



Nick Jordan, Secretary
Debbi Beavers, Interim Director

Sam Brownback, Governor

MEMORANDUM

TO: Representative Janice Pauls, Chairman, House Committee on Federal and State Affairs

FROM: Debbi Beavers, Interim Director of Kansas Alcoholic Beverage Control

DATE: 25 January 2016, Revised 1 February 2016

SUBJECT: ABC Led Investigation Summary

Madam Chair and members of the committee.

A summary of the investigation that was led by ABC is provided below.

To qualify for a Kansas retail liquor license, a person must be a U.S. citizen. When a person who is not a U.S. citizen secures ownership in a liquor store, the ownership is typically not disclosed to ABC. When ABC investigates these types of hidden ownerships, it is not unusual to uncover other crimes.

That was the case this past June when six suspects were indicted in federal court on 45 counts relating to the operation of a liquor store in Lawrence and a convenience store in McPherson.

According to the indictment, Satishkumar “Sam” Patel, and his wife Daxaben Patel, posed as U.S. citizens for a variety of purposes including purchase of property and obtaining Kansas driver’s licenses. Satishkumar’s ownership interest, according to the indictment, was not disclosed to ABC. He was a hidden partner along with Nitin Patel.

Charges included:

- ✓ Document fraud
- ✓ Use of fraudulently obtained Social Security number
- ✓ Harboring illegal aliens
- ✓ Unlawful employment of illegal aliens
- ✓ Bank fraud
- ✓ False claim of U.S. citizenship
- ✓ Wire fraud
- ✓ False unemployment insurance reports

The investigation was conducted by the Alcoholic Beverage Control, KDOR's Office of Special Investigations and Homeland Security Investigations. The McPherson Police Department and the Social Security Administration Office of Inspector General also assisted with the case.