



U.S. Department of Justice

Criminal Division

Washington, D.C. 20530

October 12, 2007

The Honorable Talis Colberg, Esq.
Attorney General of the State of Alaska
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Dear Attorney General Colberg:

I write in response to a telephone conversation last week between Deputy Attorney General Richard Svobodny and William Welch, the Chief of the Public Integrity Section, regarding whether a state investigation at this time will interfere with the ongoing federal investigation. Because Mr. Welch is unexpectedly out of the office this week to attend to family matters, I wanted to follow up on the conversation that Mr. Welch had with Mr. Svobodny.

We understand that the State of Alaska is interested in investigating allegations of polling expenses provided by VECO Corporation and its executives to candidates for elected public office in the State of Alaska. As you are aware, the Federal Bureau of Investigation, the Internal Revenue Service, and the Public Integrity Section have been conducting a long-term investigation into allegations of public corruption relating to elected public officials from the State of Alaska. Furthermore, as recent criminal trials have made plain, two former VECO executives – Bill J. Allen and Richard L. Smith – have pled guilty to multiple federal felonies and have agreed to cooperate with the ongoing federal investigation.

We understand and appreciate that all levels of law enforcement – local, state and federal – have an interest in ensuring that government and its officials operate free of illegal influences. However, because of the long-standing federal investigation into these matters, we believe that concurrent state investigative activity will have the effect of compromising certain aspects of the ongoing federal public corruption investigation.

If you have any questions or concerns, please feel free to call me at (202) 514-1412.

Very truly yours,

Brenda K. Morris
Principal Deputy Chief
Public Integrity Section