

# New York no longer has dibs on securities fraud

Investigators across the country target white-collar crime

By Greg Farrell  
USA TODAY

BIRMINGHAM, Ala. — In a modest office in this laid-back southern city, Alice Martin is changing the way the U.S. government fights corporate crime.

When Martin, the local U.S. Attorney, extracted guilty pleas in March from two former chief financial officers at HealthSouth, she became the first federal prosecutor to enforce a provision of the Sarbanes-Oxley law holding

**Cover story**

top executives responsible for the earnings statements they issue.

With those guilty pleas, she also joined the wave of federal prosecutors across the USA who, following meltdowns at Enron and WorldCom, have suddenly made white-collar crime of utmost concern. Until recently, most prosecutors left securities fraud cases to experts in New York.

"We have an important role in helping to enforce securities laws and restoring investor confidence in the market," says



By Paul Sancya, AP

**In Detroit:** U.S. Attorney Jeffrey Collins is pursuing an investigation of Kmart's financial situation.

Martin. "Investors have to know that illegal activity is being caught and stopped."

Corporate fraud has emerged as "one of our top priorities, second only to fighting terrorism," says Jeffrey Collins, the U.S. Attorney in Detroit who's investigating alleged fraud at Kmart.

In 2002, investigations by the Securities and Exchange Commission resulted in 259 criminal filings brought by 30 U.S. Attorneys' offices. "That is an astounding

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