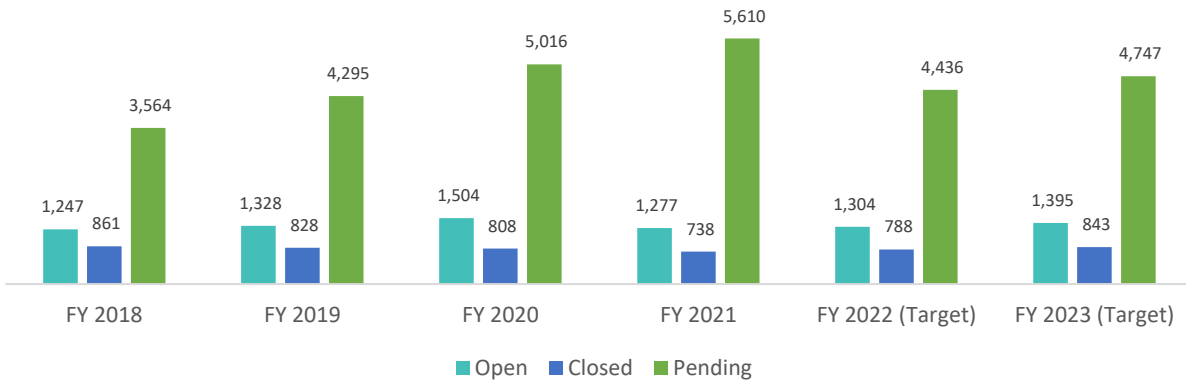
Every day, the Criminal Division performs these functions at the forefront of federal criminal law enforcement.

Program Activities

Investigating and Prosecuting Cases

- Investigating and prosecuting the most significant cases and matters; and
- Coordinating a wide range of criminal investigations and prosecutions that span jurisdictions and involve multiple law enforcement partners.

Criminal Division Prosecutions and Investigations FY 2018-FY 2023



The Criminal Division supports its mission through the responsible and thorough investigation and prosecution of crime. The Division undertakes complex cases, including cases involving multiple jurisdictions and those that have an international component. In addition, for certain criminal statutes, the Division approves all federal charging instruments filed throughout the United States to ensure a consistent and coordinated approach to the nation’s law enforcement priorities. The Division has a bird’s-eye and comprehensive view of violent crime, organized crime, narcotics, money laundering, white-collar crime, public corruption, cybercrime, and other criminal activities. Consequently, the Division is uniquely able to ensure that crimes that occur, both in the United States and abroad, do not go undetected or ignored.

Select Recent Criminal Division Accomplishments in Investigating and Prosecuting Cases²

Computer Crime and Intellectual Property Section (CCIPS) – In April 2021, prosecutors from the CCIPS and the National Security Division teamed with the U.S. Attorney’s Office to successfully try a defendant charged with conspiracy to commit economic espionage, conspiracy to steal trade secrets, possession of stolen trade secrets, economic espionage, and wire fraud. The defendant was convicted on all counts, each of which stemmed from her theft of valuable trade secrets related to formulations for coatings for the inside of beverage cans. At trial, the prosecution showed that the defendant planned to establish a global can-coating manufacturer in China with a Chinese chemical company, and that she and her China-based partners had applied for and received millions of dollars in Chinese government grants to support the new company. The defendant obtained access to the trade secrets through her work as a research scientist for The Coca-Cola Company and for Eastman Chemical Company. The stolen trade secrets belonged to major chemical and coating companies and cost nearly \$120 million to develop.

Human Rights and Special Prosecutions Section (HRSP) – The U.S. Attorney’s Office for the District of Vermont (USAO) had already indicted Sean Fiore on child pornography charges when investigators discovered evidence that he paid a woman in Venezuela to make horrific videos for his sexual gratification. The USAO reached out to HRSP for guidance and expertise on the extraterritorial offenses, after which HRSP joined the prosecution. Shortly thereafter, the indictment was superseded to include conspiracy to kidnap or murder a person in a foreign country and murder-for-hire. The superseding indictment also

²The Division completed these cases in conjunction with other Department components and law enforcement agencies.



charged the woman in Venezuela who made the videos, Moraima Escarlet Vasquez Flores, as a co-defendant. Vasquez Flores was subsequently arrested in Colombia and is currently awaiting extradition to the United States. HRSP facilitated the international arrest and extradition paperwork, coordinated extensively with the legal attaché, and provided additional guidance on the international aspects of the charged offenses. Fiore pleaded guilty to conspiracy to kidnap or murder a person in a foreign country, murder-for-hire, conspiracy to produce child pornography and possession of child pornography. When Fiore is sentenced next year, he faces a mandatory minimum sentence of 15 years on the child pornography charges and up to life in prison.

Money Laundering and Asset Recovery Section (MLARS) – In October 2020, the Goldman Sachs Group Inc. resolved criminal charges in connection with a scheme to pay over \$1 billion in bribes to Malaysian and Abu Dhabi officials to obtain lucrative business for Goldman Sachs. This included its role in underwriting approximately \$6.5 billion in three bond deals for 1Malaysia Development Bhd. (1MDB), for which the bank earned hundreds of millions in fees. Goldman Sachs paid more than \$2.9 billion as part of a coordinated resolution with criminal and civil authorities in the United States, the United Kingdom, Singapore and elsewhere. Goldman Sachs (Malaysia) Sdn. Bhd., the relevant Goldman Sachs subsidiary, pleaded guilty in the U.S. District Court for the Eastern District of New York to a one-count criminal information charging it with conspiracy to violate the anti-bribery provisions of the FCPA, while the parent company entered into a three-year deferred prosecution agreement which deferred prosecution for the same charge. In addition to other criminal charges, the Money Laundering and Asset Recovery Section (MLARS) is preparing for a January 2022 trial against a former Goldman Sachs Managing Director for his role in conspiracies to commit FCPA violations and to commit money laundering. The Department continues to litigate actions against additional assets allegedly linked to the international money laundering, embezzlement and bribery scheme carried out by high-level officials of 1MDB and their associates. These actions represent collectively the largest action brought under the department’s Kleptocracy Asset Recovery Initiative as well as the largest civil forfeiture action ever instituted in the Justice Department’s history.

Organized Crime and Gang Section (OCGS) – In 2021, federal grand juries in Nashville, Tennessee; Las Vegas, Nevada; and Alexandria, Virginia indicted 25 leaders, members and associates of the transnational criminal organization known as La Mara Salvatrucha, or MS-13. The indictments charged federal racketeering offenses involving nineteen murders, five attempted murders, drug distribution, robberies, kidnappings and assaults. In Las Vegas, the indictment alleged that the defendants committed 10 murders over little more than a six-month period. In the Nashville case, among other things, the indictment alleges on or about September 24, 2017, members of MS-13 shot and killed a victim to prevent him from becoming a potential witness in another MS-13 murder. For all of the indictments, the violent activity stems back to at least 2014 and continued through July 2021. The Court has set trials for late 2022.

Providing Expert Guidance and Advice

- Developing and supporting effective crime reduction strategies and programs;
- Driving policy, legislative, and regulatory reforms; and
- Providing expert counsel and training in criminal enforcement matters to state, local, and federal and foreign enforcement partners.

The Criminal Division serves as the strategic hub of legal and enforcement expertise in the fight against national and international criminal threats. Consequently, its expert guidance and advice are crucial to the

successful application of criminal law throughout the country. The Division leads the national effort to address emerging criminal trends, including the increasingly international scope of criminal activity. The guidance provided to U.S. Attorneys’ Offices and other federal law enforcement partners promotes coordination, consistency, and the efficient use of resources while leveraging expertise and furthering the Department’s mission to ensure justice.

Expert Guidance and Legal Advice



Select Recent Criminal Division Accomplishments in Providing Expert Guidance and Advice

Child Exploitation and Obscenity Section (CEOS) – CEOS continues to advance the adoption and implementation of the *Voluntary Principles to Counter Online Child Sexual Exploitation and Abuse*. Developed in consultation with six leading global technology companies (Facebook, Google, Microsoft, Roblox, Snap and Twitter) and launched in FY 2020, the 11 Voluntary Principles outline measures that companies in the technology industry can choose to implement to protect the children who use their platforms from sexual abuse online and to make their platforms more difficult for child sex



offenders to exploit. The *Voluntary Principles* provide a common and consistent framework to guide the digital industry in its efforts to combat the proliferation of online child exploitation, covering the themes of preventing child sexual abuse material; targeting online grooming and preparatory behavior; targeting livestreaming; preventing searches of child sexual abuse material from surfacing; adopting a specialized approach for children; considering victim/survivor-led mechanisms; and collaborating and responding to evolving threats. In FY 2021, CEOS worked with relevant partners on the implementation of the Voluntary Principles. CEOS has also engaged extensively with the Tech Coalition, which is comprised of 21 tech industry leaders who are represented by individuals who specialize in online child safety issues, on the Voluntary Principles, emphasizing in particular the need for transparency among the companies as to how they are improving online child safety.

Office of Enforcement Operations (OEO) – OEO oversees the use of the most sophisticated and effective investigative tools used in criminal cases by federal prosecutors and investigators, including requests pursuant to the Department’s policy regarding obtaining information from or records of members of the news media and policy regarding questioning, arresting, or charging members of the news media (News Media Policy). In the beginning of FY 2021, OEO handled an increased number of consultations under the News Media Policy, largely due to nationwide civil unrest and protests related to the murder of George Floyd. This trend increased dramatically after the January 6, 2021 Capitol Riot. In the immediate aftermath of the Capitol intrusion, OEO established a task force to handle a surge of questions from investigators and prosecutors regarding the proper procedures and requirements under the News Media Policy for requesting materials from, issuing subpoenas to, and questioning potential members of the news media. Many of these consultations involved novel issues and most were handled under exigent timeframes to allow investigators access to information needed to pursue perpetrators. Through FY 2021, OEO handled over one hundred news media consultations related to the Capitol Riot and more than doubled the total number of news media consultations compared to FY 2020. In July 2021, the Attorney General issued a Memorandum that restricted use of certain tools under the News Media Policy, and OEO provided guidance and expertise to Department attorneys regarding those changes. OEO has also provided webinars, trainings, and briefings to Department leadership, federal prosecutors, and federal law enforcement agents on the News Media Policy.

Reviewing the Use of Sensitive Law Enforcement Tools



Approving and overseeing the use of the most sophisticated investigative tools in the federal arsenal

The Criminal Division serves as the Department’s “nerve center” for many critical legal and operational matters. It is the Division’s responsibility to ensure that investigators are effectively and appropriately using available sensitive law enforcement tools. These tools include Title III wiretaps, electronic evidence-gathering authorities, correspondent banking subpoenas, and the Witness Security Program. In the international arena, the Division manages the Department’s relations with foreign counterparts and coordinates all prisoner transfers, extraditions, and mutual legal assistance requests. Finally, the Division handles numerous requests for approval from U.S. Attorneys’ Offices to use sensitive law enforcement techniques, in conjunction with particular criminal statutes. For example, the Division reviews every racketeering indictment that is brought across the nation and is involved in every Foreign Corrupt Practices Act case. In these ways, the Division serves a critical and unique role in ensuring consistency across districts and continuity over time, as well as the even-handed application of statutes.

Select Recent Criminal Division Accomplishments in Reviewing the Use of Sensitive Law Enforcement Tools

OEO – In 2021, despite court limitations during the pandemic, indictments were issued, and prosecutions were completed in several long-term RICO gang investigations targeting the criminal activities of MS-13. MS-13 is a transnational gang that has members operating throughout the country. “Branches” or “cliques” of MS-13 often work together cooperatively as ‘Programs,’ with the purpose of increasing the gang’s levels



of organization, violence, extortion, and other criminal activity, and to assist one another in avoiding detection by law enforcement. Districts along the eastern seaboard prosecuted dozens of MS-13 members, including those within MS-13's command and control structure, for the wave of death and violence that terrorized communities from Virginia to Massachusetts. These successful prosecutions could not have happened without the investigatory and prosecutorial support of OEO, which provided guidance on the use of sensitive law enforcement tools, including electronic surveillance and the secure production and handling of prosecution witnesses.

Office of International Affairs (OIA) – In March 2021, the United States extradited Italian citizen Ferdinando Gallina to Italian authorities for prosecution in relation to three brutal murders allegedly committed two decades ago. Gallina was a member of the Sicilian mafia organization La Cosa Nostra who fled Italy while on supervised release following his conviction for mafia associations and extortion. Italy subsequently discovered Gallina's involvement in the three murders. Gallina allegedly murdered the first victim in a butcher shop in November 1999. In October 2000, Gallina and his accomplices allegedly abducted the second victim, strangled him to death, and disposed of his body in an acid-filled drum. Finally, in December 2000, Gallina and his accomplices allegedly murdered the third victim by beating him, placing his corpse in the trunk of his own car, and setting the car ablaze. OIA and the USAO for the District of New Jersey jointly litigated the highly contested extradition proceedings. A Magistrate Judge in Newark certified Gallina as extraditable, the State Department issued a surrender warrant, the District Court denied two habeas petitions, and the Third Circuit Court of Appeals denied Gallina's application for a stay of surrender pending appeal.

Engaging with Domestic Partners and Foreign Counterparts to Enforce the Law, Advance Public Safety, and Achieve Justice

- Helping international law enforcement partners build capacity to prosecute and investigate crime within their borders by providing training and assistance; and
- Coordinating with international criminal enforcement authorities to foster operational cooperation.

The Criminal Division's lawyers and other personnel are located in countries around the world. Posts in ten countries are maintained to foster relationships and participate in operations with international law enforcement and prosecutors. The Division also has personnel who provide assistance to foreign governments in developing and maintaining viable criminal justice institutions. Two of the Division's sections, the International Criminal Investigative Training and Assistance Program (ICITAP) and the Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT) promote cooperation in transnational criminal matters and build the capacity in partner nations to provide modern professional law enforcement services based on democratic principles and respect for human rights.

OIA also plays a critical role in strengthening U.S. partnerships with foreign countries, which is essential to ensuring justice in individual criminal cases and protecting our national security. In the past few years, OIA has given increased attention to requests from foreign counterparts seeking electronic records. Attorneys from OIA's specialized Cyber Unit provide critical support to partner countries seeking electronic records from the U.S. by training prosecutors and investigators on applicable U.S. legal standards.



Select Recent Criminal Division Accomplishments in Engaging with Domestic Partners and Foreign Counterparts to Enforce the Law, Advance Public Safety, and Achieve Justice

ICITAP – In September 2021, the International Criminal Investigative Training and Assistance Program (ICITAP) mission in Albania’s assistance to the National Bureau of Investigations (NBI), through years of ongoing coordinated donations, planning, and training, has resulted in the transition from institution building to human capacity building to operational capability development. Situated under the Special Anti-Corruption and Organized Crime Structure (SPAK), NBI investigators will work closely with SPAK prosecutors on complex crime cases. ICITAP worked with the NBI to develop policies and procedures, a code of ethics, organizational structure and investigator selection process that includes polygraph testing by the newly established Polygraph Unit. This is the first such unit in Albanian history, stood up with assistance from ICITAP, that has facilitated policy and procedure development and trained polygraph examiners in accordance with international best practices. ICITAP also designed and supported the implementation of the NBI Investigator 12+ week training program and has advisors working on-site with the NBI at SPAK.

OPDAT – In FY 2021, the Office of Overseas Prosecutorial, Development, Assistance and Training (OPDAT) built the capacity of foreign justice partners to combat transnational organized crime and corruption consistent with Administration priorities and as reflected in the examples below. In Central America’s Northern Triangle, OPDAT established both a regional anti-corruption Resident Legal Advisor (RLA) program and a regional anti-human smuggling RLA program to strengthen coordination among prosecutors and investigators in El Salvador, Guatemala, Honduras and Mexico against transnational corruption and human smuggling networks threatening our southern border. OPDAT also obtained funding for a Global Anti-Corruption Rapid Response Fund enabling DOJ experts to provide technical assistance and case-based mentoring to address the emerging needs of foreign partners around the world to investigate and prosecute corruption, kleptocracy and related offenses, and to recover assets. At the same time, OPDAT provided effective anti-corruption assistance through its individual RLA programs. For example, in Indonesia, OPDAT-mentored anti-corruption prosecutors secured convictions against two government ministers, including one who received millions of dollars in kickbacks from a national COVID-19 relief program. In addition, OPDAT’s Bulgaria-based RLA worked collaboratively with Department of State and Treasury officials regarding Global Magnitsky designations of three Bulgarian individuals, their family members and 64 entities for their extensive roles in corruption in Bulgaria.

Criminal Division Overseas Presence Map – All Sources



*Includes direct- and program-funded in-country federal positions or active programs as of December 31, 2021.



Challenges to Achieving Outcomes

Many factors, both external and internal, affect the Criminal Division's capacity to accomplish its goals. While some of these factors are beyond its control, the Division strives to navigate these obstacles successfully, with an effort to minimize the negative impact these factors have on the Division's critical mission.

External Challenges

- 1. Globalization of Crime:** The Criminal Division has included the globalization of crime in its challenges discussion for multiple budget cycles because many of the challenges remain the same, increasing workload demands that continue to outpace efforts to address the challenges. Cross-border criminal activity is the new norm and the ability to successfully prosecute global crime is not just an external challenge but is also at the very heart of the Division's critical mission.

For the United States to respond effectively to the growing challenges posed by the globalization of crime, it must have the ability and capacity to deal with the ever-increasing demand for the return of evidence, assets, and fugitives from around the world. Located within the Criminal Division, the Office of International Affairs (OIA) is unique among federal components. It is responsible for seeking the apprehension and lawful return of international fugitives and the trans-border gathering of evidence for national security and criminal cases on behalf of all U.S. prosecutors, federal law enforcement agencies, and all state and local authorities. In addition, OIA ensures that the United States meets its reciprocal extradition and mutual legal assistance obligations to foreign countries by responding to foreign requests for the extradition of fugitives and the production of evidence located in the United States. OIA's work is not discretionary but is a mandatory and essential element in the fight against transnational crime in the United States and abroad.

Today, many of the most serious criminal investigations and prosecutions rely on evidence obtained from abroad for their successful completion. They depend on OIA to efficiently perform its role as the only organization authorized to invoke the United States' mutual legal assistance (evidence gathering) treaties (MLATs), and to utilize those treaties and U.S. statutory authority to execute foreign evidence requests. Over the past decade, OIA's ability to successfully support domestic law enforcement and our international counterparts has faced a consistent and significant threat: the workload is non-discretionary; and it is growing. For example, in just one of OIA's many work streams: incoming (foreign) requests for mutual legal assistance – the number of new requests rose from 3,469 in FY 2015 to 5,613 new requests in FY 2021, an increase of 62% in just six years. In addition, following a recent reorganization, OIA now self-executes many of these requests resulting in over 1,000 U.S. court orders in FY 2021. Shifting resources to address this growing demand slows OIA's ability to address its many other competing missions: from securing the return of international fugitives; to executing its responsibilities under International Prisoner Transfer treaties; to undertaking new responsibilities as the Designated Authority under executive agreements pursuant to the Clarifying Lawful Overseas Use of Data Act of 2018 (CLOUD Act).

Although OIA has seen a significant growth in mutual legal assistance requests in general, requests involving production of evidence from U.S.-based communications service providers (service providers) have dramatically increased. In addition to growing in numbers, such requests also tend to involve a higher level of difficulty in execution. For example, evidence that must be produced pursuant to a search warrant is subject to a showing of probable cause, a legal standard that is poorly understood



among foreign authorities. As a result, assistance requests seeking evidence produced through search warrants require significantly more time to complete. In such cases, OIA often engages in lengthy discussions with foreign authorities in an effort to secure additional information to establish probable cause. Consequently, there aren't just additional requests for assistance; the requests for assistance are more complicated and require more time to complete.

Delays in responding to requests for electronic evidence in the custody or control of U.S.-based service providers present a direct threat to law enforcement's ability to successfully investigate crime. Despite improvement in processing times and increased approval rates of requests, delays occasioned by high volume and the challenges that foreign authorities face in satisfying U.S. legal standards continue to prompt calls by foreign governments for data localization, trigger foreign demands that U.S. service providers produce information directly in response to foreign orders or face criminal penalties, and encourage foreign proposals that U.S. service providers be subject to foreign or global data protection regimes.

Specific challenges have been highlighted in publicly available documents recently. The SIRIUS EU Digital Evidence Situation Report 2021 (3rd Annual) delves into the European perspective on securing electronic evidence, noting that such evidence is requested most often from U.S. companies – Google, Facebook, and Microsoft – and describing the challenges of requesting assistance from OIA. The top three challenges identified were wait time, interpretation of a violation of Freedom of speech/expression (i.e., constraints resulting from the First Amendment of the Constitution of the United States) and the difficulties in drafting requests including probable cause. These top challenges remain consistent across 2018, 2019 and 2020, even after OIA has invested in training foreign authorities on U.S. legal requirements, made significant organizational changes, and increased staffing as a result of an enhancement to make the organizational changes permanent. In addition, in FY 2021, the Audit of the Criminal Division's Process for Incoming Mutual Legal Assistance Requests documented OIA's challenges in more detail and provided recommendations aimed to address these challenges.³ The Criminal Division continues to work towards solutions that would permanently reduce the backlog and shorten the wait time for MLA requests.

As the Criminal Division continues to work on solutions for OIA's challenges, the United States has begun to negotiate executive agreements authorized by the CLOUD Act. To date, the United States has completed agreements with the United Kingdom and Australia, with discussions with additional countries ongoing. CLOUD Act agreements aim to apply an efficient privacy and civil liberties-protective approach to ensure effective access to electronic data that lies beyond a requesting country's reach due to the revolution in electronic communication, recent innovations in the way global technology companies configure their systems, and the legacy of 20th century legal frameworks. OIA will serve as the U.S. Designated Authority to implement CLOUD Act agreements. This new mission and role will require OIA to shift personnel and resources that would normally support MLA and extradition work to CLOUD Act implementation. At the same time, OIA will need to maintain sufficient staffing on the traditional work streams – mutual legal assistance, extradition, and international prisoner transfer – thereby stretching existing resources. Implementation of Cloud Act agreements is yet another example of the ever-expanding demands that the globalization of crime has put on the Criminal Division.

³ <https://oig.justice.gov/reports/audit-criminal-divisions-process-incoming-mutual-legal-assistance-requests>



The Criminal Division is responsible for the successful operation of OIA, an organization with an incredibly wide range of important responsibilities. Every day, OIA works to fulfill U.S. law enforcement treaty obligations, provides a gateway to the world of international judicial cooperation, executes and serves as a clearinghouse for a high-volume of international requests for evidence, seeks to return international fugitives to face justice, and operates the international prisoner transfer program. The combined effects of a broad and demanding mission, limited resources, new and competing requirements, and rising workloads at OIA will continue to slow down the United States' response to the globalization of crime. This issue remains a major priority for the Criminal Division, which is fully engaged in finding ways to address this growing challenge.

2. **Rapidly Evolving Technologies:** New and rapidly changing technologies continue to present challenges to the Criminal Division on several fronts:

- Cybercriminals use infrastructure located around the world. A cyber actor may use a server in one country to disseminate ransomware; a server in a second country to hold stolen victim information; and an email account in a third country to negotiate with victims. To obtain relevant information, law enforcement investigators often need to make numerous requests for assistance from foreign law enforcement agencies, a process that can be cumbersome and time-consuming.
- Cybercriminals also use sophisticated means to conceal their identities and criminal activities. Many criminal groups host their websites on the dark web, which allows them to communicate anonymously and to resist efforts to take down their sites.
- Cryptocurrency technology plays a role in many of the most significant criminal and national security threats that the United States faces. Cryptocurrencies are used by an increasing array of bad actors to profit from their crimes and conceal their ill-gotten gains. The success of many investigations and prosecutions of crimes involving cryptocurrency often hinges on the government's ability to trace transactions. However, some types of cryptocurrencies and blockchain-related technologies make it more difficult to trace transactions and recover assets for victims and forfeiture. As a result, effective tracing of cryptocurrencies requires increasingly sophisticated blockchain analysis tools.
- Some countries provide safe havens for actors to engage in cybercrime abroad, so long as they remain "on call" for those countries' intelligence services. For example, the Department of the Treasury announced sanctions in 2021 against the Federal Security Service ("FSB"), a Russian intelligence and law enforcement agency. According to the Treasury Department, the FSB used cyber means to target U.S. government personnel and citizens around the world. The FSB also bolstered its cyber operations by cultivating hackers, enabling them to conduct disruptive ransomware attacks.
- Criminals take advantage of web hosting services, e-mail accounts, online storage accounts, and other services offered by American companies, but those companies sometimes fail to meet their obligations when criminal investigators serve them with search warrants or preservation requests. Federal law requires companies to produce information when the government serves them with a search warrant. For example, if the government obtains a warrant to search a house, agents must search that house within days of when the magistrate signs the warrant, and usually can. But when the government serves a search warrant on a tech company, it often takes weeks, if not months, to return data. And sometimes these companies do not produce any data because they failed to



preserve the relevant account. These issues hinder our investigations significantly and are a major factor in criminals' ability to escape detection and apprehension.

CCIPS leads the Department's work on cybercrime, cybersecurity, intellectual property theft, and obtaining electronic evidence. CCIPS prosecutes those who seek to undermine the security of our computer networks to harm American businesses and citizens and builds operational support around the world on cybercrime and digital evidence to better protect Americans from foreign-based crime. Yet CCIPS's methods of addressing cybercrimes are not only prosecutorial; CCIPS provides valuable policy and legislative solutions to address gaps in legal authority, offers training events to increase the capacity of other agencies to investigate and prosecute cybercrimes, and assists with interagency coordination for national and international operations. The demand for these functions continues to grow as technology and technology-enabled crime continue to evolve.

Addressing rapidly evolving technology requires significant resources in order to meet growing workload in cybersecurity, cryptocurrency, intellectual property and ransomware areas. As part of its efforts in the cryptocurrency area, the Criminal Division has established a National Cryptocurrency Enforcement Team, which will include MLARS and CCIPS attorneys as subject matter experts. Resource-intensive work in these evolving areas is absolutely necessary to move the Department towards addressing many of its most pressing priorities. Meeting these ever-growing workload demands without planned resource growth over time in these areas, remains the largest challenge in this space.

- 3. Keeping Pace with Department Workload:** Two of the Division's Sections, OIA and OEO, provide examples of how the Division's work is directly affected by the work of other components. Seventy-four percent of OIA's pending U.S. requests for evidence and extraditions are from the U.S. Attorneys' Offices. Increases in the prosecutions in U.S. Attorneys' Offices thus result in increased requests for evidence and extraditions to OIA.

Likewise, U.S. Attorneys' Offices and federal investigative agencies rely on OEO to approve Title III applications in a timely manner so they can conduct electronic surveillance and gather evidence that will be admissible in court. OEO has similarly experienced an increase in the number of facilities included in these applications in recent years, with no additional personnel to review them. The average turnaround time, which U.S. Attorneys' Offices and investigative agencies require to be as quick as possible due to the nature of the work, is closely tied to the number of applications each OEO employee has to review.

In addition, the Division has confronted the emergence of COVID-19 related crime, particularly of COVID-19 related fraud concerning the Paycheck Protection Program and health care fraud. The Division has been at the forefront of the Department's fight against fraudulent activity, leading the centralized pursuit of COVID-19 related fraud across the Department and in close coordination with other federal agencies. As the COVID-19 pandemic has unfolded, sections have redirected existing staff to address this crisis, pulling significant resources from other critical work.



Internal Challenges

Information and Network Modernization and Security: The demands on the Division’s information technology systems continue to increase. These include attaining secure information technology, modernizing legacy systems, enhancing and expanding service capabilities, and maintaining existing systems. The Criminal Division has reviewed all existing legacy systems to develop a replacement plan to ensure the most vital, high-impact systems are the priority and are replaced by systems that will be more dynamic, cost-effective, and able to respond to changing requirements and help meet mission objectives.

The Division’s several antiquated legacy systems must be replaced in the coming years. The capabilities of these systems are increasingly diverging from the needs of the Division, and those agencies with which it works, resulting in challenges of complex data management, excessive problem resolution times, delays in service provisioning, and insufficient ability to modernize and respond quickly to mission and business requirements. In addition, maintaining and securing existing outdated systems requires intensive resources, thus leaving less resources to pursue new systems.

However, the resources to fulfill these plans have not yet been identified, and until now the Division has managed its available yet inadequate resources to address these challenges. The Division has not sought to reallocate resources internally to satisfy these needs, as its limited resources have forced it to prioritize mission-critical work, such as litigation and vital Department-wide services such as wiretap applications, extraditions, and mutual legal assistance requests. In the FY 2022 President’s Budget, the Department requested additional authority for components in the General Legal Activities appropriation to use prior year balances for information technology, cybersecurity, and antiquated system needs. The Division will continue to manage its resources to address these challenges to the best of its ability.

Gaps in Human Capital: Human capital—our people—is the Division’s most valuable asset. Background security investigations may delay the onboarding process of Division’s mission critical positions such as attorneys, criminal investigators, and information technology specialists. Qualified candidates for these positions also have opportunities outside of the Division that generally offer far higher salaries and bonuses, more flexibility, and faster onboarding times, so the Division must devote resources towards innovative recruitment strategies and efficient onboarding processes. In addition to utilizing USAJobs, CRM has enhanced its proactive recruitment efforts and leverage other non-competitive hiring opportunities such as Schedule A, Peace Corps, VRA, Cyber Scholar, and Boren to find candidates outside the normal vacancy posting process. Similarly, the Division must devote resources to remaining an attractive place for existing employees, particularly those with significant experience and who are most marketable in the private sector. Over the last year, the Division has also faced the challenges of supporting a remote workforce.



II. Summary of Program Changes

Item Name	Description	Positions	FTE	Amount (\$000)	Page
Enhancing the Division's Data Analytics	The requested resources would improve the Division's data analytics capabilities as it relates to complex white-collar criminal cases and corporate enforcement. Additional resources are needed because these cases and investigations are national or international in scope, and the amount of evidence collected for them has increased dramatically and continuously over the last 10 to 15 years due to the use and storage of vast amounts of electronic data by individuals, corporations, and public and private entities.	6	3	\$1,471	42
Promoting the Investigation and Prosecution of Election Crimes	This enhancement will provide the Public Integrity Section (PIN) additional resources dedicated to the investigation and prosecution of election crimes including voter suppression campaigns, intentional registration and voting by ineligible voters, campaign finance and patronage offenses, bribery of public officials, election-related Foreign Agents Registration Act (FARA) violations, and ballot fraud (e.g., conduit contributions, foreign donations, multiple voting, vote buying, tally fraud).	7	4	\$876	48
Combat Child Exploitation	This request will provide the Child Exploitation and Obscenity Section (CEOS) with resources to further the Department's effort to reduce violent crime – specifically, the online threat that emerging technology poses and the prosecution of online-facilitated child sex trafficking, production of child pornography, and extraterritorial child exploitation. The rapid advancement of online technologies and platforms have caused online crimes against children to flourish and create dangerous new threats for children, and more training and analytical and prosecutorial support is needed to promote the Department's efforts to combat child sex trafficking.	6	3	\$890	54

White Collar Investigation	<p>This enhancement to support the Fraud Section (FRD) will further the Department’s effort to combat fraud and protect consumers, therefore ensuring economic opportunity and fairness. The agents would focus on proactive case generation, including by developing and pursuing leads through FRD’s data-driven initiatives. Through analysis of health care data, data from the securities and commodities markets, data related to CARES Act programs, SARs filed in connection with potential foreign corruption schemes, and other data sets, the agents would identify leads to pursue through further investigation, in coordination with other law enforcement agencies as appropriate.</p>	5	3	\$1,000	61
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III.Appropriations Language and Analysis of Appropriations Language

The Criminal Division is part of the General Legal Activities (GLA) sub appropriation in the Department of Justice’s appropriation. General Legal Activities language is displayed in the GLA rollup budget submission.

IV. Performance Budget

This budget demonstrates how the Criminal Division’s resources directly support the achievement of the Department’s priorities, both nationally and internationally. It is intended to meet the requirements of the Office of Management and Budget (OMB) Circular A-11, Part 6, Section 240 *Annual Performance Planning*. The Division reports all resources under its only decision unit, “Enforcing Federal Criminal Law.” Total costs represent both direct and indirect costs, including administrative functions and systems. The performance/resources tables in this section provide further detail on the Division’s performance-based budget.

<i>Enforcing Federal Criminal Law</i>	Direct Positions	Estimate FTE	Amount (\$000)
2021 Enacted	752	752	\$197,254
2022 President’s Budget	772	762	\$215,173
Adjustments to Base and Technical Adjustments	0	10	\$10,795
2023 Current Services	772	772	\$225,968
2023 Program Increases	24	13	\$4,237
2023 Request	796	785	\$230,205
Total Change 2022-2023	24	23	\$15,032

Enforcing Federal Criminal Law

Program Description

The Criminal Division’s mission is to protect the American people from serious criminal activity, including transnational criminal organizations, cybercrime, child exploitation, fraud, gangs, corruption, and money laundering. The Criminal Division’s specialized prosecution units develop and enforce federal criminal laws that target complex, international, and multi-district crime. The Division responds to critical and emerging national and international criminal threats and leads a coordinated, nationwide response to reduce those threats. The Criminal Division is situated at headquarters in Washington, D.C. to work in partnership with both domestic and international law enforcement. While U.S. Attorneys and state and local prosecutors serve a specific jurisdiction, the Criminal Division addresses the need for centralized coordination, prosecution, and oversight.

The Division complements the work of its foreign and domestic law enforcement partners by centrally housing subject matter experts in all areas of federal criminal law, as reflected by the 17 Sections and Offices that make up the Division’s Decision Unit “Enforcing Federal Criminal Laws:”

- Office of the Assistant Attorney General (OAAG)
- Office of Administration (ADM)
- Appellate Section (APP)
- Computer Crime and Intellectual Property Section (CCIPS)
- Capital Case Section (CCS)
- Child Exploitation and Obscenity Section (CEOS)

- Fraud Section (FRD)
- Human Rights and Special Prosecutions Section (HRSP)
- International Criminal Investigative Training Assistance Program (ICITAP)
- Money Laundering and Asset Recovery Section (MLARS)
- Narcotic and Dangerous Drug Section (NDDS)
- Organized Crime and Gang Section (OCGS)
- Office of Enforcement Operations (OEO)
- Office of International Affairs (OIA)
- Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT)
- Office of Policy and Legislation (OPL)
- Public Integrity Section (PIN)

The concentration of formidable expertise, in a broad range of critical subject areas, strengthens and shapes the Department’s efforts in bringing a broad perspective to areas of national and transnational criminal enforcement and prevention. To capture this range of expertise, the Division’s Performance and Resource Table is organized into three functional categories: prosecutions and investigations; expert guidance and legal advice; and the review of critical law enforcement tools.

The Division support of the Department’s FY 2023-2027 Strategic Plan is extensive but does not include each strategic objective in the plan. The discussion below includes only the strategic objectives that the Division directly supports.

Strategic Goal 1: Uphold the Rule of Law

The Criminal Division’s mission is to protect the American people from serious criminal activity. To accomplish its mission, the Division joins with domestic and foreign law enforcement partners to pursue criminal investigations and prosecutions and promote the Rule of Law.

In addition, the Department has vowed to take a strategic and innovative approach to updating its management structure, training, and collaboration; to modernizing its technology; and to promoting diversity and ensuring equal employment opportunity. The Criminal Division has taken steps to address infrastructure capability gaps by attaining secure information technology, modernizing legacy systems, enhancing and expanding service capabilities, and maintaining existing systems. The Division will continue to work to ensure that antiquated legacy systems are replaced by systems that will be more dynamic, cost-effective, and able to respond to changing requirements and help meet organizational demands. In addition, the Division’s Office of Administration will continue to focus its efforts on recruiting and retaining a talented and inclusive workforce, as well as cultivating a fair, flexible work environment.

Goal 1 Resources

Strategic Goal	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Uphold the Rule of Law	\$19,522	\$21,250	\$22,873

Objective 1.1 – Protect our democratic institutions

Relevant Strategies to Achieve Objective 1.1

- Strategy 1: Reaffirm and Strengthen Policies Foundational to the Rule of Law
- Strategy 2: Protect the Justice Department from Improper Influence
- Strategy 3: Protect Public Servants from Violence and Threats of Violence
- Strategy 4: Combat Public Corruption
- Strategy 5: Combat Foreign Attempts to Interfere in Democratic Processes
- Strategy 6: Ensure Effective Oversight and Public Accountability

Objective 1.1 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Protect our democratic institutions	\$10,676	\$11,486	\$12,516

Objective 1.1 Accomplishments

- The U.S. Attorney’s Office for the Eastern District of Michigan, the FBI, and the IRS conducted a wide-ranging public corruption investigation centered in Macomb County, Michigan in which criminal charges included bribery and conspiracy to commit bribery. This far-reaching public corruption investigation involved the use of Title III interceptions and would not have been possible without the assistance and guidance of the Electronic Surveillance Unit within OEO. A total of 23 defendants have been convicted, including 21 who pleaded guilty and two that elected to go to trial, and the final defendant’s trial is scheduled for July 2022. Defendants include a Township Supervisor, government contractors, Board of Trustee Members from Clinton and Macomb Townships, the Macomb County Public Works Commissioner, and the former Superintendent of Public Works for Washington County.

Objective 1.2 – Promote good government

Relevant Strategies to Achieve Objective 1.2

- Strategy 1: Achieve Department Management Excellence Through Innovation
- Strategy 2: Foster a High-Performing Workforce that Represents the Public We Serve
- Strategy 3: Implement Department-wide Data and Technology Modernization

Objective 1.2 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Promote good government	\$8,846	\$9,764	\$10,357



Objective 1.2 Accomplishments

- The Division's Office of Administration Information Technology Management has been vigorously working to reduce technical debt of legacy software by successfully upgrading smaller applications in order to improve the security, performance, and scalability of these applications. Updating legacy systems are a priority for the Division and it continues to work towards its internal goals in this area.
- The Criminal Division has invested significant time and effort into enhancing proactive recruitment with the goal of continuing to ensure a well-qualified and diverse pool of candidates. Successful recruitment has been achieved through partnership with Division's sections, the Human Resources staff, and the General Counsel on attorney recruitment through job fairs and other recruitment vehicles and sharing these job opportunities across the Division. For non-attorney hiring, the Division has expanded its use of Boren Scholar and Peace Corps recruitment, with significant success. The Division recently hired a Human Resources Management and Program Analyst for Diversity to recommend and provide opportunities to proactively recruit more diverse applicant pools. Additionally, to maximize retention across the Division, a new and expanded Worklife policy has been developed and will be implemented along with the Division's return to work.

Strategic Goal 2: Keep Our Country Safe

Protecting our national security from both foreign actors and insider threats remains one of the highest priorities of the Department of Justice. From combating the threat of international terrorism to prosecuting and coordinating complex money laundering and asset forfeiture cases, the Criminal Division plays a critical and substantial role in furthering this Department goal.

The Department recognizes that the most efficient and effective means of fighting terrorism is to communicate, coordinate, and cooperate with our partners, including foreign partners and multilateral organizations. The Division directly supports these efforts through the work of its international programs, ICITAP and OPDAT, which work with foreign governments to develop professional and transparent law enforcement institutions and to reform their justice systems with the goals of building the capacity of our foreign partners to combat transnational crime and terrorism before those threats reach our shores.

Beyond the Division's two international programs, a large portion of the Division's work has a strong national security nexus. OIA, the nerve center for international criminal law enforcement coordination, is vital to the Department's ability to fight terrorism in cooperation with our partners. Other sections in the Criminal Division share a national security nexus given the globalization of crime, an example of which is the indictment unsealed on January 14, 2021, charging 14 of the world's highest-ranking MS-13 leaders who are known today as the Ranfla Nacional, which operated as the Organization's Board of Directors, and directed MS-13's violence and criminal activity around the world for almost two decades. Several Criminal Division sections contributed to this indictment, to include OIA, OPDAT and OCGS.⁴

As technology rapidly develops, the digital threats our nation faces are more diverse, more sophisticated, and more dangerous. These threats require the Department to leverage our unique authorities and expand our capabilities, resources, and collaboration with partners to counter threat actors and enhance cybersecurity. In direct support of the Department's plan to develop investigations, prosecutions, and

⁴ <https://www.justice.gov/opa/pr/ms-13-s-highest-ranking-leaders-charged-terrorism-offenses-united-states>

policy that complement and strengthen efforts to disrupt cyber threats, MLARS and CCIPS together have led the Department’s efforts to respond — through criminal enforcement as well as proposals for legal and regulatory reform. The sections’ work has been critical in bringing to justice those malicious cyber actors who commit digital attacks, as well as in dismantling the online infrastructures that facilitate those attacks.

Goal 2 Resources

Strategic Goal	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Keep Our Country Safe	\$144,326	\$154,639	\$163,223

Program Changes Affecting This Goal

- Combat Child Exploitation

Objective 2.1 – Protect national security

Relevant Strategies to Achieve Objective 2.1

- Strategy 1: Combat Foreign Malign Influence
- Strategy 3: Prevent the Theft of Technology
- Strategy 4: Protect Sensitive Assets

Objective 2.1 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Protect national security	\$6,337	\$6,654	\$6,910

Objective 2.1 Accomplishments

- In April 2021, prosecutors from the CCIPS and the National Security Division teamed with the U.S. Attorney’s Office to successfully try a defendant charged with conspiracy to commit economic espionage, conspiracy to steal trade secrets, possession of stolen trade secrets, economic espionage, and wire fraud. The defendant was convicted on all counts, each of which stemmed from her theft of valuable trade secrets related to formulations for coatings for the inside of beverage cans. At trial, the prosecution showed that the defendant planned to establish a global can-coating manufacturer in China with a Chinese chemical company, and that she and her China-based partners had applied for and received millions of dollars in Chinese government grants to support the new company. The defendant obtained access to the trade secrets through her work as a research scientist for The Coca-Cola Company and for Eastman Chemical Company. The stolen trade secrets belonged to major chemical and coating companies and cost nearly \$120 million to develop.
- In September 2021, the ICITAP mission in Albania reported on the ICITAP-assisted National Bureau of Investigations (NBI) advancement to its operational phase. Through years of ongoing coordinated donations, planning, and training in partnership with the FBI, the transition from institution building to

human capacity building to operational capability development has begun. Situated under the Special Anti-Corruption and Organized Crime Structure (SPAK), established by law in September 2016, NBI investigators will work closely with SPAK prosecutors on complex crime cases. Leading to this moment, ICITAP helped develop the NBI’s policies and procedures, code of ethics, organizational structure, and investigator selection process that includes polygraph testing by the newly established Polygraph Unit. The first such unit in Albanian history, stood up with assistance from ICITAP, facilitated policy and procedure development, and trained polygraph examiners in accordance with international best practices. ICITAP also designed and supported the implementation of the NBI Investigator training program and have advisors working on-site with the NBI at SPAK. In a series of WhatsApp tweets in September 2021, the U.S. Ambassador to Albania noted she met with the 15 SPAK prosecutors to express appreciation for the team’s hard work and numerous successful prosecutions, observing that the newly graduated NBI investigators were now ready to join forces with the SPAK prosecutors to combat crime and corruption.

Objective 2.2 – Counter foreign and domestic terrorism

Relevant Strategies to Achieve Objective 2.2

- Strategy 1: Deter, Disrupt, and Prosecute Terrorist Threats
- Strategy 2: Strengthen Federal, Tribal, State, Local, and International Counterterrorism Partnerships

Objective 2.2 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Counter foreign and domestic terrorism	\$12,433	\$13,113	\$13,635

Objective 2.2 Accomplishments

- OIA sought and obtained the return of Kenyan national Cholo Abdi Abdullah from the Philippines to the United States for prosecution in the Southern District of New York on terrorism charges, stemming from his role as an operative of the al Shabaab terrorist organization. Beginning in or about 2017, al Shabaab launched “Operation Jerusalem Will Not Be Judaized,” which called for the murder of U.S. citizens around the world in response to the United States’ decision to move its Embassy in Israel to Jerusalem. That operation included, among other attacks, the January 2019 attack on the DusitD2 hotel in Nairobi, Kenya, in which numerous people, including a U.S. national, were killed. As part of that operation, Abdullah and his co-conspirators allegedly sought to recreate al Qaeda’s September 11, 2001, attack on the United States by hijacking commercial airliners to use as missiles. At the direction of a senior al Shabaab operations commander, Abdullah enrolled in and received certification from a flight school in the Philippines, and researched aircraft security measures and vulnerabilities, methods to hijack an airplane, and potential targets for an attack in the United States. Abdullah was arrested on local charges by Philippine authorities in July 2019. OIA worked with prosecutors to prepare a request seeking Abdullah’s deportation, expulsion, or other lawful removal to the United States. The FBI and OIA coordinated with Philippine authorities to effectuate Abdullah’s return to the United States on December 16, 2020.

Objective 2.3 – Combat violent crime and gun violence

Relevant Strategies to Achieve Objective 2.3

- Strategy 1: Target the Most Significant Violent Crime Problems
- Strategy 2: Enhance Partnerships with Federal, Tribal, State, and Local Law Enforcement

Objective 2.3 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Combat violent crime and gun violence	\$46,160	\$48,498	\$50,620

Key Performance Measure

- Percent of Federal violent crime defendants’ cases favorably resolved

This performance measure is targeted at 90%. In FY 2021, the Division achieved 100% of this target.

Objective 2.3 Accomplishments

- *United States v. Shauntay Craig, et al.* (NDGA) This case charged 35 leaders, members and associates of the Gangster Disciples with federal racketeering offenses involving murder, attempted murder, robbery, narcotics trafficking and other crimes. The remaining defendants were all sentenced over the past year, including sentencing in January 2021 of leader Shauntay Craig, who was sentenced to 40 years’ imprisonment after pleading guilty to RICO conspiracy, murder and narcotics trafficking, and Donald Glass, who was sentenced to life imprisonment plus 10 years for RICO conspiracy, murder, and narcotics trafficking. Mario Jackson was sentenced in April 2021 to 22 years’ imprisonment after pleading guilty to RICO Conspiracy. Finally, in October 2021, Lewis Mobley was sentenced to 40 years’ imprisonment. Mobley had previously been convicted by a jury of RICO Conspiracy, VICAR attempted murder, and using a firearm during that attempted murder.

Objective 2.4 – Enhance cybersecurity and fight cybercrime

Relevant Strategies to Achieve Objective 2.4

- Strategy 1: Deter, Disrupt, and Prosecute Cyber Threats
- Strategy 2: Strengthen Interagency, Intergovernmental, International, and Private-Sector Partnerships to Fight Cybercrime
- Strategy 3: Safeguard Justice Department Systems
- Strategy 4: Enhance Cyber Resilience Outside the Department

Objective 2.4 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Enhance cybersecurity and fight cybercrime	\$29,176	\$30,974	\$32,213

Objective 2.4 Accomplishments

- On November 8, 2021, the Department of Justice announced actions taken against two foreign nationals charged with deploying Sodinokibi/REvil ransomware to attack businesses and government entities in the United States. An indictment charges Yaroslav Vasinskyi, a Ukrainian national, with conducting ransomware attacks against multiple victims, including the July 2021 attack against Kaseya, a multi-national information technology software company. The Department also announced the seizure of \$6.1 million in funds traceable to alleged ransom payments received by Yevgeniy Polyanin, a Russian national, who is also charged with conducting Sodinokibi/REvil ransomware attacks against multiple victims. According to court documents, Vasinskyi was allegedly responsible for the July 2 ransomware attack against Kaseya. In the alleged attack against Kaseya, Vasinskyi caused the deployment of malicious Sodinokibi/REvil code throughout a Kaseya product that caused the Kaseya production functionality to deploy REvil ransomware to “endpoints” on Kaseya customer networks. After the remote access to Kaseya endpoints was established, the ransomware was executed on those computers, which resulted in the encryption of data on computers of organizations around the world that used Kaseya software. On October 8, 2021, Vasinskyi was taken into custody in Poland where he remains held by authorities pending proceedings in connection with his requested extradition to the United States, pursuant to the extradition treaty between the United States and the Republic of Poland. In parallel with the arrest, interviews and searches were carried out in multiple countries, and would not have been possible without the rapid response of the National Police of Ukraine and the Prosecutor General’s Office of Ukraine. This case is being prosecuted by the Computer Crime and Intellectual Property Section in partnership with the Northern District of Texas U.S. Attorney’s Office.
- In January 2021, CCIPS participated in an operation against NetWalker, a ransomware variant that targeted healthcare institutions and other victims during the COVID-19 pandemic. Working with private sector counterparts and Bulgarian authorities, along with the FBI and the Tampa USAO, CCIPS seized key infrastructure used by the NetWalker group, resulting in a lasting shutdown of its operations. Simultaneously, CCIPS, the Tampa USAO and the FBI conducted an investigation into Sebastien Vachon-Desjardins, a Canadian national who was a leading affiliate and user of NetWalker, and who had conducted attacks on multiple U.S. victims. The case team obtained an indictment charging Vachon-Desjardins with computer intrusion and other charges, and these charges prompted Canadian authorities to arrest him in Quebec. U.S. and Canadian authorities have since seized over \$30 million in cryptocurrency from Vachon-Desjardins, and his extradition to the U.S. is pending. The NetWalker ransomware variant has remained inactive since the operation. The Vachon-Desjardins case is being prosecuted by the Computer Crime and Intellectual Property Section in partnership with the U.S. Attorney’s Office for the Middle District of Florida.

Objective 2.5 – Combat drug trafficking and prevent overdose deaths

Relevant Strategies to Achieve Objective 2.5

- Strategy 1: Disrupt and Dismantle Drug Trafficking Organizations

Objective 2.5 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Combat drug trafficking and prevent overdose deaths	\$34,689	\$38,704	\$41,785

Key Performance Measure

- Percent of defendants convicted of a drug-trafficking offense whose sentence includes a mandatory minimum and no aggravating factor.

The Division is compiling baseline data for this measure and will report it in subsequent budget submissions.

Objective 2.5 Accomplishments

- In July 2021 a North Dakota jury found Steven Barros Pinto guilty of conspiracy to distribute fentanyl and fentanyl analogues, conspiracy to import fentanyl and fentanyl analogues into the United States, continuing criminal enterprise, obstruction of justice, money laundering conspiracy, contempt, possession of contraband in a correctional facility and tampering with evidence. NDDS prosecutors worked with prosecutors from the District of North Dakota and the District of Oregon to successfully prosecute Pinto. The investigation started in January 2015, with the overdose death of Bailey Henke in Grand Forks, North Dakota, and eventually led to the indictment, and subsequent conviction, of multiple defendants. The investigation revealed that Pinto and his co-conspirators obtained large quantities of fentanyl and fentanyl analogues from Canada, China and elsewhere and distributed those substances throughout the United States, resulting in at least four deaths, including Henke’s, and several serious bodily injuries. The jury found that Pinto conspired to import kilogram-quantities of fentanyl from China and use the fentanyl to manufacture counterfeit Percocet pills. Pinto personally distributed tens of thousands of the fentanyl-laced pills. Pinto also engaged in a series of obstructive acts intended to silence witnesses and tamper with evidence. In October 2021, Pinto was sentenced to 400 months in prison.
- On June 17, 2021, OIA secured the extradition of Fernando Arellano-Romero from Mexico to stand trial in the Western District of Texas for racketeering, murder, kidnapping, narcotics trafficking, money laundering, and firearms offenses. Arellano-Romero was allegedly a member of the Sinaloa Cartel and provided security for thousands of kilograms of cocaine stored in Mexico prior to importation into the United States. He was also allegedly a member of one of the Sinaloa Cartel hit squads and participated in multiple murders and kidnappings. Following Arrellano-Romero’s provisional arrest at the request of the United States in September 2012, OIA worked with prosecutors to prepare the extradition request. Mexico granted extradition in 2014 but Arellano-Romero filed a series of appeals. On June

11, 2021, OIA was notified that all appeals were exhausted, and Arellano-Romero’s was ready to be surrendered.

Objective 2.6 – Protect vulnerable communities

Relevant Strategies to Achieve Objective 2.6

- Strategy 1: Promote and Improve Programs for Victims of Crime
- Strategy 2: Combat Gender-Based Violence
- Strategy 3: Protect Children from Crime and Exploitation
- Strategy 4: Fight Elder Fraud, Abuse, and Exploitation
- Strategy 5: Promote Safety and Justice in Indian Country

Objective 2.6 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Protect vulnerable communities	\$15,531	\$16,696	\$18,060

Objective 2.6 Accomplishments

- The Division’s Human Rights and Special Prosecution (HRSP’s) human rights enforcement program achieved highly significant successes in 2021 in its longstanding, multifaceted efforts to combat the scourge of female genital mutilation (FGM). On January 5, 2021, the STOP FGM Act went into effect. The revised and strengthened statute was the culmination of two years of intensive collaboration, initiated by HRSP, with DOJ’s Office of Legislative Affairs and the Criminal Division’s Appellate Section. This team successfully proposed and tirelessly advocated for changes to the previous law so that DOJ could continue to prosecute this horrific crime in the wake of an adverse 2018 district court decision holding that Congress lacked the authority to enact portions of the existing 1996 FGM statute. The team crafted the necessary legislative amendments and used the opportunity of Congressional review to suggest ways to strengthen the law resulting in an expanded scope of prosecutable offenses, ensuring that all harmful practices constituting FGM were encompassed within the law. The success of these efforts is reflected in the fact that the legislation passed the House on voice vote and passed the Senate by unanimous consent. Also in January 2021, an investigation conducted by HRSP, the U.S. Attorney’s Office for the Southern District of Texas, and the FBI resulted in a Houston, TX grand jury returning a landmark indictment charging Zahra Badri with one count of knowingly transporting a minor from the United States in foreign commerce (to Tanzania) for the purpose of subjecting her to female genital mutilation, in violation of 18 USC § 116(d). This marked the first time that the transportation prong of the statute had ever been charged in the statute’s history.
- In FY 2021, CEOS continued to lead strategic enforcement operations and leverage the capacity of U.S. Attorney’s Offices and major federal investigative agencies to combat the staggering number of child exploitation criminals taking advantage of the “Dark Web,” a system of anonymous networks with hidden websites, to commit their crimes with little to no fear of being identified, much less apprehended. This included the successful investigation and prosecution of Arlan Harrell, John Brinson, Moises Martinez, and Keith Lawniczak who were active members of several Tor-network-based child exploitation websites, including “BabyHeart,” which was dedicated to the sexual

exploitation of children under the age of five. The defendants repeatedly met together in California to sexually abuse children and produce child sexual abuse material (CSAM). The years-long investigation and prosecution resulted in the conviction of all four defendants. Also in September 2021, Eric Eoin Marques, a U.S./Irish dual citizen, was sentenced to 324 months in prison after an earlier guilty plea to one count of conspiracy to advertise child pornography. Marques was the administrator of the “Dark Web” Tor-network-based bulletproof web hosting service, “Freedom Hosting,” which, at its peak, hosted over 200 individual Tor hidden service websites dedicated to child sexual exploitation.

Strategic Goal 3: Protect Civil Rights

Goal 3 Resources

Strategic Goal	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Protect Civil Rights	\$8,862	\$9,484	\$10,194

Program Changes Affecting This Goal

- Promoting the Investigation and Prosecution of Election Crimes

Objective 3.1 – Protect the right to vote

Relevant Strategies to Achieve Objective 3.1

- Strategy 1: Enforce Federal Laws that Protect Voting Rights
- Strategy 2: Safeguard Fair Elections

Objective 3.1 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Protect the right to vote	\$3,717	\$3,999	\$4,366

Key Performance Measure

- Percent of cases prosecuting threats of violence and intimidation against election officials that are favorably resolved.

The Division is compiling baseline data for this measure and will report it in subsequent budget submissions.

Objective 3.1 Accomplishments

- In June 2021, the Public Integrity Section (PIN) was selected to lead the Department’s Election Threats Task Force, a newly established partnership of inter- and intra-departmental agencies charged with

combatting the increase in threats of violence against election workers. The Task Force, guided by PIN’s leadership, has engaged in extensive outreach to the election community; trained federal, state, and local law enforcement; pursued funding for security measures and enhancements to protect election workers; reviewed and assessed hundreds of threat complaints; investigated numerous allegations of serious threats; and pursued felony charges in multiple jurisdictions.

Objective 3.2 – Combat discrimination and hate crimes

Relevant Strategies to Achieve Objective 3.2

- Strategy 2: Deter and Prosecute Hate Crimes

Objective 3.2 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Combat discrimination and hate crimes	\$2,511	\$2,637	\$2,722

Objective 3.3 – Reform and strengthen the criminal and juvenile justice systems to ensure fair and just treatment

Relevant Strategies to Achieve Objective 3.3

- Strategy 1: Promote Trust Between Communities and Law Enforcement
- Strategy 2: Improve Law Enforcement Transparency and Accountability
- Strategy 3: Reform Charging and Sentencing Practices

Objective 3.3 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Reform and strengthen the criminal and juvenile justice systems to ensure fair and just treatment	\$3,717	\$3,999	\$4,366

Key Performance Measure

- Percent of defendants convicted of a drug-trafficking offense whose sentence includes a mandatory minimum and no aggravating factor.

The Division is compiling baseline data for this measure and will report it in subsequent budget submissions.

Objective 3.4 – Expand equal access to justice

Relevant Strategies to Achieve Objective 3.4

- Strategy 3: Ensure Justice System Accountability

Objective 3.4 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Expand equal access to justice	\$273	\$312	\$333

Objective 3.5 – Advance environmental justice and tackle the climate crisis

Relevant Strategies to Achieve Objective 3.5

- Strategy 1: Implement a Comprehensive Strategy to Advance Environmental Justice

Objective 3.1 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Advance environmental justice and tackle the climate crisis	\$273	\$312	\$333

Strategic Goal 4: Ensure Economic Opportunity and Fairness for All

One of the Department’s top priorities is to ensure that all people living in the United States deserve safe communities and a fair economy free from unlawful corporate conduct. The Criminal Division furthers this Department’s goal by prosecuting financial and corporate crime. The Fraud Section, which investigates and prosecutes complex white-collar crime cases throughout the country, is a national leader in the Department’s fight against sophisticated economic crime.

Goal 4 Resources

Strategic Goal	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Ensure Economic Opportunity and Fairness for All	\$23,660	\$28,798	\$32,838

Program Changes Affecting This Goal

- Enhancing the Division’s Data Analytics
- White Collar Investigations

Objective 4.1 – Reinvigorate antitrust enforcement and protect consumers

Relevant Strategies to Achieve Objective 4.1

- Strategy 2: Promote Competitive Markets
- Strategy 3: Protect Consumers

Objective 4.1 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Reinvigorate antitrust enforcement and protect consumers	\$1,253	\$1,385	\$1,498

Objective 4.2 – Combat corruption, financial crime, and fraud

Relevant Strategies to Achieve Objective 4.2

- Strategy 1: Deter and Prosecute White Collar Crime
- Strategy 2: Protect the public fisc from fraud on Federal programs
- Strategy 3: Combat corporate corruption and advance international anti-corruption efforts

Objective 4.2 Resources

Strategic Objective	FY 2021 Enacted (\$\$\$)	FY 2022 President’s Budget (\$\$\$)	FY 2023 Total Request (\$\$\$)
Combat corruption, financial crime, and fraud	\$22,407	\$27,413	\$31,340

Key Performance Measures

- Percent of corporate criminal cases in which individual responsibility was evaluated
- Percent of corporate criminal resolutions containing compliance reporting obligations that are evaluated by DOJ at least annually

The Criminal Division’s target for both key performance measures is 95%. The Division is compiling baseline data for this measure and will report it in subsequent budget submissions.

Objective 4.2 Accomplishments

- Prominent among the Department’s efforts have been cases brought by the Fraud Section involving at least 165 defendants charged with Paycheck Protection Program (PPP) and/or Economic Injury Disaster Loan (EIDL) fraud. The cases involve a range of conduct, from individual business owners who have inflated their payroll expenses to obtain larger loans than they otherwise would have qualified for, to serial fraudsters who revived dormant corporations and purchased shell companies with no actual operations to apply for multiple loans falsely stating they had significant payroll, to organized criminal networks submitting identical loan applications and supporting documents under the names of different



companies. Most charged defendants have misappropriated loan proceeds for prohibited purposes, such as the purchase of houses, cars, jewelry, and other luxury items. In one case, U.S. v. Dinesh Sah, in the Northern District of Texas, the defendant applied for 15 different PPP loans to eight different lenders, using 11 different companies, seeking a total of \$24.8 million. The defendant obtained approximately \$17.3 million and used the proceeds to purchase multiple homes, jewelry, and luxury vehicles. In 2021, Sah pleaded guilty to wire fraud and money laundering offenses and was sentenced to more than 11 years in prison.

Performance and Resource Tables

PERFORMANCE MEASURE TABLE										
Decision Unit: Enforcing Federal Criminal Laws										
Performance Report and Performance Plan Targets		Applicable Strategic Objective(s)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021		FY 2022	FY 2023
			Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Performance Measure	Number of Legislative and Policy Analysis Matters Completed	1.1, 1.2, 2.1, 2.2, 2.3, 2.4, 2.5, 2.6, 3.1, 3.2, 3.3, 3.4, 3.5, 4.1, 4.2, 5.1	6,154	7,851	8,269	9,607	7,832	11,773	8,826	8,826
Performance Measure	Number of Programmatic Coordination Activities		16,874	18,137	17,149	17,646	19,080	28,440	15,113	15,113
Performance Measure	Number of Legal Advisory Matters		23,744	27,653	36,996	41,235	35,712	32,490	32,202	32,202
Performance Measure	Number of Training Sessions/Presentations		1,778	5,234	4,525	7,187	3,846	5,799	4,330	4,330
Performance Measure	Number of Mandatory Reviews Completed		23,312	28,060	29,227	35,360	32,523	37,401	35,218	35,218
Performance Measure	Favorably Resolved ¹ Criminal Cases		98%	99%	99%	96%	90%	90%	90%	90%
Performance Measure	Favorable Resolved ¹ Civil Cases		100%	100%	100%	100%	80%	80%	80%	80%
Key Performance Indicator	Percent of Federal violent crime defendants' cases favorably resolved	2.3	N/A	94%	100%	97%	90%	100%	90%	90%
Key Performance Indicator	Percent of corporate criminal cases in which individual responsibility was evaluated	4.2	N/A	N/A	N/A	N/A	N/A	N/A	95%	95%
Key Performance Indicator	Percent of corporate criminal resolutions containing compliance reporting obligations that are evaluated by DOJ at least annually	4.2	N/A	N/A	N/A	N/A	N/A	N/A	95%	95%
Key Performance Indicator	Percent of cases prosecuting threats of violence and intimidation against election officials that are favorably resolved.	3.1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Key Performance Indicator	Percent of defendants convicted of a drug-trafficking offense whose sentence includes a mandatory minimum and no aggravating factor	3.3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

¹Defendants whose cases were favorably resolved include those defendants whose cases resulted in court judgments favorable to the government, such as convictions after trial or guilty pleas. Favorable resolution is measured at the defendant level and reported at the conviction stage of the case.

Performance, Resources, and Strategies

The Criminal Division utilizes a number of strategies and resources to achieve its mission of enforcing federal criminal law, detecting criminal misconduct, obtaining restitution for victims, and strengthening the rule of law. To evaluate the Division’s progress toward achieving its mission, it utilizes output and workload measures across its three primary activity areas – prosecutions and investigations, expert guidance and legal advice, and law enforcement tools. These metrics track performance in categories such as criminal and civil litigation, appellate work, legal and policy advising, training events, and mandatory reviews.

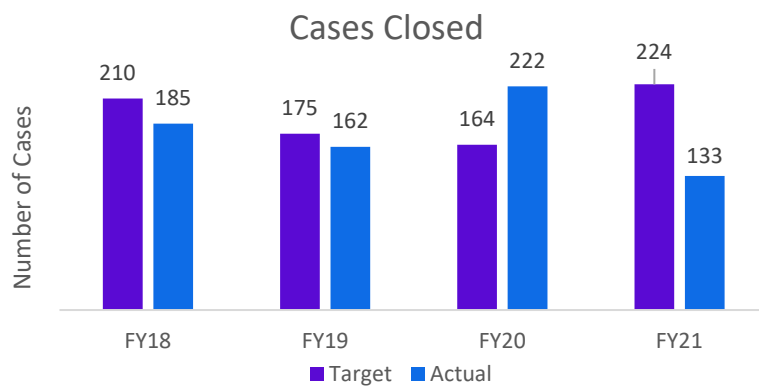
Performance Plan and Report for Outcomes

Prosecutions and Investigations

The Division leads complex investigations and brings and tries significant cases. Many of these cases are of national significance, require international coordination, have precedent-setting implications, and involve the coordination of cross-jurisdictional investigations.

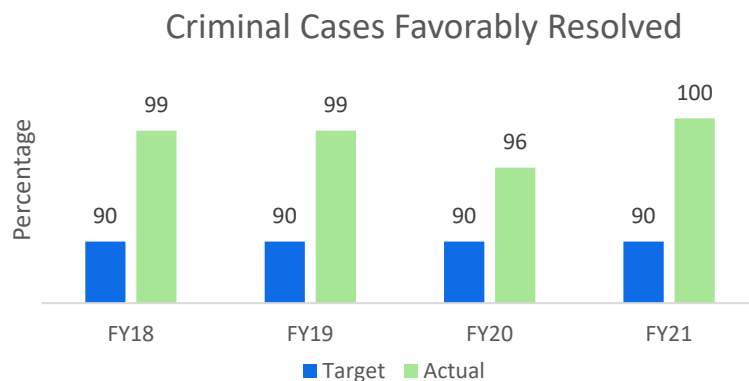
Workload Measure: Number of Cases Closed

The Division prioritizes resolving cases efficiently and favorably, taking into account all facts and circumstances, including the scope of criminal misconduct and an offender’s history and characteristics. This metric illustrates the number of open prosecutions that are closed during each fiscal year and provides a snapshot of the Division’s workload. While the Division has experienced fluctuations in its number of cases in recent years, its prosecutors have handled increasingly complex cases that often involve multiple jurisdictions and international conduct, factors that are not accounted for by the mere number of cases. In FY 2021 the Division did not meet the target number.



Outcome Measure: Criminal Cases Favorably Resolved

The Department’s long-term outcome goal for its litigating divisions, including the Criminal Division, is the percentage of criminal and civil cases favorably resolved during the Fiscal Year.⁵ This measures the effectiveness of the Division’s core law enforcement efforts. The goals are 90 percent for criminal cases and 80 percent for civil cases. The Division has consistently met or



⁵ Favorable resolution is measured at the defendant level and reported at the conviction stage of the case.

exceeded these goals. In FY 2021, the Division exceeded both outcome goals (100% for both criminal and civil).

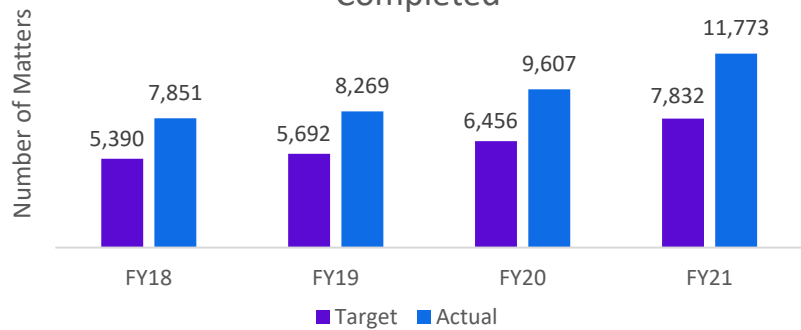
Expert Guidance and Legal Advice

The Division also provides expert guidance and legal advice on significant legislative and criminal rule proposals, analyzes Department-wide and government-wide law enforcement policy, conducts training for prosecutors and agents, and engages in programmatic coordination across the country.

Workload Measure: Legislative and Policy Analysis Matters Completed

This measure includes legislative reviews, policy and data analysis projects, policy guidance provided, and other activities completed by the Division on behalf of partners such as the U.S. Attorneys’ Offices. The target is determined annually based on the number of requests for assistance expected and consideration of Division resources. Between FY 2017 and FY 2021, the Division has exceeded its target each year.

Legislative and Policy Analysis Matters Completed



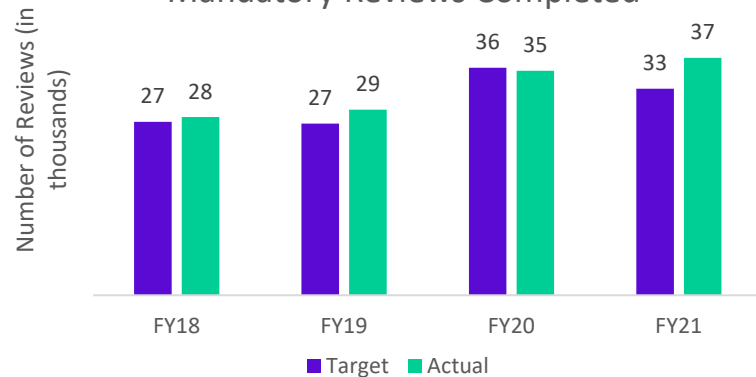
Law Enforcement Tools

The Division plays a central role in the Department’s mission by approving and overseeing the use of the most sophisticated and critical law enforcement tools. This includes the approval of all requests for Title III surveillance, securing the return of fugitives from abroad, and obtaining evidence from other countries integral to criminal prosecutions and investigations.

Workload Measure: Mandatory Reviews of Law Enforcement Tools Completed

The Division serves as the Department’s “nerve center” for many critical operational matters. It is the Division’s responsibility to ensure that investigators are effectively and appropriately using available sensitive law enforcement tools. This is done by reviewing the proposed use of tens of thousands of law enforcement tools on behalf of the Department each year. With the exception of FY 2021, from FY 2017 to FY 2021 the Division exceeded its target number of mandatory reviews, that is, those reviews in which review is required, such as Title III surveillance, each year. The number of reviews dropped slightly in FY 2020 due to the COVID-19 pandemic. It is anticipated that as federal law enforcement continues to adapt to pandemic-related challenges, federal investigations and

Mandatory Reviews Completed



With the exception of FY 2021, from FY 2017 to FY 2021 the Division exceeded its target number of mandatory reviews, that is, those reviews in which review is required, such as Title III surveillance, each year. The number of reviews dropped slightly in FY 2020 due to the COVID-19 pandemic. It is anticipated that as federal law enforcement continues to adapt to pandemic-related challenges, federal investigations and



prosecutions will increase, and therefore reviews in many areas will increase as well. It is also expected that shifts in Department priorities, such as an increased focus on computer-related crime, could result in increased reviews.

Strategies to Accomplish Mission

The Criminal Division’s mission is to protect the American people from serious criminal activity, including transnational criminal organizations, cybercrime, child exploitation, fraud, gangs, corruption, and money laundering. To meet this mission and the performance goals described above, the Division plans to leverage its resources strategically to maximize the impact of its investigative, prosecutorial, advising, and law enforcement activities.

The Division will employ several strategies:

- Utilize centralized headquarters to promote favorable case resolutions and ensure cost savings: The Division’s role as a centralized hub for critical law enforcement functions allows it to support law enforcement partners in offices throughout the U.S. and foreign counterparts across the world. This structure allows the Division the flexibility necessary to quickly mobilize staff and provide guidance to address criminal threats as they develop. As its workload shifts in response to the changing nature and globalization of crime, the Division plans to leverage this structure to continue resolving complex prosecutions and investigations favorably and efficiently.
- Directing resources toward law enforcement priorities and expert guidance areas: While prosecuting and investigating cases comprised an estimated 50% of the Division’s work in FY 2021, expert advising and law enforcement activities were also significant, comprising 38% and 12% respectively. Several of the Division’s pressing internal and external challenges and the backlog of mutual legal assistance requests inhibit the Division’s effectiveness in these important areas. Maintaining OIA’s capacity to continue reducing the mutual legal assistance request backlog and OEO’s resources for reviewing Title III applications for electronic surveillance in a timely manner will assist the Division in meeting its performance targets.

Priority Goals

The Criminal Division contributes to activities that support two of the Department’s FY 2022 – FY 2023 Agency Priority Goals.

Strategic Objective 2.4: Enhance Cybersecurity and Fight Cybercrime

Ransomware: The Division plays a critical role in the Department’s efforts to combat cyber threat, and identify, disrupt, and prosecute malicious cyber actors. CCIPS leads the Department’s work on cybercrime, cybersecurity, intellectual property theft, and obtaining electronic evidence. The Section’s work enhances the Department’s ability to keep pace with four explosive growth areas described further below – cybercrime, cybersecurity, intellectual property theft, and obtaining electronic evidence. MLARS, meanwhile, is at the forefront of the Department’s efforts to trace, seize, and forfeit of the proceeds of crime—including cybercrime—and to hold to account the money launderers who assist criminal actors, cyber and otherwise, in moving and secreting their illicit gains. MLARS and CCIPS together have led the Department’s efforts to assess and respond—through criminal enforcement as well as proposals for legal



and regulatory reform—to the explosive growth in the use of cryptocurrencies by criminal actors of all stripes, including the most significant ransomware actors.

Strategic Objective 2.3 – Combat Violent Crime and Gun Violence

Violent Crime: The Division critically contributes to the Department’s goal of dismantling violent criminal enterprises. All litigating sections will strive to continue to meet the Division’s performance goal of favorably resolving 90% of criminal cases each year. NDDS contributes to these efforts by investigating and prosecuting national and international drug trafficking groups and providing legal, strategic, and policy guidance on counternarcotics matters. CCS evaluates potential death penalty cases involving violent criminals. OEO reviews Title III applications which are an essential evidence tool for cases involving violent criminals and drug trafficking. OCGS investigates and prosecutes violent organized crime groups such as MS-13. OIA handles the exchange of evidence between countries, enabling the effective prosecution of violent criminals across the globe. Finally, CEOS directly targets violent crime, and specifically the online threat that emerging technology poses and the prosecution of online-facilitated child sex trafficking, production of child pornography, and extraterritorial child exploitation.

Performance and Resource Tables by Program Activities

PERFORMANCE AND RESOURCES TABLE											
Decision Unit: Enforcing Federal Criminal Law											
RESOURCES		Target		Actual		Projected		Changes		Requested (Total)	
		FY 2021		FY 2021		FY 2022		Current Services Adjustments and FY 2023 Program Changes		FY 2023 Request	
Total Costs and FTE		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		1,154	\$197,254	1,045	\$196,852	1,207	\$215,173	22	\$15,032	1,229	\$230,205
TYPE	PERFORMANCE	FY 2021		FY 2021		FY 2022		Current Services Adjustments and FY 2023 Program Changes		FY 2023 Request	
Program Activity	1. Prosecutions and Investigations	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		559	\$95,471	516	\$97,245	593	\$105,650	11	\$7,456	610	\$114,182
Workload	Cases Opened	386		414		427		30		457	
Workload	Cases Closed	224		133		198		14		212	
Workload	Cases Pending	2349		2,683		2,878		203		3,081	
Workload	Appellate Work - Opened	2321		2,246		2,321		164		2,485	
Workload	Appellate Work - Closed	2332		2,197		2,332		165		2,497	
Workload	Appellate Work Pending	841		1,148		841		59		900	
Workload	Matters Opened	1130		863		877		62		939	
Workload	Matters Closed	591		605		590		42		632	
Workload	Matters Pending	2708		2,927		1,558		110		1,668	

PERFORMANCE AND RESOURCES TABLE											
Decision Unit: Enforcing Federal Criminal Law											
RESOURCES		Target		Actual		Projected		Changes		Requested (Total)	
		FY 2021		FY 2021		FY 2022		Current Services Adjustments and FY 2023 Program Changes		FY 2023 Request	
Program Activity		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
	2. Expert Guidance and Legal Advice	456	\$77,915	403	\$75,985	467	\$83,272	8	\$5,787	473	\$88,629
Workload	Number of Legislative and Policy Analysis Matters Completed	7,832		11,773		8,826		613		9,439	
Workload	Number of Programmatic Coordination Activities	19,080		28,440		15,113		1,050		16,163	
Workload	Number of Legal Advisory Matters Completed	35,712		32,490		32,202		2,238		34,440	
Workload	Number of Training Sessions/Presentations	3,846		5,799		4,330		301		4,631	
Program Activity		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
	3. Law Enforcement Tools	140	\$23,868	125	\$23,622	147	\$26,251	3	\$1,789	146	\$27,394
Workload	Number of Mandatory Reviews Completed	32,523		37,401		35,218		2,400		37,618	
Workload	Favorably Resolved Criminal Cases	90%		100%		90%		0%		90%	
Workload	Favorable Resolved Civil Cases	80%		100%		80%		0%		80%	
<p>Data Definition, Validation, Verification, and Limitations: Definitions: Prosecutions and Investigations: This program activity includes cases or investigatory matters in which the Criminal Division has sole or shared responsibility. The case breakouts include cases from the following Sections/Offices: Fraud Section, Public Integrity Section, Computer Crime and Intellectual Property Section, Child Exploitation and Obscenity Section, Organized Crime and Gang Section, Narcotic and Dangerous Drug Section, Money Laundering and Asset Recovery Section, Human Rights and Special Prosecutions Section, and Capital Case Section. Appeals: Appellate Section. Expert Guidance & Legal Advice: This program activity includes oral and written advice and training to federal, state, local, and foreign law enforcement officials; coordination and support of investigations, prosecutions, and programs at the national, international and multi-district levels; and oral and written analysis of legislation and policy issues, development of legislative proposals, advice and briefing to Departmental and external policy makers, and participation in inter-agency policy coordination and discussions. Law Enforcement Tools: This program activity includes the work the Division does in specific areas of criminal law in reviewing and approving the use of law enforcement tools throughout the law enforcement community. Validation: The Division's management quarterly validates performance information to ensure data integrity.</p>											



V. Program Increases by Item

Item Name: Enhancing the Division’s Data Analytics

Strategic Goal: 4

Strategic Objective: 4.2

Budget Decision Unit(s): Enforce Federal Criminal Laws

Organizational Program: Criminal Division

Program Increase: Positions 6 Agt/Atty 4 FTE 3 Dollars \$1,471,000

Description of Item

The Criminal Division requests **6 positions (4 attorneys), 3 FTE, and \$1,471,000** to improve the Division’s data analytics capabilities as it relates to complex white-collar criminal cases and corporate enforcement. The Criminal Division is a leader in the Department’s fight against sophisticated economic crime. It investigates and prosecutes complex white-collar criminal cases throughout the country, including some of the most significant corporate crimes committed in recent years. Additional resources are needed because these cases and investigations are national or international in scope, and the amount of evidence collected for them has increased dramatically and continuously over the last 10 to 15 years due to the use and storage of vast amounts of electronic data by individuals, corporations, and public and private entities. By combating white-collar fraud, this enhancement supports the Department’s effort to **combat corporate corruption, financial crime and fraud, protect consumers, and achieve management excellence through innovation.**

Justification

The Criminal Division investigates and prosecutes complex white-collar criminal cases throughout the country, implements enforcement initiatives, and advises Department leadership on matters including legislation, crime prevention, and public education. It frequently coordinates interagency, multi-district, and international enforcement efforts. The Criminal Division’s success in prosecuting complex white-collar crime is attributable in large part to its ability to quickly identify and decisively respond to emerging trends and threats across the white-collar criminal enforcement landscape. Successfully identifying, investigating, and prosecuting these sorts of complex cases requires thoughtful and innovative strategic planning as well as considerable resources in the form of personnel, analytical tools, and other investigative and litigation support. Among the most critical tools the Criminal Division has employed in its efforts to proactively identify and respond to emerging threats are robust data analytics capabilities, which have been incorporated into the Criminal Division’s efforts across multiple areas of its work.

Identifying, Investigating, and Prosecuting Complex and Sophisticated White-Collar Criminal Conduct

The Criminal Division has deployed data analytics with great success across multiple areas of its white-collar criminal investigative and prosecution efforts. Additional resources for such deployment will enable the Division to expand upon these tested and proven efforts and achieve yet more critically important enforcement results.



The Fraud Section and Money Laundering and Asset Recovery Section Analytics Work

The Fraud Section (FRD) has contributed to the Division's efforts to develop and apply data analytics to its casework. Building upon its nationwide success with data-driven investigative techniques in its health care fraud enforcement efforts – efforts which have led to the charging of more than 800 individuals (responsible for alleged loss of over \$9 billion) since 2018 – the Fraud Section has expanded its use of such techniques to address other complex and data-heavy areas of enforcement need. These have included foreign bribery and corruption, complex market manipulation and securities and commodities fraud, and fraud on government programs. These are tried, tested, and proven initiatives, which can be expected to yield further and greater results if resourced as requested above.

In addition, corporate criminals targeted by the Money Laundering and Asset Recovery Section (MLARS) and FRD are often multinational companies or banks whose operations span jurisdictions and the investigations of which require the review and analysis of voluminous and complex records. Furthermore, data analytics could significantly advance the investigation of criminals using emerging payment systems and digital currency, including by devoting resources to virtual currency mining.

Developing Enforcement Policy

The Division also uses data analytics to support the Department's broader policy, program, and enforcement goals. The Analytics Team in the Office of Policy and Legislation (OPL) identifies emerging trends in crime and crime fighting, analyzes crime data, federal caseload statistics, and other criminal justice system information to inform policymaking. In addition, it collaborates with Division sections on using datasets to improve enforcement programs.

The OPL Analytics Team's projects focus on areas of special priority to the Administration and Department, including violent crime enforcement, child exploitation prevention and interdiction, and sentencing reform. As a result, the demand for data analytics is straining current staff capacity to respond quickly and effectively to Division and Department leadership's demands for timely and reliable information and data while supporting enforcement programs across the Division.

Case Examples

The use of data analytics in support of Departmental decision-making or improved enforcement of Criminal Division programs can be seen in the following examples:

- *Crime and Criminal Justice Monitoring and Analysis:* OPL analysts monitor and analyze murder and violent crime statistics and identify national crime trends to produce a series of analytic products to Division and Department leadership, including the Office of the Attorney General and the Office of the Deputy Attorney General. OPL also fulfills ad hoc requests for specific analyses of crime data that help guide critical decisions in violent crime reduction policymaking.
- *OPL Data Analytics Collaborative:* OPL data scientists collaborate with litigating sections to utilize large and complex datasets to improve enforcement programs. Currently, OPL data scientists are working with the Criminal Division's Human Rights and Special Prosecution Section on a partnership which uses data to identify human rights crimes in China that may involve U.S. companies.
- *Sentencing Monitoring and Analysis:* OPL analyzes sentencing-related data, monitors sentencing trends, and presents results to Division and Department leadership to help inform sentencing policy decisions.



The use of data analytics in support of Criminal Division programs can be seen in the following examples:

- In recent years Fraud Section prosecutors have relied upon data analytics to identify and prosecute complex fraud, price manipulation, and insider trading cases involving core U.S. commodities markets and closely related securities instruments. As of the end of 2020, the Fraud Section’s efforts in this area had resulted in charges against 20 commodities traders, programmers, and salespeople at global financial institutions and proprietary trading firms, as well as convictions of eleven traders, including former Deutsche Bank traders James Vorley and Cedric Chanu. In addition, in 2019 and 2020, the Fraud Section’s efforts in this space led to five corporate resolutions relating to violations of the commodities laws—with JPMorgan Chase, The Bank of Nova Scotia, Merrill Lynch Commodities, Tower Research Capital, and Propex Derivatives—with a combined total monetary amount of over \$1 billion.
- The Fraud Section has also leveraged its expertise in data-driven investigations to address foreign bribery and related criminal activity, mining open-source and other data to identify and prosecute corrupt conduct. As a result, to date Fraud has opened approximately 20 cases involving approximately \$200 million in suspicious payments, has issued more than 100 subpoenas for relevant bank records, and has taken a number of additional investigative steps.
- In MLARS’s investigation of one global company, the investigative team gathered financial records from 15 banks (and other financial institutions) relating to their target. Among other things, these records contained over 300 spreadsheets, tracking approximately 1.9 million transactions. The investigative team suspected that this data contained evidence of additional financial crimes (and possibly other crimes, such as criminal sanctions violations). However, in the state MLARS received it, the data was unusable for further investigative purposes. Each financial institution uses different platforms and systems, resulting in data that is stored in different formats. Often there are qualitative differences in the data, even within individual financial institutions themselves. MLARS painstakingly standardized the data (over a period of almost a year) to prepare it for analysis and use in the continuing investigation. Such was the size and complexity of this task that even agency partners (like the FBI or the Commerce Department) were unable to dedicate the necessary resources to it. Currently, the data is being converted and formatted to be uploaded into MLARS’s new Financial Investigation Analysis Tool (FIAT), which we have licensed from Research Innovations Inc. (RII).
- As part of this same corporate investigation MLARS collected over 3.5 million (non-transactional) records, which are currently stored in the Criminal Division’s Relativity database. The investigative team must review and analyze these records for relevance to the case and produce them (as appropriate) in discovery—according to the various categories and classifications in the case’s protective order. A task of this magnitude would have been impossible without MLARS’s team of discovery attorneys, or the team of analysts within the Criminal Division’s Litigation Support Department.
- Under the Kleptocracy Asset Recovery Initiative, MLARS’s International Unit prosecutes complex corruption cases involving foreign government officials and facilitators of corruption that generate enormous amounts of evidence. For example, MLARS is investigating a major international corporation for the laundering of over \$500 million in bribes to foreign officials in over ten countries through a network of over 100 shell bank accounts held in various jurisdictions. The investigative database (1.3 TB) consists of more than 17 million records, including returns from more than 400 subpoenas and 40 mutual legal assistance requests for financial and property records. In another international case, MLARS is investigating an online money laundering network based in Eastern Europe that used a large number of shell company bank accounts in several countries to transmit funds



for clients. The trial attorneys, agents, and analysts have been employing traditional investigative methods to map out the network of accounts and to identify clients, which requires extensive time and effort to gather and analyze the large volume of data, including U.S. correspondent banking data. The collection, evaluation, and exploitation of this massive amount of information from these cases under the Data Analytics program could significantly assist MLARS in identifying and prioritizing targets for prosecution. In particular, MLARS’s International Unit thinks there may be great potential derived from the creation of a database of incorporators, officers and directors, bankers, and signatories across all our cases to determine patterns of criminal activity that would guide our strategy for prosecuting the most significant international money laundering cases.

- MLARS further believes that data analytics could materially enhance its identification and prosecution of illicit financial threats from reviews of existing data maintained by the Criminal Division and other federal agencies. Additional personnel capable of reviewing this data and could result in the identification of trends worthy of further criminal enforcement and specific individuals and entities committing crimes.

Impact on Performance

This enhancement request will allow the Criminal Division to advance the Department of Justice’s priority of prosecuting fraud. As discussed in the justification portion of this request, the Division has been successful with these investigations and prosecutions, resulting in charges against 20 commodities traders, programmers, and salespeople at global financial institutions and proprietary trading firms, in addition to the conviction of eleven traders, in FY 2020.

The economy is one of the immediate priorities for the President, and the Department of Justice can support efforts to address inequities in our economy by dedicating additional resources to fraud investigations and prosecutions through support on this enhancement. Prosecuting white-collar crime to ensure that individuals and businesses follow the law is one way that the Department can contribute to this economic priority. The Division’s FY 2019 and FY 2020 corporate resolution cases totaling a monetary amount of \$1 billion is an example of what the Division has achieved, and additional resources will strengthen the Division’s abilities in this priority area and contribute to accomplishing the following Departmental Strategic Objective found in the Department’s FY 2023-2027 Strategic Plan.

- *Goal Four: Ensure Economic Opportunity & Fairness for All*
 - 4.2 Combat Corruption, Financial Crime, and Fraud

Funding

1. Base Funding

FY 2021 Enacted				FY 2022 President's Budget				FY 2023 Current Services			
Pos	Agt/Atty	FTE	Amount (\$000)	Pos	Agt/Atty	FTE	Amount (\$000)	Pos	Agt/Atty	FTE	Amount (\$000)
10	0	5	\$1,857	10	0	5	\$1,857	10	0	5	\$1,857

2. Personnel Increase Cost Summary

Type of Position/Series	FY 2023 Request (\$000)	Positions Requested	Full Year Modular Cost per Position (\$000)	FY 2023 1 st Year Adjustments	Annualizations (\$000)			
					2nd Year	3rd Year	FY 2024 (net change from 2023)	FY 2025 (net change from 2024)
Security Specialists (0080)	\$110	1	\$193	\$110	\$95	\$32	\$95	\$32
Attorneys (0905)	\$550	4	\$248	\$138	\$126	\$0	\$508	\$0
Info Technology Mgmt (2210)	\$110	1	\$193	\$110	\$95	\$32	\$95	\$32
Total Personnel	\$771	6	\$634	\$358	\$316	\$64	\$698	\$64

3. Non-Personnel Increase/Reduction Cost Summary

Non-Personnel Item	FY 2023 Request (\$000)	Unit Cost (\$000)	Quantity	Annualizations (\$000)	
				FY 2024 (net change from 2023)	FY 2025 (net change from 2024)
Litigation and Contract Support	\$700	\$700	1	\$0	\$0
Total Non-Personnel	\$700	\$700	1	\$0	\$0

4. Justification for Non-Personnel Annualizations

N/A

5. Total Request for this Item

Category	Positions			Amount Requested (\$000)			Annualizations (\$000)	
	Count	Agt/Atty	FTE	Personnel	Non-Personnel	Total	FY 2024 (net change from 2023)	FY 2025 (net change from 2024)
Current Services	10	0	5	\$1,857	\$0	\$1,857	\$0	\$0
Increases	6	4	3	\$771	\$700	\$1,471	\$698	\$64
Grand Total	16	4	8	\$2,628	\$700	\$3,328	\$698	\$64

6. Affected Crosscuts

N/A



Item Name: Promoting the Investigation and Prosecution of Election Crimes

Strategic Goal: 3
Strategic Objective: 3.1
Budget Decision Unit(s): Enforce Federal Criminal Laws

Organizational Program: Criminal Division

Program Increase: Positions 7 Agt/Atty 3 FTE 4 Dollars \$876,000

Description of Item

The Criminal Division requests **7 positions (3 attorneys), 4 FTE, and \$876,000** for the Public Integrity Section (PIN). This enhancement will provide additional resources dedicated to the investigation and prosecution of election crimes including voter suppression campaigns, intentional registration and voting by ineligible voters, campaign finance and patronage offenses, bribery of public officials, election-related Foreign Agents Registration Act (FARA) violations, and ballot fraud (e.g., conduit contributions, foreign donations, multiple voting, vote buying, tally fraud). The requested resources will support the **Department’s priority of protecting voting rights and fair elections** by ensuring election integrity.

Justification

PIN, led by its Election Crimes Branch, is responsible for coordinating and supervising the nationwide federal criminal effort to ensure election integrity. It fulfills this responsibility by prosecuting election crimes, and by advising other offices and agencies through various trainings, briefings, consultations, and intra- and inter-departmental interactions. In recent years, the demands associated with this responsibility have risen steeply, as the risks to election integrity have multiplied. Between 2011 and 2016, PIN opened 71 election crime investigations and prosecutions. Since 2017, PIN has opened approximately 125 election crime investigations or prosecutions, reflecting nearly a 60% increase in caseload. In 2020 alone, during the last election cycle, PIN assessed over 200 referrals of ballot fraud matters. In June 2021, PIN was selected to lead the Department’s newly formed Election Threats Task Force, requiring additional resources to engage the election community; train federal, state, and local law enforcement; identify funding for election security enhancements; and to investigate and prosecute threats to the election officials where appropriate.

Notwithstanding PIN’s commitment to election integrity, more resources and structural enhancements are necessary. The Election Crimes Branch is officially staffed at this time by only its Director, Deputy Director, and five trial attorneys. However, those trial attorneys manage full caseloads, investigating and prosecuting public corruption matters throughout the country, and therefore cannot focus exclusively on the growing needs of the Branch.

Moreover, challenges to election integrity continue to grow and evolve, posing significant new threats for which, the Department of Justice (DOJ) must be prepared. In recent years, fraudulent political action committees (i.e., scam-PACs), threats to the election community, disinformation campaigns via social media, and malign foreign influence operations have become more prevalent. In addition, the COVID-19 crisis, and its long-term ramifications, will further exacerbate election integrity risks. For example, with the likely adoption of vote-by-mail by more State and local election authorities, there will be a greater need for DOJ and Federal Bureau of Investigation (FBI) readiness and preparedness.



PIN requests this enhancement to strengthen its efforts and to ensure adequate resources are dedicated to both the investigation and prosecution of election crimes. Specifically, PIN requests the following:

- Two federal law enforcement agents on reimbursable detail to PIN to conduct investigations and analysis focused on efforts to: (1) alter federal elections with criminally-derived proceeds or promotionally laundered funds; (2) infringe on the civil rights of voters through suppression and disinformation campaigns; (3) violate federal law through intrusion on election infrastructure; (4) fraudulently register ineligible voters; and (4) corrupt and manipulate public officials through unlawful campaign contributions.
- Two dedicated analysts focused on reviewing data of the Federal Election Commission (FEC) and the financial sector (including Treasury’s Financial Crimes Enforcement Network)—along with public reporting of election-related allegations—to identify suspicious transactions indicative of unlawful campaign contributions or related criminal conduct.
- Three additional trial attorneys and two additional administrative assistants to enhance the Election Crimes Branch’s program.

PIN has promoted a responsible and consistent approach to election integrity amongst DOJ components and other agencies. The Election Crimes Branch has organized and run approximately a dozen national trainings for DOJ and FBI and table-top exercises at the FBI’s Strategic Information and Operations Center (SIOC). The SIOC exercises include participation from all FBI election crime coordinators and DOJ district election officers nationwide. This scenario-based preparation simulates an election-day setting and ensures FBI and DOJ readiness to address various threats to election security. In coordination with the FBI, the Election Crimes Branch has provided guidance to service providers in the social networking sector on how to identify and report potentially criminal election-related conduct executed over their platforms. The Branch also communicates and consults regularly with United States Attorneys’ Offices and federal law enforcement agencies across the country to assess predication, provide investigative guidance, and review legal process and pleadings in election-related criminal matters.

PIN has expended significant resources addressing Department priorities and emerging demands in the field of election crimes. Among its prosecutions, in recent years, PIN successfully litigated the following prominent election crime cases:

- On May 11, 2018, the Eighth Circuit unanimously affirmed jury convictions obtained by PIN in the Department’s first expenditure-side campaign finance prosecution. Defendants were high-level campaign operatives for a 2012 presidential campaign who bribed an Iowa State Senator to endorse their unwitting candidate just before the Iowa caucuses. To conceal the bribe, they concocted a false invoicing scheme. The campaign paid these invoices and reported them to the FEC as “audio/visual expenses.” The defendants were convicted of false statements, obstruction of justice, violations of the Federal Election Campaign Act, and conspiracy to violate these statutes.
- On December 3, 2018, PIN obtained the jury conviction of Kenneth Smukler, a Philadelphia political operative, of conspiracy, making and causing unlawful campaign contributions, and causing false statements to the FEC in connection with a 2012 congressional primary campaign in a Philadelphia-area Congressional district. The jury further found Smukler guilty of making and causing unlawful campaign contributions, causing the filing of false reports to the FEC concerning contributions and expenditures, obstruction, and causing false statements to the FEC in connection with a 2014 congressional primary campaign in another Philadelphia-area Congressional district.



- On September 12, 2019, PIN obtained the conviction of former Kentucky State Representative and Chairman of the Kentucky Democratic Party Gerald G. Lundergan and political consultant Dale C. Emmons for funneling over \$250,000 of illegal corporate campaign contributions into the 2014 U.S. Senate campaign of Allison Lundergan-Grimes, Lundergan’s daughter.
- On October 8, 2019, PIN obtained the conviction of James Tong, an Oakland area real estate developer, for funneling tens of thousands of dollars through straw donors into two consecutive congressional campaigns for a member of the U.S. House of Representatives.
- On October 29, 2019, PIN obtained a 36-month sentence for Austin entrepreneur Kyle Prall for operating a scam-PAC and defrauding political donors out of over \$500,000 in contributions. This case represented the Department’s first scam-PAC indictment and PIN successfully litigated First-Amendment issues of first impression.
- On March 5, 2020, PIN obtained the convictions of Greg E. Lindberg, the founder and chairman of Eli Global LLC, and Lindberg’s consultant, John D. Gray, for orchestrating a bribery scheme involving millions of dollars in campaign contributions in exchange for favorable regulatory action by the Commissioner for the North Carolina Department of Insurance.
- On June 10, 2021, PIN filed a superseding indictment against Prakazrel Michel and Low Taek Jho for funneling Low’s foreign money into the 2012 election for the Office of the President of the United States and for later conspiring with Elliott Broidy—the former Finance Chair of a national political party—and others to use Broidy’s influence to lobby the President of the United States, the Attorney General, and other high-level officials on behalf of undisclosed foreign principals in exchange for millions of dollars while intentionally failing to register under FARA and concealing the foreign benefactors.
- On November 2, 2021, PIN filed an indictment against Matthew Tunstall, Robert Reyes, Jr., and Kyle Davies, for operating a series of scam-PACs and defrauding donors out of millions of dollars in contributions.
- On January 18, 2022, PIN filed an indictment against Chad Stark for making interstate threats against election officials.
- On January 19, 2022, PIN filed an indictment against Gjergi Juncaj for making threatening telephone calls to an election official.

Impact on Performance

PIN’s investigation and prosecution of election crimes will ensure election integrity and protect voting rights by promoting access to voting and reducing the spread of disinformation. These are priorities of the Department, as well as the President. Attorney General Garland highlighted the importance of protecting our elections from criminal influence during an August 2021 virtual discussion with a bipartisan group of over 1,400 election officials to discuss mounting and persistent threats to the safety of election officials and workers across the country and the Justice Department’s launched Election Threats Task Force.⁶ The Criminal Division’s Acting Assistant Attorney General similarly highlighted the importance of election crime enforcement during a January 27, 2021 press release concerning a defendant who unlawfully used social media to spread false information and deprive individuals of their right to vote. He stressed that the

⁶ <https://www.justice.gov/opa/pr/readout-justice-department-leadership-meeting-threats-election-workers>



Department is committed to “investigating and prosecuting those who would undermine citizens’ voting rights.”⁷ The same commitment is echoed in President Biden’s March 7, 2021 Executive Order on Promoting Access to Voting, which aims to promote voting rights.⁸ This enhancement request will allow PIN to continue to address the Administration’s and Department’s priorities and emerging demands, particularly in the areas of combatting election crime and ensuring election integrity

Additional resources will strengthen PIN’s capacity to deter, investigate, and hold accountable those who commit election crimes and other related offenses. The Election Crimes Branch – by adding new trial attorneys, analysts, administrative assistants, and federal law enforcement detailees – will be able to (1) undertake and manage directly more investigations and prosecutions of election crimes and other related offenses; (2) proactively examine and analyze public filings and open source reporting to assess election-related allegations; (3) enhance its nationwide coordination and supervision of matters involving election crimes; and (4) broaden and strengthen its relationships and collaboration with other governmental and non-governmental entities essential to election integrity (e.g., National Security Division, Intelligence Community, Department of Homeland Security, Postal Inspection Service, FEC, Election Assistance Commission, State and local election authorities, and social media service providers).

Additional resources also will support PIN’s efforts to enhance responsible litigation practices in connection with election integrity. Specifically, the Election Crimes Branch will use these resources to conduct more election-related trainings with DOJ and FBI offices throughout the country and enhance its consultation and oversight capabilities relating to election crimes. With these new resources, PIN will continue to ensure a proper, consistent, and cohesive approach by DOJ to investigating and prosecuting election crimes and other related offenses.

Overall, this enhancement request will empower PIN, and its Election Crimes Branch, to continue its mission in ensuring election integrity. At the same time, this enhancement will permit PIN to allocate its existing resources toward the ongoing prosecution of public corruption matters, including its efforts to deter and ensure appropriate investigation and prosecution of fraud, waste, and abuse affecting government programs.

Additional resources will strengthen the Division’s abilities in this priority area and contribute to accomplishing the following Departmental Strategic Objective found in the Department’s FY 2023-2027 Strategic Plan.

- *Goal Three: Protect Civil Rights*
 - 3.1 Protect the Right to Vote

⁷ <https://www.justice.gov/opa/pr/social-media-influencer-charged-election-interference-stemming-voter-disinformation-campaign>

⁸ <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/03/07/executive-order-on-promoting-access-to-voting/>



Funding

1. Base Funding

FY 2021 Enacted				FY 2022 President's Budget				FY 2023 Current Services			
Pos	Agt/Atty	FTE	Amount (\$000)	Pos	Agt/Atty	FTE	Amount (\$000)	Pos	Agt/Atty	FTE	Amount (\$000)
2	2	1	\$526	2	2	1	\$542	2	2	1	\$560

2. Personnel Increase Cost Summary

Type of Position/Series	FY 2023 Request (\$000)	Positions Requested	Full Year Modular Cost per Position (\$000)	FY 2023 1 st Year Adjustments	Annualizations (\$000)			
					2nd Year	3rd Year	FY 2024 (net change from 2023)	FY 2025 (net change from 2024)
Data Analysts (0101)	\$140	2	\$115	\$70	\$48	\$59	\$96	\$118
Clerical and Office Svcs (0300-0399)	\$123	2	\$99	\$62	\$31	\$18	\$61	\$36
Attorneys (0905)	\$413	3	\$248	\$138	\$127	\$0	\$381	\$0
Total Personnel	\$675	7	\$462	\$270	\$206	\$77	\$538	\$154

Non-Personnel Increase/Reduction Cost Summary

Non-Personnel Item	FY 2023 Request (\$000)	Unit Cost (\$000)	Quantity	Annualizations (\$000)	
				FY 2024 (net change from 2023)	FY 2025 (net change from 2024)
Reimbursable Detailees	\$201	\$100	2	\$270	\$0
Total Non-Personnel	\$201	\$100	2	\$270	\$0

3. Justification for Non-Personnel Annualizations

The reimbursable detailee positions are annualized for the second year only. Annualization costs include salary and benefits, as well as travel expenses.

4. Total Request for this Item

Category	Positions			Amount Requested (\$000)			Annualizations (\$000)	
	Count	Agt/Atty	FTE	Personnel	Non-Personnel	Total	FY 2024 (net change from 2023)	FY 2025 (net change from 2024)
Current Services	2	2	1	\$560	\$0	\$560	\$0	\$0
Increases	7	3	4	\$675	\$201	\$876	\$807	\$154
Grand Total	9	5	5	\$1,235	\$201	\$1,436	\$807	\$154

5. Affected Crosscuts

Voter/Election Fraud



Item Name: **Combat Child Exploitation**

Strategic Goal: 2
Strategic Objective: 2.6
Budget Decision Unit(s): Enforce Federal Criminal Laws

Organizational Program: Criminal Division

Program Increase: Positions 6 Agt/Atty 4 FTE 3 Dollars \$890,000

Description of Item

The Criminal Division requests **6 positions (4 attorneys), 3 FTE, and \$890,000** for the Child Exploitation and Obscenity Section (CEOS) to further the Department’s effort to reduce violent crime—specifically, the online threat that emerging technology poses and the prosecution of online-facilitated child sex trafficking, production of child pornography, and extraterritorial child exploitation.

The rapid advancement of online technologies and platforms have caused online crimes against children to flourish and create dangerous new threats for children, and more training and analytical and prosecutorial support is needed to promote the Department’s efforts in the priority area to protect vulnerable populations by **promoting and improving programs for victims of crime and by protecting children from crime and exploitation.**

Justification

CEOS’s Trial Attorneys and Digital Investigative Analysts in its High Technology Investigative Unit (HTIU) serve as the nation’s leading experts on identifying and prosecuting child sexual predators; develop and implement innovative enforcement strategies to prevent the victimization of children; identify and address critical policy and legislative concerns; and improve the law enforcement response to crimes against children through training and outreach. CEOS partners with all United States Attorneys’ Offices (USAOs), all federal law enforcement agencies, and foreign law enforcement entities to operate nationally and transnationally, targeting the worst of the worst offenders who almost invariably are unburdened by geographical boundaries.

CEOS’s HTIU provides critical and innovative case support, working both to achieve a favorable outcome in an individual case, but also to systematically improve law enforcement’s response to vexing technological challenges. HTIU’s Digital Investigative Analysts often discover key evidence that leads to the identification and rescue of children being abused, the identification and arrest of online, anonymized offenders, the conviction of a dangerous sex offender, or the conviction of an offender for a more serious offense. A significant percentage of CEOS’s cases and investigations are generated by HTIU’s forensic investigations and the resulting national operations. HTIU’s work also develops countless leads for the field and for our international partners. Examples of HTIU’s cutting edge work include the development of a protocol to proactively mitigate the use of encryption; the design of an efficient working model to handle cases with exceptionally large volumes of media; the development of forensic approaches to identify offenders who use mobile applications; and methods of conducting investigations on anonymous networks. As just one metric of the results CEOS achieves, between Fiscal Years 2013-2020, CEOS spearheaded 28 national and international operations that have resulted in the investigation of over 4,200 individuals in the United States and generated leads against more than 10,000 foreign suspects.



Evolution of Technology and Impact on Child Safety

CEOS and HTIU expertise is needed now more than ever as technology has changed the production and sharing of child sexual abuse material (known in federal law as child pornography) and how child sex trafficking is facilitated and committed.

Anonymizing technologies like The Onion Router (Tor), virtual private networks or proxies, and Freenet provide secure, anonymous systems that allow websites and their users to operate with little fear of identification, as tracing IP addresses is nearly impossible and intercepting the encrypted communications is totally impossible. As a result, sites remain online for years while hundreds of thousands of offenders migrate to them to commit offenses in plain sight. At the same time, mobile devices have become ubiquitous and are fully encrypted by default – serving as the perfect mechanism to produce, store, share, and access child pornography, and to target, chat with, and groom children for sexual exploitation. Offenders have been emboldened by the protection of technology. Offenders have also increasingly turned to pre-verbal victims (infants and toddlers), spurred by online meeting places that normalize their sexual interest and by the knowledge that such young victims cannot disclose the abuse.

As child abusers adopt chat programs, gaming platforms, social media applications, webcams, and even virtual business meeting technology for illegal means, new forms of child sexual exploitation have abounded. CEOS has seen a rise in cases involving “cyber sex dens,” or “virtual child sex trafficking,” where offenders in America pay to view via webcam the sexual abuse of children in foreign countries. CEOS has seen more “live audience” cases where offenders use virtual business meeting technology to congregate online and watch one offender abuse a child, while commenting on the abuse and requesting that the offender perform specific acts. CEOS has also seen a surge in “sextortion” cases, where offenders use social media to target countless children – often across the world – and coerce them to create and send sexually explicit photographs and videos of themselves. And CEOS has seen an increase in “crowdsourcing” cases, in which a group of offenders lure hundreds of children to a website, trick them into believing they are engaging in online sexual activity with same-age peers, then record and share the footage amongst themselves without the victims realizing that they have been victimized.

From 2013 to 2020—a span of just a few years—the number of CyberTips sent to NCMEC skyrocketed from 500,000 to almost 22 million. In 2020, the 22 million CyberTips sent to NCMEC constituted an overall increase of approximately 28% from the 2019 total (almost 17 million). For these victims, the impact of these crimes is profound. One survey of child exploitation survivors found that 83% had suicidal thoughts, and 60% had attempted suicide. Rescuing these children and helping them obtain the services they need to begin their recovery is an urgent priority.

The rise of online advertising of sexual services has greatly facilitated the sex trafficking of children. Prior to Department’s shutdown of Backpage in April 2018, it was the Internet’s leading forum for prostitution ads, including ads related to child sex trafficking, and Investigations stemming from Backpage were the primary source of federal sex trafficking prosecutions. This underscored by the fact that, from 2013 to 2017, traffickers solicited buyers on Backpage in over 100 new cases each year, and by FY 2017 upwards of 80% of federal child sex trafficking cases involved Backpage advertisements.

A recent case prosecuted by CEOS with the Eastern District of Pennsylvania illustrates the danger created by Backpage and other such advertising sites. Dkyle Jamal Bridges, Kristian Jones, and Anthony Jones were convicted at trial for conspiracy to engage in sex trafficking by force, fraud or coercion, and of minors, as well as sex trafficking three minors by force, fraud or coercion. Bridges was also convicted of sex trafficking two adults by force, fraud or coercion. Bridges was sentenced on March 29, 2021, to 35 years in prison. Kristian Jones was sentenced on June 3, 2021, to 20 years in prison. Anthony Jones is scheduled



to be sentenced on September 28, 2021. According to evidence presented at trial, Bridges, Kristian Jones and Anthony Jones ran a prostitution enterprise in which adult and minor females were sex trafficked throughout the mid-Atlantic region, including Pennsylvania and Delaware. Bridges frequently used violence and threats to cause the victims to engage in commercial sex acts. Kristian and Anthony Jones helped Bridges run the enterprise by providing security and reserving hotel rooms. The investigation began when a local police officer rescued two minors who had been advertised for prostitution on Backpage.com. Additional victims were identified by local law enforcement after being advertised for prostitution on Backpage.com.

Aside from individual prosecutions like that of Bridges and the Joneses, CEOS responded to the Backpage.com threat in two ways. First, it brought a criminal prosecution against Backpage.com and its founders, taking the site offline and seizing over \$150 million in assets. Backpage and related corporate entities, Backpage’s CEO, and its Marketing Director have all pleaded guilty to various federal offenses. Trial for the remaining defendants will on September 9, 2021. Simultaneously, it championed legislation that will allow state and local prosecutions of similar sites in the future. In 2017, Congress passed the Fight Online Sex Trafficking Act (FOSTA), which provides greater tools to federal, state, and local prosecutors and victims to hold accountable websites that facilitate sex trafficking and prostitution. CEOS is now promoting the use of those new tools to our state and local partners to tackle the shattered marketplace for commercial sexual services that facilitates child sex trafficking. Backpage’s demise has ushered in a new era for the online commercial sex marketplace where numerous companies, which have migrated their hosting services to Europe, vie for marketplace dominance. For this reason, it is critical that additional investigations and prosecutions strike again at the wounded marketplace to effectuate its collective downfall. CEOS is well-positioned to lead this charge, as each of these investigations and prosecutions require resource-intensive teams that include computer forensic expertise.

Under the leadership of the Office of the Deputy Attorney General (ODAG), the Department is taking a close look at its prosecutorial efforts to address human trafficking and the demand from the field, both U.S. Attorneys’ Offices and the FBI, for more training and assistance on the investigation and prosecution of sex trafficking. With the funding that CEOS is requesting, it can work with the FBI to deploy “jump teams” in districts seeking to increase their child sex trafficking prosecutions.

CEOS’s Current Ability to Respond to Emerging Threats

Because CEOS is not bound within the confines of an individual district, it has a unique view of the global child sexual exploitation threat. This provides a firm basis of knowledge with which to develop and guide a focused and coordinated response. This geographical flexibility and unparalleled technical expertise allows CEOS to bring cutting edge cases against monstrous offenders.

For example, “The Giftbox Exchange” (GBE) was a child-pornography bulletin board operating on Tor that had approximately 70,000 registered users. Users posted links to child sexual abuse material available for download on various sub-forums of the website, which included sections for “Pre-teen Hardcore” and “Babies and toddlers.” GBE’s VIP section was accessible only to users who uploaded new or originally produced child sexual abuse material. CEOS’s HTIU and Homeland Security Investigations (HSI) identified hundreds of individuals who downloaded child exploitation materials advertised on the website, resulting in the dissemination of at least 248 domestic leads, the execution of 117 search warrants, and the identification of 17 victims. Two of the three administrators of GBE were sentenced to life in prison following guilty pleas in the Eastern District of Virginia. A third defendant pleaded guilty and was sentenced to 60 years’ imprisonment in the Middle District of Florida. These three were charged along with a fourth defendant in the Middle District of Tennessee on additional child exploitation charges; all four pleaded guilty in that case and received sentences of 20 to 35 years in prison. A fifth defendant was



sentenced to 60 years in prison in the Commonwealth of Virginia. These defendants also prove that online conduct often results in real world harm, as they all were sexually abusing children aged four and under.

“Dark Souls” is an international investigation by CEOS, HSI, IRS Criminal Investigations, and the U.S. Attorney’s Office for the District of Columbia, of a Tor child pornography website called “Welcome to Video” and was the first large-scale nationwide child exploitation investigation whose targets were identified via blockchain analysis. Three hundred thirty-seven defendants across the United States and on five continents were arrested as a result of this investigation, which also led to the rescue of at least 23 minor victims residing in the United States, Spain and the United Kingdom, who were being actively abused by the users of the site. The operation resulted in the seizure of approximately eight terabytes of child sexual exploitation videos, which was one of the largest seizures of its kind. Forty-five percent of the videos analyzed contained new images that were not previously known to exist. This Tor website was among the first of its kind to monetize child exploitation videos using bitcoin and boasted over one million downloads of child exploitation videos by users.

CEOS has also successfully concluded an operation targeting two pernicious and growing phenomena: the use of gaming platforms to commit child sexual exploitation crimes, and the production of child sexual abuse material via crowdsourcing, where conspirators leveraged their numbers and collaborated to sexually exploit large numbers of children. Discord is a publicly available voice, video and text chat service that is primarily marketed to online gamers. Child sex offenders have co-opted this service to target children. Offenders create members-only chat rooms on Discord which are used as a hub for their collective action. They then work together to identify and entice underage girls into engaging in sexually explicit conduct via webcam, and the conduct is surreptitiously recorded, stored, and shared among offenders within Discord chat rooms. The number of children victimized pursuant to these schemes can be staggering. For example, one such defendant surreptitiously produced child sexual abuse material of approximately 2,000 victims varying in ages from approximately 10- to 17-years- old. As a result of CEOS’s efforts, he was sentenced to 25 years in prison following his guilty plea in the Western District of Washington to engaging in a child exploitation enterprise. Thus far, 172 victims of that criminal enterprise have been identified. Nine co-conspirators pled guilty to offenses including engaging in a child exploitation enterprise, production of child pornography, and conspiracy to advertise child pornography, receiving sentences of between 12 and 27 years in prison. A tenth co-conspirator was successfully convicted at jury trial and sentenced to 30 years in prison followed by lifetime supervised release.

Extraterritorial Child Sexual Exploitation

In addition to the emerging technology threat, CEOS continues to prosecute American offenders who prey on impoverished children in countries with limited capacity to protect them. Americans who accompany military personnel deployed abroad are also subject to prosecution in the United States if they commit a child sexual exploitation offense. Because CEOS can try cases in any district, it is uniquely situated to devote resources to the investigations in the pre-indictment phase before the venue has yet to be determined. These cases pose serious challenges including obtaining foreign evidence and witnesses, as well as resolving complex, first-of-a-kind legal and practical challenges. As such, the cases are incredibly resource intensive. While success is not guaranteed in such cases (and often can take years to obtain) due to these factors, CEOS pursues them because the United States bears an undeniable responsibility to ensure that these U.S. offenders preying on children abroad do not escape justice. CEOS can also provide the subject matter expertise to address the unique constitutional issues posed by these cases. For example, in *United States v. Reed* and *United States v. Park*, CEOS brought the first two cases under a novel criminal provision which prohibits U.S. citizens from residing abroad and sexually abusing children. In *Park*, the Court of Appeals for the District of Columbia affirmed the constitutionality of this statute.



Training and Capacity Building

To the extent possible with existing resources, CEOS acts as a force multiplier by supporting vital, cutting-edge training events, including the annual National Law Enforcement Training on Child Exploitation, which in the last five years alone reached approximately 9,000 law enforcement personnel, prosecutors, and other professionals working in this field. Each agenda is carefully designed to provide instruction on cutting edge technological and legal issues concerning online child sexual exploitation and abuse. CEOS designs and offers extensive nationwide in-person training at the National Advocacy Center, the International Law Enforcement Academy, and other venues. CEOS builds international capacity by regularly traveling abroad to present to investigators, prosecutors, judges, and non-governmental organizations. CEOS publishes a newsletter distributed to AUSAs and federal agents that provides updates on changes to legislation, tips for trial and forensic examinations, guidance on recurring legal issues and defense motions, recent developments in the law, and other useful topics. CEOS also maintains a case digest that summarizes the significant federal cases addressing child exploitation topics and maintains and updates an intranet site that provides comprehensive child exploitation-related resources. Agents and AUSAs who need immediate assistance can also call the CEOS duty line to obtain on-the-spot guidance.

Additional Resources Needed to Combat Child Exploitation and the Use of New Technology

The more sophisticated offenders become, and the more complex the cases become, the more resources we must devote to the investigation and prosecution of each case and to the amount of training and guidance we provide to the field to enable U.S. Attorneys' Offices to continue their efforts in the face of these challenges. In particular, more complex and intense analytical work, computer forensic data mining, and prosecutions will be needed to maintain the Department's commitment to combating online child exploitation. Further, the technological and legal solutions to access evidence on encrypted devices, especially smartphones, is rapidly evolving and requires constant vigilance. Simply put, the offenders are out there, and with more trial attorneys and digital investigative analysts, CEOS could develop and lead more operations, prosecutions, and trainings to bring more of them to justice.

Impact on Performance

Combating violent crime, as part of the Department's commitment to protect our country, one of the core priorities that should guide the Department's work.

The requested resources will prevent CEOS from losing ground to child sex offenders in the wake of substantial changes in the scale, technological complexity, and dangerousness of the crimes. The addition of four trial attorneys and two paralegals will position CEOS to effectively address and expand its efforts in its three priority areas. In particular, the new resources will allow CEOS to continue to lead the Department of Justice's efforts to continuously improve the enforcement of federal child exploitation laws and prevent the exploitation of children, as well as continue to assist law enforcement agents and prosecutors in the investigation and prosecution of computer facilitated child exploitation offenses, national operations involving child exploitation over the Internet, and special investigative initiatives. Additional resources will strengthen the Division's abilities in this priority area and contribute to accomplishing the following Departmental Strategic Objectives found in the Department's FY 2023-2027 Strategic Plan.

- *Goal Two: Keep Our Country Safe*
 - 2.6 Protect Vulnerable Communities

Funding

1. Base Funding

FY 2021 Enacted				FY 2022 President's Budget				FY 2023 Current Services			
Pos	Agt/Atty	FTE	Amount (\$000)	Pos	Agt/Atty	FTE	Amount (\$000)	Pos	Agt/Atty	FTE	Amount (\$000)
30	19	30	\$7,888	31	20	31	\$8,328	31	20	31	\$8,570

2. Personnel Increase Cost Summary

Type of Position/Series	FY 2023 Request (\$000)	Positions Requested	Full Year Modular Cost per Position (\$000)	FY 2023 1 st Year Adjustments	Annualizations (\$000)			
					2nd Year	3rd Year	FY 2024 (net change from 2023)	FY 2025 (net change from 2024)
Attorneys (0905)	\$550	4	\$248	\$138	\$127	\$0	\$508	\$0
Paralegals / Other Law (0900-0999)	\$140	2	\$115	\$70	\$48	\$59	\$96	\$118
Total Personnel	\$690	6	\$363	\$208	\$175	\$59	\$604	\$118

3. Non-Personnel Increase/Reduction Cost Summary

Non-Personnel Item	FY 2023 Request (\$000)	Unit Cost (\$000)	Quantity	Annualizations (\$000)	
				FY 2024 (net change from 2023)	FY 2025 (net change from 2024)
Litigation Support	\$200	\$200	1	\$0	\$0
Total Non-Personnel	\$200	\$200	1	\$0	\$0

4. Justification for Non-Personnel Annualizations

N/A

5. Total Request for this Item

Category	Positions			Amount Requested (\$000)			Annualizations (\$000)	
	Count	Agt/Atty	FTE	Personnel	Non-Personnel	Total	FY 2024 (net change from 2023)	FY 2025 (net change from 2024)
Current Services	31	20	31	\$8,570	\$0	\$8,570	\$0	\$0
Increases	6	4	3	\$690	\$200	\$890	\$604	\$118
Grand Total	37	24	34	\$9,260	\$200	\$9,460	\$604	\$118

6. Affected Crosscuts

Crimes Against Children
 Cyber Crime – Child Exploitation, including Child Pornography
 Human Trafficking
 Transnational Organized Crime – Other
 Violent Crime



Item Name: **White Collar Investigations**

Strategic Goal: 4
Strategic Objective: 4.2
Budget Decision Unit(s): Enforce Federal Criminal Laws

Organizational Program: Criminal Division

Program Increase: Positions 5 Agt/Atty 5 FTE 3 Dollars \$1,000,000

Description of Item

The Criminal Division requests **5 positions (5 agents), 3 FTE, and \$1,000,000** for the Fraud Section (FRD) to further the Department’s effort to combat fraud and protect consumers, therefore ensuring economic opportunity and fairness. The agents would focus on proactive case generation, including by developing and pursuing leads through FRD’s data-driven initiatives. Through analysis of health care data, data from the securities and commodities markets, data related to CARES Act programs, SARs filed in connection with potential foreign corruption schemes, and other data sets, the agents would identify leads to pursue through further investigation, in coordination with other law enforcement agencies as appropriate and to promote the Department’s efforts in the priority area to **combat corruption, financial crime, and fraud by deterring and prosecuting white collar crime, as well as combating corporate corruption.**

Justification

The requested investigators would enhance FRD’s proactive approach to its white-collar enforcement efforts by developing and pursuing leads arising out of FRD’s data-driven initiatives—the type of early-stage investigations that outside agents are often hesitant to work until it is clear that the case may result in individual charges or a corporate resolution. The investigators would assist in conducting data analysis in health care fraud, financial fraud, and Foreign Corrupt Practices Act investigations and devising an investigative plan, including issuing grand jury subpoenas, identifying witnesses to interview, conducting witness interviews, and memorializing the interviews so that, if an individual is ultimately charged, FRD can comply with their discovery obligations and have a trial witness available, if necessary. They would also assist with document review and other investigative processes, serve as a credible liaison to law enforcement agencies with whom FRD works, and could also follow up on the constant stream of whistleblower tips that are received. Having an agent involved with such processes would provide a fully trained person to serve as an intermediary, carry out all necessary investigative follow-up, and a witness who could be called upon to testify at trial.

To the extent that the investigative positions will require the authority to exercise the full array of law enforcement duties typically indicative of a Criminal Investigator/1811, including the powers of arrest, the authority to conduct premises searches, and carrying a weapon, they would be deputized as Special Deputy United States Marshals. Criminal Investigators currently serving in United States Attorney’s Offices exercise law enforcement authority pursuant to such deputizations and have made significant contributions to those Offices’ efforts to enforce and uphold federal criminal laws.

One of the key challenges in prosecuting white collar crime and holding perpetrators accountable is identifying the misconduct. FRD’s data-driven initiatives seek to uncover criminal conduct through data analytics to identify, among other things, (a) suspicious billing patterns, prescribing practices, and wholesale distribution patterns of prescription opioids in the health care context; (b) potentially



manipulative trading activity in the securities and commodities markets; (c) abuses of CARES Act programs enacted in the wake of the COVID-19 pandemic, including the Paycheck Protection Program; and (d) suspicious financial transactions that may be related to, or involve the proceeds of, foreign business corruption. The investigators would enhance these initiatives by helping to build case leads, including through analysis of data, issuing subpoenas to gather additional evidence, and approaching witnesses for interviews. As noted, outside law enforcement agencies are often reluctant to participate in such early-stage efforts to generate cases, without greater assurance that their efforts will result in criminal charges. The investigators would therefore fill a clear need—to help build proactive criminal investigations initiated through data analytics and ultimately coordinate with outside law enforcement agencies to bring the cases to fruition.

Case Examples

FRD’s data-driven initiatives have produced impressive results to date. For example, FRD’s Health Care Fraud (“HCF”) Unit has utilized data to jumpstart and inform complex initiatives and law enforcement operations. The HCF Unit’s Data Analytics Team, which launched formally in 2018, utilizes data analytics to identify aberrant billing and prescribing patterns to identify leads and strengthen investigations and prosecutions. This data-driven approach enables the HCF Unit to identify high-value targets and rapidly allocate resources to address ongoing schemes like those described above. These leads are difficult to develop, however, without investigators who have bandwidth to pursue them at the earliest stages to determine their viability. Over the past few years, the HCF Unit has pursued operations and initiatives that utilized data analytics to identify targets and focus and develop investigative goals. For example, the HCF Unit successfully launched the Appalachian Regional Prescription Opioid (“ARPO”) Strike Force in late 2018; pursued impactful prosecutions in Operation Brace Yourself in April 2019, which resulted in charges against 24 defendants alleged to have participated in schemes involving over \$1.2 billion in alleged loss, and in Operation Double Helix in September 2019, which resulted in charges against 35 defendants alleged to have fraudulently billed Medicare more than \$2.1 billion; and is currently investigating pharmaceutical opioid suppliers that have distributed over 90 million dosage units (pills) of addictive controlled substances that fuel the opioid crisis to pharmacies mainly in the Houston area and Florida. The interagency and multidistrict nature of these cases make them perfect candidates for in-house 1811 criminal investigators, who would have the capacity to take on early-stage investigative steps. With respect to the Wholesaler Initiative, for example, attorneys from the HCF Unit have been relying on an in-house financial analyst and outside contractors for complex data and financial analysis that has been critical to obtaining Title III wiretaps, establishing connections between coconspirators, and understanding the targets’ relationships. In-house 1811 criminal investigators who would work in consultation with HCF Unit attorneys to develop these complex cases, act as the law enforcement liaisons with agents in the field as the cases develop and provide investigative continuity and expertise to pursue complex prosecutions would enhance these efforts.

Similarly, the Market Integrity & Major Frauds (MIMF) Unit has employed data analytics to proactively identify and prosecute manipulation in the securities and commodities markets. In recent years, these efforts have led to criminal charges against approximately 25 traders, salespeople, brokers, and programmers, as well as seven corporate resolutions totaling over \$1.1 billion with some of the world’s largest and most sophisticated financial institutions and proprietary trading firms. Prosecutors in the MIMF Unit chiefly have relied upon contractors to perform and sift through the results of trade data analysis. However, this initiative would benefit greatly from dedicated in-house investigators who develop expertise analyzing trade data for telltale signs of manipulation, and who are able to use their own analysis as the basis for obtaining search warrants and to conduct effective approaches and interviews of witnesses. The MIMF Unit also has developed an initiative to review suspicious activity reports (SARs) in the FinCEN database to identify credible evidence of fraud and market manipulation. To date, prosecutors have reviewed approximately



1,500 SARs and opened five investigations as a result. To ensure the success of this program within the MIMF Unit, FRD needs in-house investigators who can devote time to comprehensive reviews of voluminous SARs and follow up on promising leads.

Additionally, in 2020, the Foreign Corrupt Practices Act (FCPA) Unit stood up an initiative to systematically review SARs, in an effort to proactively identify foreign bribery and related money laundering offenses. In the relatively short time that the initiative has been operational, it has generated leads that resulted in the FCPA Unit charging and arresting five individuals in May 2021, including the former Minister of Government of Bolivia and his former chief of staff. More broadly, since its inception, FCPA Unit prosecutors working on the SARs initiative have opened more than twenty grand jury investigations, issued more than 300 grand jury subpoenas for relevant bank records and other materials, and taken a number of additional investigative steps, including obtaining search warrants and conducting border searches of electronic devices of potential subjects of the investigations. This initiative has relied on the support of three agents who were detailed to FRD from an outside law enforcement agency, one of whom has since returned to his home agency. To ensure the long-term success of this and similar initiatives, however, FRD needs in-house investigators who are permanent employees of FRD, will not return to their home agencies after six months or a year, and whose annual assessments will recognize their contributions to key FRD initiatives rather than focus on arrests or other enforcement actions.

Impact on Performance

Combatting fraud and protecting consumers are core priorities that should guide the Department's work.

The requested resources will help FRD keep pace with white collar crime by identifying misconduct proactively, through analysis of relevant data, and taking appropriate investigative steps, including issuing subpoenas and conducting witness interviews. Building cases through data analytics has become a key aspect of FRD's white collar enforcement efforts. The HCF Unit was an innovator in the use of data to identify egregious health care fraud and prescription opioid targets. Increasingly, FRD is also using data analytics to identify misconduct in financial markets, abuses of CARES Act programs, and conduct that violates the FCPA and related money laundering laws. Looking to the future, FRD will continue to expand its use of data analytics to identify existing and emerging threats, rather than rely on a more reactive approach. In-house investigators will help ensure the success of these proactive enforcement efforts by providing law enforcement resources that are not otherwise readily available to develop and pursue leads arising from FRD's data-driven initiatives. Additional resources will strengthen the Division's abilities in this priority area and contribute to accomplishing the following Departmental Strategic Objective found in the Department's FY 2023-2027 Strategic Plan.

- *Goal Four: Ensure Economic Opportunity & Fairness for All*
 - 4.2 Combat Corruption, Financial Crime, and Fraud

Funding

1. Base Funding

FY 2021 Enacted				FY 2022 President's Budget				FY 2023 Current Services			
Pos	Agt/Atty	FTE	Amount (\$000)	Pos	Agt/Atty	FTE	Amount (\$000)	Pos	Agt/Atty	FTE	Amount (\$000)
0	0	0	0	0	0	0	0	0	0	0	0

Personnel Increase Cost Summary

Type of Position/Series	FY 2023 Request (\$000)	Positions Requested	Full Year Modular Cost per Position (\$000)	FY 2023 1 st Year Adjustments	Annualizations (\$000)			
					2nd Year	3rd Year	FY 2024 (net change from 2023)	FY 2025 (net change from 2024)
General Investigative (1800-1899)	\$996	5	\$332	\$199	\$76	\$8	\$379	\$39
Total Personnel	\$996	5	\$332	\$199	\$76	\$8	\$379	\$39

2. Non-Personnel Increase/Reduction Cost Summary

Non-Personnel Item	FY 2023 Request (\$000)	Unit Cost (\$000)	Quantity	Annualizations (\$000)	
				FY 2024 (net change from 2023)	FY 2025 (net change from 2024)
Litigation Support	\$4	\$4	1	\$0	\$0
Total Non-Personnel	\$4	\$4	1	\$0	\$0

3. Justification for Non-Personnel Annualizations

N/A

4. Total Request for this Item

Category	Positions			Amount Requested (\$000)			Annualizations (\$000)	
	Count	Agt/Atty	FTE	Personnel	Non-Personnel	Total	FY 2024 (net change from 2023)	FY 2025 (net change from 2024)
Current Services	0	0	0	\$0	\$0	\$0	\$0	\$0
Increases	5	5	3	\$996	\$4	\$1,000	\$379	\$39
Grand Total	5	5	3	\$996	\$4	\$1,000	\$379	\$39

5. Affected Crosscuts

N/A