

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF TENNESSEE  
CHATTANOOGA DIVISION**

<b>UNITED STATES OF AMERICA</b>	)	<b>CRIMINAL NO.</b> 1:13-cr-33 Collier/Carter
	)	
	)	<b>18 U.S.C. § 1955</b>
	)	<b>Illegal Gambling Business</b>
v.	)	<b>(Count One)</b>
	)	
	)	
	)	<b>18 U.S.C. §§ 981(a)(1)(C), 1955(d), and 28</b>
<b>JAMES M. KILLIAN,</b>	)	<b>U.S.C. § 2461(c)</b>
	)	<b>(Forfeiture Allegation)</b>
<b>Defendant.</b>	)	

**CRIMINAL INFORMATION**

THE UNITED STATES CHARGES THAT:

**GENERAL ALLEGATIONS**

1. The defendant, JAMES M. KILLIAN (“KILLIAN”), was Mayor of South Pittsburg, Tennessee, from in or about 2005 until in or about December 2012. KILLIAN is the owner of the Lotto Mart, 519 E 12th St., South Pittsburg, Tennessee, a convenience store that sells gas, groceries, and Tennessee lottery tickets. KILLIAN is also the owner of Mike Killian Wholesale Fireworks, 1505 S Cedar Ave, South Pittsburg, Tennessee.
2. While KILLIAN was Mayor of South Pittsburg, he conducted an illegal gambling business that consisted of three parts: (1) video gambling, (2) sports betting, and (3) an “outlaw” lottery, which involved the placement of illegal bets on legal state lotteries.
3. Video gambling, sports betting, and the “outlaw” lottery referenced in the above paragraph are illegal under Tennessee law.
4. KILLIAN conducted his sports betting business in partnership with PERSON A. PERSON A is an associate of KILLIAN’s who ran the day-to-day operation of the sports betting

business.

**COUNT ONE**

18 U.S.C. § 1955 - ILLEGAL GAMBLING BUSINESS

5. The general allegations (paragraphs 1-4) are incorporated by reference as if fully set forth herein.

6. From in or around 2005 to in or around January 2013, in the Eastern District of Tennessee and elsewhere, the defendant JAMES M. KILLIAN conducted, financed, managed, supervised, directed and owned an illegal gambling business, which was a violation of the laws of the State of Tennessee in which such business was conducted. KILLIAN's illegal gambling business involved five or more persons who conducted, financed, managed, supervised, directed or owned all or part of such business; had been in substantially continuous operation for a period in excess of 30 days; and had gross revenue of \$2,000 in a single day. Specifically, KILLIAN's illegal gambling business consisted of video gambling, sports betting, and an illegal lottery, all of which were violations of the laws of the State of Tennessee.

All in violation of Title 18, United States Code, Section 1955.

**CRIMINAL FORFEITURE**

7. The general allegations (paragraphs 1-4) and allegations contained in Count One of this Information are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Section 981(a)(1)(C), Title 28, United States Code, Section 2461(c), and Title 18, United States Code, Section 1955(d).

8. Upon conviction of an offense in violation of Title 18, United States Code, Section 1955, KILLIAN shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C), Title 28, United States Code, Section 2461(c), and Title 18, United States Code, Section 1955(d) the following property, all of which was seized on

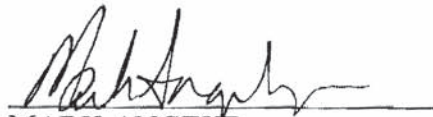
January 15, 2013, pursuant to a search warrant:

- (a) Twelve video gambling machines, including \$2,786.00 in United States currency contained therein, seized from the gambling room of the Lotto Mart, 519 E. 12th St., South Pittsburg, Tennessee;
- (b) \$3,000 in United States currency seized from a safe located at the Lotto Mart, 519 E. 12th St., South Pittsburg, Tennessee;
- (c) \$11,609.00 in United States currency seized from Mike Killian Wholesale Fireworks, 1505 S Cedar Ave, South Pittsburg, Tennessee;
- (d) \$21,080.00 in United States currency seized from a safe located at Mike Killian Wholesale Fireworks, 1505 S. Cedar Ave., South Pittsburg, Tennessee; and
- (e) Two Dell Inspiron laptop computers and two Dell Optiplex 745 desktop computers seized from Mike Killian Wholesale Fireworks, 1505 S. Cedar Ave., South Pittsburg, Tennessee.

Respectfully submitted,

JACK SMITH  
Chief  
Public Integrity Section  
United States Department of Justice

By:

  
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