



NEWS RELEASE

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FOR IMMEDIATE RELEASE

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Wimbledon, North Dakota, Man Guilty of Racketeering for Role in \$14 Million Federal Farm Program Fraud Scheme

FARGO - United States Attorney Drew H. Wrigley announced that **Duane Huber** of Wimbledon, North Dakota, along with his farm business entities, **Huber Farms General Partnership, and Huber Farms, Inc.**, were found guilty of assorted fraud, racketeering, tax, and conspiracy charges today in federal court in Fargo, ND. United States District Court Judge Rodney S. Webb presided over the eight-day jury trial. Defendants Huber and two of his business entities were found guilty on all 19 counts, including money laundering, conspiracy to defraud federal agencies, false statements, and filing false tax returns in connection with federal farm and crop insurance programs that are administered by the Farm Services Agency (FSA), USDA, and the federal Risk Management Agency (RMA).

At a post-verdict press conference in the federal courthouse in Fargo Wrigley declared, "North Dakota's agriculture community has spoken out against farm payment fraud through the clear verdict of this jury. Folks recognize that each dollar taken by ag swindlers is another dollar that never makes it to the family farmer working to stay on the land." Wrigley went on to point

out that this is the first case in the nation involving such farm entities convicted of money laundering. Huber, his farm partnership, and his farm corporation were found guilty of conspiring with one or more other persons to fraudulently receive payments from the United States Department of Agriculture (USDA), acting through its agencies, the Farm Service Agency (FSA) and the Risk Management Agency/Federal Crop Insurance Corporation (RMA/FCIC).

Defendants fraudulently received crop insurance and federal farm program payments by helping one or more others prepare and submit false claim forms, false crop production worksheets and supporting documents, and by helping the others apply for and receive farm program benefits that they were not eligible to receive. Defendants aided in the submission of forms to these agencies, which forms contained false information as to the true ownership of crop production. Proceeds from the scheme were used to pay farm expenses and loans, as well as to provide gifts, in effect promoting the scheme and concealing the true nature and ownership of the proceeds.

In addition to other charges, including money laundering, **Huber**, DOB 8/4/44, was found guilty of tax fraud, including having willfully made and subscribed false United States Individual Income Tax Returns. From 1994 through 1999 Huber laundered over five million dollars through the sham farm operations. None of this money was reported on either Huber's individual tax returns nor the Huber Farms Partnership tax returns. Huber falsely reported payments to family members as deductible farm-related expenses when, in fact, the payments were gifts.

In addition to the property and proceeds the United States is seeking through asset forfeiture, Duane Huber faces a maximum term of imprisonment of 20 years, with a maximum fine amount of at least \$500,000, and other possible civil and administrative claims.

Wrigley praised Assistant United States Attorneys Clare Hochhalter and Norman Anderson and Litigation Support Specialist Lou Ann Lee for what he termed their “remarkable efforts to prepare this case for trial and present it efficiently, fairly, and effectively over the course of an eight-day trial.” He went on to single out Special Agent Paul Ward of the United States Department of Agriculture, Office of Inspector General, and Special Agent Mike Cameron, Internal Revenue Service, Criminal Investigation, and commended other investigators and agents of the United States Department of Agriculture and the Northern Regional Compliance Office and Special Investigation Branch of USDA's Risk Management Agency for their support in the criminal investigation.

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