

This is a printer friendly version of an article from www.peninsuladailynews.com
To print this article open the file menu and choose Print.

Article published Aug 8, 2013

Court of Appeals upholds Clallam embezzlement convictions

By Paul Gottlieb

Peninsula Daily News

TACOMA — The state Court of Appeals Division II has upheld public-funds embezzler Catherine A. Betts' conviction for stealing up to \$795,595 in real estate excise taxes.

But the three appellate judges also ruled that the former Clallam County Treasurer's Office cashier, who has terminal cancer, must be resentenced because of comments Clallam County Superior Court Judge S. Brooke Taylor made when Taylor sentenced her Aug. 24, 2011.

When Taylor gave her 12 years in prison for the July 27, 2011, conviction, he improperly referred to Betts' lack of "any remorse" — an issue the jury, not Taylor, should have addressed, according to the appellate court's 46-page opinion.

Taylor would not comment Tuesday on the resentencing part of the ruling because it is still an active case, he said.

The ruling can be reconsidered by the Court of Appeals or appealed to the state Supreme Court.

"I'm gratified that the convictions were upheld and that all the rulings I made were upheld," Taylor said.

"I think that's the important part."

Betts, 49, appealed her conviction for stealing between \$617,467 and \$795,595 in real estate excise taxes from the Treasurer's Office cash drawer between June 2003 and May 2009, when she was caught.

The taxes are paid to sellers of property upon the sale of that property.

The funds were never recovered, and authorities have never determined the money's fate.

Taylor sentenced Betts on single counts of first-degree theft and money laundering, and 19 counts of filing false or fraudulent tax returns on behalf of the county.

Taylor imposed an "exceptional" sentence for the theft and money laundering convictions under a state law that allows harsher punishment than is normally imposed if a "major economic offense or series of offenses" are committed.

Both the state Attorney General's Office and Betts' lawyer, Jordan McCabe of Bellevue, have until

Aug. 19 to file a motion for reconsideration with the Court of Appeals and until Aug. 29 to appeal the decision to the state Supreme Court, McCabe said.

McCabe said Monday she likely will challenge the ruling in one of those venues but had not examined it closely enough to comment on it.

Cancer

Betts, who is incarcerated in a minimum-security unit at the Washington Corrections Center for Women at Purdy, has Stage 4 breast cancer that has spread to her lungs, McCabe said.

“She has a couple, three years to live,” McCabe said.

“She is not going to survive this.”

Attorney General's Office spokeswoman Alison Dempsey-Hall said Tuesday the state will accept the ruling without challenge.

Appeals Court Judges Jill Johanson, J. Robin Hunt and Christine Quinn-Brintnall were unanimous in their ruling, which was written by Hunt.

When Taylor sentenced Betts on Aug. 24, 2011, he said Betts “opted not to cooperate in any way, to not express any remorse.”

Had she done so, “it would have made your situation . . . considerably better as far as the court is concerned,” Taylor said.

But under state law, only a jury can determine whether a defendant lacks remorse, not a judge, Hunt said in the opinion.

“The jury was not asked to address this 'lack of remorse,’” he added.

“To affirm Betts' exceptional sentence, we must be convinced that the trial court would have imposed the same sentences even if it had not considered her lack of remorse.”

Added Hunt: “In the interests of judicial economy and in furtherance of a timely and apparently fair resolution of Betts' sentencing issues, we grant her request for resentencing before a different judge.”

State Assistant Attorney General Scott Marlow estimated Betts stole public funds 1,000 times over a six-year period.

The scheme involved exchanging checks for cash, recording false check amounts, creating hidden spreadsheets and falsifying, altering and destroying documents, according to court records.

The county's insurance policy covered all but a tiny portion of the \$687,516 in restitution that Taylor ordered her to pay.

Of that amount, \$597,516 is owed to Great American Insurance group, and \$10,000 is owed to Clallam County — the county's deductible on the policy.

Betts had paid \$1,547 of her restitution in varying amounts every month, Superior Court Clerk Barbara Christensen said Tuesday.

Betts paid \$11 one month and \$80 another month, according to court records.

Senior Staff Writer Paul Gottlieb can be reached at 360-452-2345, ext. 5060, or at pgottlieb@peninsuladailynews.com.

All materials Copyright © 2013 Black Press Ltd./Sound Publishing Inc.