



Feds drop charges against customs agent caught in extravagant sting

By: Michael Kiefer and Daniel Gonzalez
August 1, 2014

Lauro Tobias had worked for 10 years as a federal customs agent when he was targeted by undercover investigators trying to root out corruption at the Lukeville border crossing where he worked.

Tobias was indicted in March 2013 and charged with transporting \$100,000 in proceeds from drug sales on two occasions. Later that year, he was re-indicted on the same charges, plus computer fraud and bribery.

Except there were no drug deals, he never saw the alleged money, and he was accompanied by his supervisor, who was really an undercover officer conducting a sting operation, according to his attorney.

Now, the charges against Tobias have been dismissed, and his lawyer, Steven West, claims Tobias was a victim of entrapment and "outrageous government conduct."

"Every element of the crime was something they manufactured," West said.

According to court documents, an unidentified CHS, or "Confidential Human Source," had befriended Tobias. The source, who was also Tobias' temporary supervisor, went to his home on his birthday and took him to strip joints, on trips to Miami and San Francisco and even to Las Vegas to watch a prize fight as part of the grooming process.

Then he paid Tobias \$3,000 on at least two occasions to accompany him as "security" to deliver money to a rich relative in Las Vegas.

And as his supervisor, he arranged for Tobias' time off from work to accompany him.

"The undercover guy handled everything," West said. "My guy just rode in the car. He was the undercover guy's assistant."

Then, West said, agents for Customs and Border Protection and the FBI leaned on Tobias to tell them who the corrupt customs agents were in Lukeville. West maintains that Tobias didn't know.

On July 25, West filed a motion to dismiss the charges.

That same day, without explanation, the U.S. attorney in Arizona filed its own motion to dismiss the charges, and a U.S. District Court judge did so.

"The District of Arizona is committed to rooting out public corruption and takes this role seriously," said a spokesman for the U.S. Attorney's Office in Tucson. "In this matter, after charging the case, and in the process of reviewing additional evidence in its entirety, we made the determination that the charges were no longer readily provable at trial."

Sting operations are commonly used by investigators to target federal border officers and agents suspected of corruption, said Tim Lynch, director of the Cato Institute's Project on Criminal Justice.

He said corruption along the border is a serious concern because border officers and agents operate in "very sensitive" positions where "very rich" drug cartels attempt to bribe them in order to smuggle drugs and people into the U.S.

"The cartels have a lot of money and they are willing to spend a lot of money to bribe these officials," he said.

In November, former Yuma Border Patrol agent Ivhan Herrera-Chiang was sentenced to 15 years in federal prison after he admitted using his position in an undercover unit to help drug traffickers bring methamphetamine, cocaine and marijuana across the border by providing them with secret information in exchange for bribes.

Herrera-Chiang was arrested following a sting operation by undercover Department of Homeland Security agents posing as drug smugglers.

A 2013 report by the Government Accountability Office found that 144 Customs and Border Protection employees had been arrested or indicted on corruption charges between fiscal 2005 and 2012.

The report concluded the agency needed to do more to screen CBP offices and agents before they are hired and conduct periodic checks of current employees to prevent corruption.

An investigation by the Center for Investigative Reporting has identified 154 corruption cases involving CBP officials since 2004. Of those, 25 have involved CBP officials in Arizona, according to the center's website.

Tobias, of Maricopa, spent 20 years in the U.S. Air Force and mustered out as a master sergeant.

He worked briefly for a major money-transporting company, and then spent 10 years at his customs post in Lukeville.

According to West's filings in the case, government investigators began trying to pinpoint corruption in Lukeville in 2010. They were unable to find any wrongdoing by the initial targets. West believes they turned to Tobias to put him in a compromised position where he would inform on his co-workers.

The Vegas trips took place in August and October 2012. In March 2013, Tobias was indicted on two counts of "conduct and attempt to conduct a financial transaction involving property by a law enforcement officer of proceeds of unlawful activity."

In the indictments, Tobias was charged with transporting money "that he believed to be illicit proceeds, to wit: drug proceeds, from Las Vegas, Nevada to Phoenix, Arizona."

West claims the drug allegation came from white powder on a table in one of the rooms where Tobias and the CHS met with the relative. The bribery counts were for accepting money to accompany his boss on the trips.

"I don't think he ever saw money," West said. "He saw a big bag that might be used to carry money."

"They assured him frequently that everything they did was legitimate," West said.

The charges against Tobias were dismissed "with prejudice," meaning they can't be filed again.

Prosecutors don't have to explain such decisions.

But if the case had gone to court, West said the methods undercover agents used to go after Tobias would have embarrassed the government.

"I think once the facts came out, the judge would have dismissed anyway," West said.

"I think there were a lot of people who would have a red face up on that witness stand."