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CRIMINAL JUSTICE

Rare full restitution to victims of law firm chief's \$1.2B fraud takes some defendants off the hook

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With the help of a major judgment against a bank

(http://www.abajournal.com/news/article/11th_circuit_oks_67m_verdict_against_td_bank_in_case_linked_to_ex-lawyer_ro) used by former law firm chief Scott Rothstein in connection with a \$1.2 billion fraud, a rare outcome has occurred.

Federal prosecutors say victims have been made whole for their financial losses, the South Florida Sun Sentinel (<http://www.sun-sentinel.com/local/broward/fl-rothstein-restitution-no-more-20160322-story.html>) reports. So that means some of the dozens of defendants in related criminal cases are no longer laboring under a lifelong burden of hefty restitution they are unlikely to be able to pay in full.

One of the latest to get off the hook, after the recapture of Rothstein's own extensive assets by the U.S. government and civil litigation, is Debra Villegas

(http://www.abajournal.com/news/article/feds_ask_judge_to_chop_sentence_for_former_law_firm/), the newspaper reports.

Villegas, who was once Rothstein's right-hand woman at the now-defunct Rothstein Rosenfeldt Adler law firm in Fort Lauderdale, was released in 2014 after serving about one-third of her original 10-year prison term, thanks to her cooperation with prosecutors.

"It's a relief and the end we all had hoped for," Villegas told the newspaper, through her lawyer, Sabrina Puglisi, after learning that a federal judge in Fort Lauderdale had vacated a \$363 million judgment against her last week.

Puglisi said her client had worked very hard to repay victims.

Those subject to federal restitution orders are required to contribute half of their income to reimburse victims while they are in prison and 10 percent once they are released. Plus, any unexpected windfall such as winning a lottery jackpot also goes toward restitution, the Sun Sentinel explains.

Rothstein, who was disbarred, is serving a 50-year federal prison term at an undisclosed location under the witness protection program.

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