February 28, 2011

White Collar Roundup, February 2011

It's PATRIOTic.

Legislation has been introduced in the Senate and the House to extend portions of the USA PATRIOT Act that are to expire on February 28, 2011. The bills seek to extend the provisions that relate to allowing the FBI to seek FISA warrants to force businesses to turn over customer records and allowing "roving wiretaps" (wiretaps for any device a person uses instead of one particular device).

But Everyone Else Was Doing It.

It doesn't matter that the government chose not to prosecute a coconspirator for engaging in the same fraud scheme. According to the Seventh Circuit, a sentencing judge can't take that fact into consideration when sentencing the fraudster who was prosecuted.

SEC Gets the Goods.

Judge Jed Rakoff ordered defendant Raj Rajaratnam to turn over to the SEC, in its civil case, the wiretap evidence obtained by prosecutors and produced to Rajaratnam during discovery in his criminal case. The judge will issue a memorandum outlining his rationale.

Fighting Fraud Against the Empire State.

New York Attorney General Eric Schneiderman has bolstered his office's fight against state-related fraud. The AG announced the creation of a Taxpayer Protection Unit to ferret out and prosecute those who defraud the state. The AG also strengthened the Medicaid Fraud Control Unit by adding people to recover funds and prosecute fraudsters.

Holy Moly!

According to a recent report by the International Chamber of Commerce, counterfeiting and piracy is growing exponentially. The ICC laments the failure of governments to fiercely fight against such counterfeiting and piracy, which it warns will cost the world's economies approximately $1.77 trillion by 2015.

The Freedom of the SEC's Information.

The SEC released its annual report for 2010 on its responses to requests under the Freedom of Information Act. In total, the agency received 10,554 requests, fully granted 1,418, partially granted 395, fully denied 474, and had no information on 7,481.

Not So Fast.

The United Kingdom's antibribery act's implementation will be further delayed to allow the Ministry of Justice to publish guidelines about the law's application. For some press on this issue, click here.

Corporate Conviction.

The United Kingdom also won its first conviction under the 2007 law criminalizing corporate manslaughter. The decedent died while working in an eleven-foot-deep trench operated by the defendant company. For more, click here.

Bench Strength.

We at the WCR would be remiss if we didn't congratulate our colleague, Edgardo Ramos, who has been recommended by Senator Charles Schumer for a seat on the U.S. District Court for the Southern District of New York. Congratulations, Edgardo!