

U.S. v. Wilch Dewalt et al. (DMV) Press Conference

Remarks of U.S. Attorney Preet Bharara

February 23, 2010

Good afternoon. My name is Preet Bharara, and I am the United States Attorney for the Southern District of New York.

Today, we announce criminal charges against 22 members and customers of a wide-ranging and dangerous identity fraud ring. These charges are part of a coordinated enforcement action with our federal, state and local partners known as "Operation Two Face."

As alleged in a series of criminal complaints, this was no ordinary identity fraud ring and this was no nickel-and-dime racket:

- At its heart, it involved theft of the identities of innocent people for the purpose of fraudulently obtaining New York State driver's licenses for criminals – directly from the Department of Motor Vehicles, or DMV.
- It charged customers between \$7,000 and \$10,000 for each fraudulent identification package;
- It took in upwards of \$1 million in cash over a three year period;
- And it involved the bribery of two DMV officials in two different cities.

Those charged include:

- Wilch Dewalt, a/k/a "License Man," the alleged ringleader of the operation;
- Glenda Hinton and Robin Jones-Woodson, employees at the New York State DMV in Manhattan and Yonkers, respectively;
- And four other co-conspirators, who aided the criminal plan.

In addition, we have also charged 15 of the customers who purportedly fraudulently purchased New York driver's licenses and other DMV identity documents from Dewalt's ring.

As depicted in the chart to my right, you can see that the fraud ring's client base was essentially a rap sheet come to life:

- A convicted sex offender who was sent to prison in Georgia for failing to register himself as a sex offender;
- An individual who was featured on the television show "America's Most Wanted" because of his alleged involvement in a large-scale drug trafficking and money laundering organization and the fact that he had jumped bail;
- A convicted felon whose real driver's license had been suspended because of two DUI convictions;

- An individual who was on supervised release after serving 70 months in federal prison for narcotics crimes and had previously been convicted of both drug and firearm offenses;
- A second convicted felon who was serving a federal prison sentence for violating the conditions of his probation; and
- An undercover officer who told Dewalt that he had previously been deported from the United States and was on the United States Government's "no-fly" list because he was suspected of terrorism.

So as you can see, the authentic-looking driver's licenses allegedly provided by Dewalt and his cohorts – at great expense – were the keys that could liberate criminals from their rap sheets.

I am joined here today by this Office's partners in this important case who worked so closely together during the investigation:

- John Morton, the Assistant Secretary of Homeland Security for United States Immigration and Customs Enforcement;
- Ray Kelly, the Police Commissioner for the City of New York;
- Joseph Fisch, the Inspector General for New York State; and
- David Swarts, the Commissioner of the New York State Department of Motor Vehicles.

I would also like to express my gratitude to the United States Secret Service, represented here today by Special Agent-in-Charge Brian Parr, and also to the New York Office of the Social Security Administration's Office of Inspector General, represented here by Special Agent-in-Charge Edward Ryan.

In addition, I would like to thank Timothy Lennon, Deputy Commissioner for Integrity for DMV, Owen McShane, Director of DMV's Division of Field Investigation, and NYPD Deputy Inspector Gregory Antonsen who are standing today.

Finally, I would like to thank the prosecutors from my Office who worked so tirelessly on this case. I said recently that business in our public corruption unit is not slow. Today's case is another example of that. I want to acknowledge Brent Wible, Richard Tarlowe, and Chief Dan Stein of our Public Corruption Unit, as well as Sarah Paul, Sarah McCallum, Brian Blais, Alvin Bragg, Michael Ferrara, Jonathan Cohen, David Miller, and Niketh Velamoor, along with Chiefs Joan Loughnane and Steve Ritchin of our General Crimes Unit.

Let me take a moment to describe in general terms how this criminal scheme worked. As alleged in today's complaints, Dewalt, the ringleader, bought stolen identities that belonged to real people. Using those stolen identities, Dewalt then created or obtained a slew of basic identification documents – including birth certificates, Social Security cards, phony employee identification cards, W-2s, pay stubs, and bank cards – all in the stolen identities.

Dewalt then engaged the services of two well-placed and allegedly corrupt DMV employees. First, he directed DMV employee Glenda Hinton – based in Manhattan – to check a non-public

DMV database to make absolutely certain that DMV had not already issued any identification documents in that name – because that of course would raise a huge red flag.

Second, once Dewalt got the green light from that DMV employee, he then arranged for his customer to go meet a second DMV worker – this one based in Yonkers. As alleged, it was the job of that employee, defendant Robin Jones-Woodson, to process the customer's fraudulent application and to make sure everything went smoothly with no alarm bells.

Now, everyone knows that the lines at the DMV can be long, but why on earth would someone pay \$10,000 for a NYS driver's license? The answer is simple. Because for some people a clean driver's license can be much more than just an innocent license to drive:

- For a repeat DUI offender whose license has been suspended, it is a license to get back behind the wheel;
- For a fugitive from law enforcement, it is a license to avoid being brought to justice;
- For a convicted sex offender, it is a license to evade a requirement to register;
- For a convicted felon, it is a license to get past strict background checks to obtain a sensitive job or to purchase a firearm;
- And for a suspected terrorist on the “no-fly” list, it is a license to board an airplane.

Unfortunately, as I've described, these are not mere hypotheticals. They are real examples of the kinds of people Dewalt allegedly tried to help. Today's takedown, fortunately, puts an end to that scheme.

Here is the bottom line: The integrity of any security system, no matter how elaborate or expensive, is only as good as the integrity of the people who carry it out.

Human integrity is every bit as important as cutting edge technology. And in these times, more than ever before, we cannot afford to have any weak links in our security chain.

By announcing this case, we hope to send a message to every employee of every government agency that you cannot sell your integrity. If you do, you put everyone else in your community and your country at risk. More than that: If you do, you also put yourself at risk of being prosecuted, convicted, and sent to prison.