

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TENNESSEE

UNITED STATES OF AMERICA

V.

CRIMINAL COMPLAINT

WILLIAM HORACE LONG,
aka "Billy"

CASE NUMBER: 08-MJ-29

I, the undersigned complainant being duly sworn state the following is true and correct to the best of my knowledge and belief. Beginning on or about April 3, 2007, and continuing until on or about January 24, 2008, in Hamilton County, in the Eastern District of Tennessee defendant(s) did,

knowingly obtain property from another, with his consent, under color of official right, thereby affecting and attempting to affect, interstate commerce; knowingly conducted and attempted to conduct financial transactions involving property represented to be the proceeds of specified unlawful activity with the intent to promote the carrying on of specified unlawful activity; knowingly selling or otherwise disposing of a firearm and ammunition to a person knowing or having reasonable cause to believe that such person has been convicted in any court of a crime punishable by imprisonment for a term exceeding one year;

all in violation of Title 18, United States Code, Sections 1951, 1956(a)(3), and 922(d). I further state that

I am a Special Agent and that this complaint is based on the following facts:

See attached affidavit.



Signature of Complainant
James J. Melia

Sworn to before me and subscribed in my presence,

February 1, 2008
Date

at Chattanooga, Tennessee
City and State

William B. Mitchell Carter
United States Magistrate Judge

Name & Title of Judicial Officer



Signature of Judicial Officer

AFFIDAVIT OF JAMES J. MELIA

I, James J. Melia, do hereby depose and say:

1. I am a Special Agent of the Federal Bureau of Investigation (FBI), having been appointed as such on December 10, 1995. I have been assigned to the Chattanooga Resident Agency of the FBI since April of 1996. During my tenure as an FBI Special Agent, I have investigated a wide variety of violations of Federal crimes, including crimes involving public corruption, bank robbery, illegal narcotics, money laundering, carjacking, kidnaping, and fraud.

2. On March 20, 2007, I was present with a Cooperating Witness (CW) of the FBI, when the CW received a telephone call from William Horace Long, also known as "Billy" Long, Sheriff of Hamilton County, Tennessee. I am aware that Long was elected to the office of Sheriff of Hamilton County in August of 2006, and was sworn in as Sheriff of Hamilton County in October of 2006.

3. The telephone call led to a series of events beginning with a trip by the CW and Sheriff Long to shake down the owner of a store, an ethnic east Indian, and coerce him to make good on what the Sheriff claimed was a promised campaign contribution from this individual and other ethnic Indian store owners. Thereafter the FBI was able to introduce two undercover agents posing as representatives of the store owners interested in obtaining the Sheriff's protection. Beginning on April 3, 2007 and continuing until December 14, 2007, the Sheriff accepted 12 payments totaling \$17,400, representing what he was told were payments from these ethnic Indians to protect their video poker business and other illegal activity. Thereafter, the FBI introduced the Sheriff to what he believed was a drug trafficking and money laundering operation. Beginning on December 3, 2007, and continuing until January 24, 2007, the Sheriff accepted five cash payments totaling \$6,550, representing his payoff for the CW supposedly laundering \$625,000 in drug trafficking proceeds. The details of this investigation are set forth below.

4. I was able to overhear both sides of the March 20, 2007 conversation, as the CW set the phone to "Speaker." I was able to determine from listening to the telephone conversation that the CW and Long were involved in a scheme to extort money from store owners whose country of origin was India. The Indian store owners had pledged \$50,000 to support Long's campaign for Sheriff in 2006 but had fallen far short of their pledge, in fact, contributing around \$12,000. The CW informed me that the CW and Long planned to visit a specific Indian store owner who served as a coordinator for the Indian store owners who supported Long in his campaign for Sheriff. Upon visiting the store owner, they planned to threaten him with official action by members of the Hamilton County Sheriff's Department whom Long controlled if the store owners did not resolve their debt with Long.

5. Later on March 20, 2007 while I was present, the CW placed a recorded telephone call to Long, confirming the earlier conversation. In summary, Sheriff Long confirmed that the Indian store owners owed him approximately \$38,000; that he was aware the store owner was "selling shit that's wrong;" and he would "go down there and straighten his ass out."

6. On April 3, 2007, the CW and Sheriff Long rode together in Sheriff Long's official Sheriff's Department vehicle to the aforementioned Indian convenience store, located at 4510 Rossville Boulevard ("Rossville Blvd. Store"). Once inside the store, the CW, Sheriff Long, and the store owner met in a back storeroom where they informed the store owner that he and other Indian store owners were responsible for paying the remainder of the \$50,000 debt owed to Sheriff Long. Sheriff Long threatened the store owner by stating "We're going to have to shut a store down" and "if we go after one store we'll go after all of them." Finally, Long told the store owner that, "From here on out there will be action taken to make you understand."

7. At the close of the backroom meeting, in the presence of Sheriff Long, the CW asked the store owner to give Sheriff Long \$200 to appease him. The meeting then moved to Sheriff Long's official vehicle. The store owner offered the Sheriff \$100. Sheriff Long would not personally accept the money and instructed the store owner to provide the money to the CW. The CW then asked the store owner to give the sheriff another \$100 to calm him down, which he did. The store owner provided the money to the CW while all three were sitting in Sheriff Long's official vehicle. After the store owner exited the vehicle the CW attempted to provide the money to Sheriff Long. The Sheriff told the CW to keep the money, stating he knew the CW was enduring financial hardship. All parts of the meeting between Sheriff Long and the CW, as well as all parts of the meeting between Sheriff Long, the CW, and the store owner, were recorded by audio/video recording devices hidden on the person of the CW.

8. The Rossville Blvd. Store, as well as the other stores that had allegedly promised the Sheriff the campaign contribution bought and sold numerous items that had been shipped and transported in interstate and foreign commerce, including beer, cigarettes and magazines.

9. Following this meeting and in subsequent recorded telephone calls, Sheriff Long continued to direct the CW to pressure the store owner to cause him and other store owners to pay the campaign debt.

10. The CW and Sheriff Long met on April 16, 2007 at a business operated by the CW. This meeting was recorded in its entirety by audio recording devices and much of the meeting was also recorded by a video recording device. The meeting

followed numerous recorded telephone calls between the CW and Long, culminating in a telephone call wherein the CW informed Long that, under pressure, the store owner provided the CW with cash which was to be provided by the CW to Long. The first part of the meeting was videotaped. However, the Sheriff wanted the meeting moved away from the room as there was a large window and he was visible from the street. During this meeting, the CW provided Long with \$1000 in United States Currency which had been provided to the CW by your affiant. This currency was also photocopied by your affiant prior to providing it to the CW.

11. Long told the CW to keep the pressure on the store owner to provide more money to Sheriff Long and to tell him, "I don't know how much longer I can hold the Sheriff back." The Sheriff acknowledged that he knew the store owner was involved in illegal activity, stating, "We know we can get him for certain things. We know all that meth shit and all that stuff. We know all that." Long told the CW to make sure the store owner knew the Sheriff could close his store down for thirty days including Memorial Day, costing the store owner to lose a large amount of money. Long also directed the CW to contact a person Long believed to be the leader of all Indian stores in the area and to arrange a meeting. Since Long had never met this supposed "leader" and had little information about him, the FBI developed an undercover sting operation wherein undercover FBI agents would pose as nephews of the "leader."

12. On April 26, 2007, undercover FBI agents met with Sheriff Long and the CW at the India Mahal restaurant located at 5970 Brainerd Road, Chattanooga, Tennessee. During the recorded meeting, Sheriff Long granted permission for Indian stores to operate illegal gambling machines, as long as the machines were kept in backrooms. He also granted permission for the stores to engage in other lucrative money making activity, including selling ingredients used for the manufacture of methamphetamine. Long stressed to the undercover agents that it was important to conceal the illegal activities, and that when possible, Long would attempt to warn the store owners when he became aware that other law enforcement agencies were focusing on these illegal activities. Long further informed the undercover agents that he was aware of many of the businesses operated by Indians in Chattanooga and that he expected to be paid a part of the earnings generated by all of the businesses.

13. Following the meeting, the undercover agents attempted to give Long cash as a show of good faith. However, Long refused, telling the undercover agents that all money should be paid to him through the CW. Following the meeting, Long directed the CW to tell the Indians they would have to pay \$100,000 per quarter for his protection.

14. On May 3, 2007, the CW recorded a meeting with Sheriff Long at the CW's business. Long again informed the CW to tell the nephews he wanted to be paid \$100,000 per quarter through the CW. Long also told the CW that he was concerned the "nephews" were, in fact, undercover FBI agents, and that when the nephews tried to pay him at the lunch meeting he was concerned they could have been trying to photograph him taking the money.

15. On June 24, 2007, SA Melia and SA R. Scott Barker met with Sheriff Long under the guise of updating Long's FBI security clearance. This interview was recorded by hidden recording devices. At the beginning of the interview, your affiant informed Sheriff Long that he must be truthful, and that false statements made to the FBI could result in felony charges and "time" in the Federal Penitentiary. Sheriff Long was provided with a copy of Title 18 United States Code Section 1001, entitled "Fraud and False Statements." He was asked to read and initial the photocopy of the statute, which he did.

16. Long was asked a number of questions to which he gave false and misleading answers, including:

A. Whether Long knew of any foreign born persons residing in the United States who were involved in criminal activity.

B. If he had personal business or social contacts with persons born in India.

C. If he had any non-official associations or unusual contacts with foreign nationals.

D. Sheriff Long stated that his only sources of income were from the Sheriff's Department and his wife's income.

E. If he was ever involved in any unlawful financial practice including embezzlement, extortion, bribery, or attempts thereof.

F. If he had ever engaged in any activity which could make him potentially vulnerable to pressure, coercion, exploitation, or duress, that the FBI should consider in determining his eligibility for access to classified information.

G. If he was aware of any personal conduct, now or in the past, that could cause unfavorable notoriety or embarrassment to the Federal government, the FBI, or the Hamilton County Sheriff's Department.

H. If he had ever committed a crime in an undercover capacity, or committed a crime as part of an official investigation.

To all of which he answered "No." He was finally asked whether he had supplied truthful information to the questions asked. He said he had.

17. On July 2, 2007, the CW recorded a meeting with Sheriff Long at the CW's place of business. Long informed the CW he wished to continue with the plan to take money from Indian store owners. He insisted, however, that all money should be contributed to the CW, and then the CW could make it appear that the CW was loaning money to Sheriff Long. Long stated, "I can't take no money from them personally you know, because I'm afraid they're going to be feds. They'll have me and you both in jail."

18. On August 31, 2007, the CW recorded a meeting with Sheriff Long at the CW's place of business. The CW informed Long he had been meeting with representatives of the nephews for a number of weeks and had been collecting \$1000 per week from the Indians in exchange for Sheriff Long's protection. The CW then provided Long with \$3500 in FBI supplied United States Currency which had been previously photocopied by the FBI. Long took the \$3500 and returned \$500 back to the CW. This \$500 was retained by the FBI as evidence.

19. The CW met with Long on the following dates and was paid the following amounts of money supplied and previously photocopied by the FBI, each such payment representing an attempted extortion under 18 U.S.C. § 1951:

04/16/2007	\$1000
08/31/2007	\$3500
09/14/2007	\$2000
09/28/2007	\$2000
10/11/2007	\$1900
10/22/2007	\$1000
10/29/2007	\$1000
11/05/2007	\$1000
11/16/2007	\$1000
11/25/2007	\$1000
11/29/2007	\$1000
12/14/2007	\$1000

20. Beginning in November of 2007, the CW was instructed by your affiant to discuss other avenues for making money with Sheriff Long. On November 16, 2007, during a meeting which took place at the CW's place of business, at the behest of the FBI, the CW informed Long that the CW had been approached by the head of a Mexican drug trafficking operation about using a business operated by the CW as a means of shipping money generated by the sale of illegal narcotics to Mexico. The CW

informed the Sheriff that the United States Currency would be concealed within cremation urns; that the money would be hidden by cremated human remains, and that the CW would ship the money hidden in the cremation urns to a funeral home in Mexico. Sheriff Long gave his permission for the CW to participate in this illegal activity, and requested to split the proceeds generated by the illegal shipment of money to Mexico. During this meeting, the CW provided Sheriff Long with \$1000 provided to the CW by the FBI, representing a payoff from the "nephews." This United States Currency was previously photocopied by your affiant.

21. Sheriff Long drove to and from this meeting in a red Chevrolet Trailblazer bearing Tennessee license plate S1050. Your affiant is aware this vehicle is registered to Sheriff Long. All of the conversations regarding this scheme were recorded by hidden FBI recording devices worn by the CW or were recorded by FBI recording devices installed in the business operated by the CW.

22. On November 23, 2007, during an audio/video recorded conversation which took place at a business operated by the CW, the CW suggested that he might be "hauling ass" with some drug money and requested he be made an "auxiliary" or "reserve" deputy sheriff. Sheriff Long offered to supply him with a badge. The CW informed your affiant that Sheriff Long drove to and from this meeting in a red sport utility vehicle which the CW recognized as Long's personal vehicle.

23. On November 26, 2007, the CW and the Sheriff again discussed the need for a badge in case the CW was stopped by police in another jurisdiction, e.g., Sand Mountain, while engaged in the money laundering of drug trafficking proceeds. The Sheriff stated, while being video and audio recorded, that "I'll get you a badge."

24. On November 29, 2007, during an audio/video recorded conversation, Sheriff Long provided the CW with a brand new Hamilton County Sheriff's Department Patrolman's badge. Also on November 29, 2007, the CW showed Sheriff Long supplies which would be used to send the illegal drug proceeds to Mexico. Sheriff Long again gave his approval to the CW to participate in the illegal activity and warned the CW to "watch his back."

25. On December 3, 2007, during a conversation recorded by audio recording device, the CW informed Long he had sent \$25,000 in drug proceeds to Mexico on behalf of the Mexican drug trafficking organization on November 29, 2007. The CW then provided Sheriff Long with \$550 in United States Currency provided by and previously photocopied by the FBI. The \$550 represented approximately one-half of

the 4% fee which the CW claimed he charged the Mexican drug trafficking organization for concealing and shipping drug proceeds to Mexico.

26. On December 7, 2007, the CW and Long met at the business operated by the CW. At the meeting, which was recorded by a hidden FBI installed video system, the CW displayed a box which he told Long contained \$50,000 provided to the CW by the Mexican drug trafficking organization for shipment to Mexico. Long helped the CW open the box and observed several packages wrapped in Mexican newspaper. The CW opened several of the packages in Sheriff Long's presence and displayed a large amount of United States Currency. The box did, in fact, contain \$50,000 in United States Currency provided to the CW by the FBI for the purpose of display to Sheriff Long. The CW informed Sheriff Long he could be expected to be paid during the next week from the proceeds the CW earned from shipping the money to Mexico.

27. On December 14, 2007, the CW and Long again met at the business operated by the CW. During this meeting, which was recorded by FBI audio and video recording devices, the CW paid Long \$1000 in United States Currency previously provided by and photocopied by the FBI. The CW represented the \$1000 to be approximately one-half of the 4% fee which the CW claimed he charged the Mexican drug trafficking organization for concealing and shipping the \$50,000 in drug proceeds to Mexico on December 7, 2007.

28. During this meeting, the CW advised the Sheriff that the Indians were complaining that they had not been tipped off about a police raid. The Sheriff said he did not believe the raid to have involved their businesses and that if "he needs to be tipped, we'll tip him."

29. Also, on December 14, 2007, the CW opened a box and displayed the contents which he told the Sheriff contained \$100,000 in United States Currency provided by the Mexican drug trafficking organization to the CW for shipment to Mexico. The CW again displayed several packages wrapped in Mexican newspaper. The box did, in fact, contain, \$100,000 in United States Currency provided to the CW by the FBI for the purpose of display to Sheriff Long. The CW told Sheriff Long, "This is easily going to be a half million dollars every week." Sheriff Long responded, "Well come on with it, you know what I mean."

30. Finally, during this meeting, the CW informed Long he felt uncomfortable keeping the money in the business as he did not have any protection. Sheriff Long promised to obtain something "unmarked" for the CW. Following this meeting, FBI Special Agents and Task Force Officers surveilled Sheriff Long and watched him enter

his official vehicle, a grey Ford Explorer, bearing Tennessee Government license plate GY-6933, and drive directly to and enter his residence located at 2504 Cedarton Court, Chattanooga, Tennessee.

31. On December 20, 2007, the CW and Long again met at the business operated by the CW. During this meeting, which was recorded by FBI audio and video recording devices, the CW paid Long \$2000 in United States Currency previously provided by and photocopied by the FBI. The CW represented the \$2000 to be approximately one-half of the 4% fee which the CW claimed he charged the Mexican drug trafficking organization for concealing and shipping the \$100,000 in drug proceeds to Mexico on December 14, 2007.

32. At this meeting Sheriff Long presented the CW with a loaded .32 caliber Industria Nacional De Armes (INA) revolver bearing serial number 219430. The CW made several references to his felony conviction and his firearms disability. Sheriff Long instructed the CW never to disclose from whom the CW obtained the gun, and that if the CW shot someone, the CW should get rid of the gun. An ATF gun trace revealed the revolver was manufactured in Brazil and was shipped to Elliot Sales Company, Rome, Georgia on June 24, 1968.

33. On January 18, 2008, during a recorded telephone conversation between the CW and Sheriff Long (who was in New Orleans, LA at a conference), the CW informed Long that earlier in the week he had sent \$50,000 in drug proceeds to Mexico on behalf of the drug trafficking organization and that the CW had \$1000 in his possession, representing Sheriff Long's half of the fee. The CW also informed Sheriff Long that the CW had also sent an additional \$100,000 in drug proceeds to Mexico on behalf of the drug trafficking organization and that the CW expected to have additional money to provide to Sheriff Long during the following week. Sheriff Long informed the CW he would return from New Orleans on Saturday and that he would meet with the CW to get his payment.

34. On January 20, 2008, the CW and Long again met at the business operated by the CW. During this meeting, which was recorded by an FBI installed audio and video recording system, the CW paid Long \$1000 in United States Currency previously provided by and photocopied by the FBI. The CW represented the \$1000 to be approximately one-half of the 4% fee which the CW claimed he charged the Mexican drug trafficking organization for concealing and shipping the \$50,000 in drug proceeds to Mexico during the previous week. The CW also informed Long that \$100,000 in drug proceeds was shipped to Mexico on January 18, 2008 and that the payment was expected early in the week. During this meeting Sheriff Long also expressed his

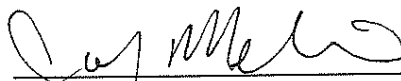
opinion that "Feds" were involved in previous dealings with the Indians. Sheriff Long stated, "And I hate Feds any damn way."

35. Following this meeting, SA Wayne Jackson observed Sheriff Long enter his official vehicle, a grey Ford Explorer bearing Tennessee Government license plate GY-6933, and drive to his residence at 2504 Cedarton Court, Chattanooga, Tennessee after first stopping at a Hamilton County gas pump. SA Jackson also observed Sheriff Long remove something from his official vehicle and transfer it to a red Chevrolet Trailblazer which was parked in Long's driveway. SA Jackson recognized this Trailblazer to be Long's personal vehicle.

36. On January 24, 2008, your affiant directed a covert FBI operation referred to as a drug show. Your affiant and SA Jackson obtained ten kilograms of cocaine hydrochloride from the United States Drug Enforcement Administration (DEA) Southeastern Regional Laboratory in Miami, Florida. This cocaine was packaged in ten individual one kilogram packages to appear as if it was smuggled into the United States. SA Jackson then secreted the ten packages into a shipping container. On January 24, 2008 the shipping container was placed in the office of a business operated by the CW. The CW then telephoned Sheriff Long and told Sheriff Long he had cash for him. Sheriff Long drove to the residence in the grey Ford Explorer and entered the business. Upon entering the office of the CW, the CW paid Long \$2000 in United States Currency previously provided by and photocopied by the FBI. The CW represented the \$2000 to be approximately one-half of the 4% fee which the CW claimed he charged the Mexican drug trafficking organization for concealing and shipping the \$100,000 in drug proceeds to Mexico during the previous week. The CW also told Long that the CW shipped an additional \$200,000 in drug proceeds to Mexico on January 24, 2008.

37. After providing the \$2000 to Sheriff Long, the CW opened the shipping container in the presence of Sheriff Long. The CW removed one of the ten one-kilogram packages of cocaine from the shipping container and showed it to Sheriff Long. He explained that he was not expecting the cocaine and had called the leader of the drug trafficking organization ("Chico") to determine what was happening. The CW told Sheriff Long that Chico informed the CW that he wished for the CW to place the ten kilograms into a box and after dark, place the box next to a dumpster outside of the CW's business. A runner would be sent to retrieve the package. The CW would receive \$4,000 per kilogram for doing as instructed. Sheriff Long expressed his concern that someone else might take the package, and that he hoped the right person got the package. Sheriff Long agreed to accept \$20,000 for the cocaine shipment.

38. Based on the foregoing information, your affiant believes there exists probable cause to arrest Sheriff William Horace "Billy" Long on numerous violations of Federal criminal law including Hobbs Act Extortion in violation of Title 18, United States Code, Section 1951, Money Laundering in violation of Title 18, United States Code Section 1956, and providing a firearm to a felon, in violation of Title 18, United States Code, Section 922(d).



James J. Melia, Affiant

Special Agent

Federal Bureau of Investigation

Sworn to and subscribed before me this

1st day of February, 2008.



WILLIAM B. MITCHELL CARTER

UNITED STATES MAGISTRATE JUDGE

UNITED STATES DISTRICT COURT

EASTERN

District of

TENNESSEE

UNITED STATES OF AMERICA

WARRANT FOR ARREST

V.

WILLIAM HORACE LONG
aka "Billy"

Case Number: 1:08-MJ-29

To: The United States Marshal
and any Authorized United States Officer

YOU ARE HEREBY COMMANDED to arrest

William Horace Long
Name

and bring him or her forthwith to the nearest magistrate judge to answer a(n)

- Indictment
 Information
 Complaint
 Order of court
 Probation Violation Petition
 Supervised Release Violation Petition
 Violation Notice

charging him or her with (brief description of offense)

knowingly obtain property from another, with his consent, under color of official right, thereby affecting and attempting to affect, interstate commerce; knowingly conducted and attempted to conduct financial transactions involving property represented to be the proceeds of specified unlawful activity with the intent to promote the carrying on of specified unlawful activity; knowingly selling or otherwise disposing of a firearm and ammunition to a person knowing or having reasonable cause to believe that such person has been convicted in any court of a crime punishable by imprisonment for a term exceeding one year;

in violation of Title 18 United States Code, Section(s) 1951, 1956(a)(3) and 922(d)

William B. Mitchell Carter
Name of Issuing Officer

Bill Carter
Signature of Issuing Officer

United States Magistrate Judge
Title of Issuing Officer

February 1, 2008 Chattanooga, TN
Date and Location

RETURN

This warrant was received and executed with the arrest of the above-named defendant at

DATE RECEIVED	NAME AND TITLE OF ARRESTING OFFICER	SIGNATURE OF ARRESTING OFFICER
DATE OF ARREST		