

Global Cities II: Enforcement Challenges and Victories

Center for the Advancement of Public Integrity

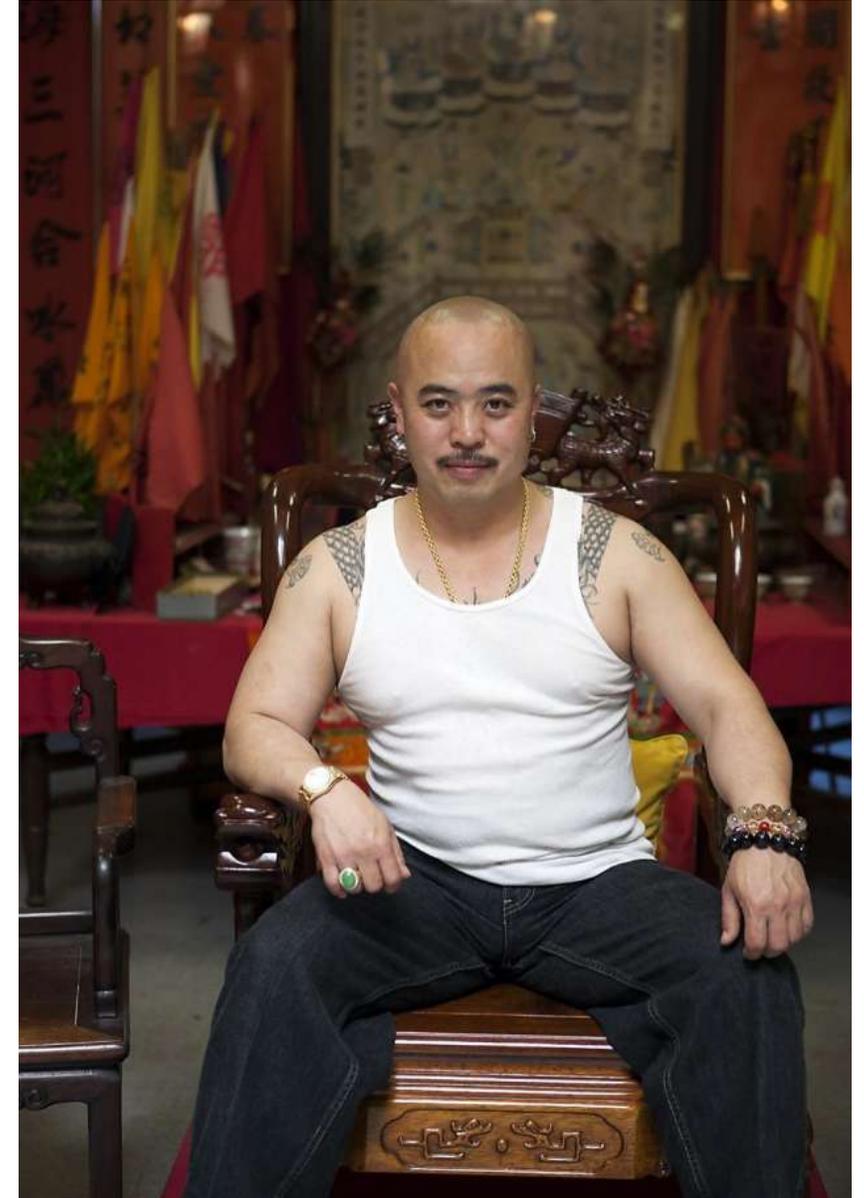
Case Study: United States v. Leland Yee

- Leland Yee was a prominent local politician in San Francisco and was a State Senator in 2014.
- In July 2014, he was indicted as part of a federal organized crime case
- On July 1, 2015, he pled guilty to racketeering conspiracy and was subsequently sentenced to 5 years' imprisonment



Background

- Kwok Cheung Chow, a/k/a Raymond Chow, a/k/a Shrimp Boy
- Dragonhead of the Chee Kung Tong
- Convicted felon
- Self-declared community activist



Background

- Keith Jackson
- Political consultant
- Consultant for the Chee Kung Tong



Arrest and Indictment

- March 26, 2014 Criminal Complaint
- Indicted April 3, 2014
- Second Superseding Indictment January 29, 2015
- Guilty plea July 1, 2015
- Sentenced February 24, 2016

Admitted Conduct

- Yee's political campaign – composed of mayoral campaign in 2011 and his secretary of state campaign in 2014 – was alleged to be a racketeering enterprise
- Jackson was a co-conspirator
- Seven stipulated overt acts in furtherance of the conspiracy to operate his campaign as an illegal racketeering enterprise relating to: (1) honest services wire fraud; (2) obtaining property under color of authority; (3) money laundering; and (4) weapons importation conspiracy

Honest Services Wire Fraud

- “On or about October 18, 2012, while I was located in the Northern District of California, I spoke on the telephone with an individual whom I understood to be an employee of the California Department of Public Health who was considering a grant for the business client of a second individual. I subsequently learned that this individual was an undercover employee of the FBI, UCE 4138. A second individual, who was also an FBI undercover employee (UCE 4773) and was located in Georgia, was also on the phone during the call. I spoke to the purported Public Health Department employee, UCE 4138, in my capacity as State Senator and recommended that the employee consider UCE 4773's client for the grant. I engaged in this call, and also signed a letter on California State letterhead on behalf of the client, in exchange for a \$10,000 donation from UCE4 773 to retire the debt from my San Francisco mayoral campaign. I know that Keith Jackson subsequently accepted \$10,000 cash as payment for the telephone call and letter.”
- “Between on or about November 2012 and March 2013, I agreed with Keith Jackson to provide a certificate on California State Senate letterhead honoring the Chee Kung Tong. I caused the certificate to be prepared and presented by a staff member of one of my Senate district offices at an event held by the Chee Kung Tong on March 29, 2013. I provided the certificate in exchange for a \$6,800 donation from an individual whom I now know was another undercover employee of the FBI, UCE 4599, to my Secretary of State campaign.”
- “On or about June 22, 2013, I accepted payment of a bribe in \$11,000 in cash from an individual I now know was another FBI undercover employee, UCE 4180, knowing that it was in exchange for a meeting that Keith Jackson and I agreed to arrange with another State Senator so that UCE 4180 could discuss his purported interest in statewide marijuana legislation. I arranged for, and attended the meeting, in my capacity as State Senator and colleague of the other State Senator.”

Obtaining Property Under Color of Authority

- “On or about March 2, 2013, I had a telephone conversation with Keith Jackson during which we agreed to a conspiracy and plan to extort and obtain money and campaign donations from an individual who had an interest in pending legislation involving the California State Athletic Commission. At my instruction, my co-conspirator then spoke with that individual and led that individual to believe that I would vote against the legislation unless campaign support was forthcoming from that individual and others who had an interest in the passage of the legislation.”
- “Between on or about May 2013 and July 2013, Keith Jackson and I agreed to a plan whereby we would lead UCE 4180 and his purported friend, the owner of an NFL team, to believe that my vote on pending legislation on workers compensation for professional athletes was critical and I was undecided. We agreed to represent to UCE 4180 that if his friend provided a contribution to my Secretary of State campaign, I would vote on the legislation in a manner that was favorable to the friend's interests.”

Money Laundering

- “On or about March 14, 2014, I received \$6,800 in cash from UCE 4599. I provided the money to Keith Jackson knowing that he would arrange to exchange the cash for one or more checks made payable to my Secretary of State campaign.”

Weapons Importation Conspiracy

- “On or about March 11, 2014, I met with Keith Jackson, Wilson Lim, and UCE 4599 and discussed UCE 4599 purchasing weapons from the Philippines to import into the United States. Keith Jackson and I arranged the meeting with the intention that UCE 4599 would be able to utilize introductions and arrangements from me, Keith Jackson, and Wilson Lim to purchase weapons, firearms and arms from other individuals in the Philippines. UCE 4599 said that he wanted automatic weapons and discussed with us that he wanted to transport the weapons from the Philippines to the Port of Newark, New Jersey, and then distribute the weapons to others.”

Musings

- Money in politics
- Single-party rule