

Archives

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5th Circuit Sends Mortician Back to Jail

By Jack D. McNamara

During the 1980s there was an antique store in Marathon run by a little lady who was not old but not young either. She was Betty Allen the drug money launderer. About \$5 million went through her antique store and other businesses on the way to Dallas. Last week major developments surfaced in one case related to the \$5 million.

The 5th Circuit Court of Appeals in New Orleans "Reversed, Vacated, and Remanded" the temporary freedom of Dallas mortician Ronald W. Hughes Sr, 67, on Oct 30. The mortician laundered most of that drug money, and was convicted by a jury in 1995 along with others, including Betty Allen. After his conviction, Hughes appealed, alleging government misconduct in concealment of evidence required by law to be made available to Hughes at trial. Hughes asked for a new trial and a U.S. Magistrate agreed. Judge Joe Kendall, Hughes' trial judge, set aside the conviction and freed Hughes last year. The conviction is now reinstated and Hughes will serve about nine more years.

Hughes attacked the fairness of IRS agent Charles Holmes, who told the Dallas Morning News referring to Ronald Hughes Sr, "He's guilty" in a Nov 4 story by Bill Lodge, "Drug Money Launderer Ordered Back to Prison."

The case ended the career of Ronald Hughes Sr's son-in-law, James A. Montee, an FBI agent for 18 years.

Ronald Hughes Sr and his money laundering associates were "smurfing" Robert Chambers' money in the Dallas area; that is, making deposits of less than \$10,000 about 200 times or more to avoid bank reporting requirements. Hughes' defense was that he did not know it was drug money. Robert Chambers, convicted and sentenced to life in prison in May 1992, testified for the U.S. government in the trial. The jury and 5th Circuit panel of three judges believed the government's primary witness, Chambers, who testified that he told Hughes on Aug 8, 1989 in Dallas that the money was his (Chambers'), that Chambers worked for a man named Pablo Acosta, that Chambers "had inherited Acosta's turf" and that Acosta was "like a godfather to him."

"Hughes told Chambers he had checked him out through a long-time friend at the FBI," according to the court's decision, and presumably indicating son-in-law Montee.

The Dallas end of this case is increasingly voluminous in the court files. Hughes' attorney vows he will seek a hearing before the full 5th Circuit and if necessary go on to the U.S. Supreme Court to prove his client, the mortician, did not know the millions he was receiving from the sweet grandmotherly Betty Allen was drug money. Robert Chambers testified otherwise. His testimony has brought Chambers a reduction to 22 years from the life sentence he received in 1992.

Ms Allen can be persuasive, we are sure. We watched her testify under oath at a bond reduction hearing in 1989. Had she ever even heard of a man named Pablo Acosta? Inquired Assistant U.S. Attorney Tom Beery of Midland? Why, no, she said sweetly.

Betty Allen is described in the court's records as the "lover" of Joe Brown, the Houston oil man who blew into the Big Bend in the late 1970s and created a one-man property boom. She was also Brown's "bookkeeper" and stood surety for Robert Chambers when he was arrested for shooting at a former associate, Larry White, in 1987.

The former Chute is now the Alpine Civic Center, rumored to be the future home of the Alpine city government. The city bailed out the building from a bank when the bar folded. Why did the bar fold, when every weekend the beer and music flowed copiously?

Betty Allen's ambitions were directed at Dallas, where she had her eye on Ronald Hughes, Sr, the respected mortician, owner of a chain of funeral homes.

Money is fungible, and the proceeds of drug deals spend like any other money. Robert Chambers earned the money by smuggling narcotics across the border. In this enterprise he had a lot of help, including that of former Presidio County Sheriff Rick Thompson. Chambers has a petition for a new trial pending right now at the 5th Circuit in New Orleans.

Strangely enough, many of the records of his case seem to be missing. How odd — we had the same experience when we sued the Department of Justice under the Freedom of Information Act for records of this case. With a new administration coming into power, maybe we could get a little disclosure down here on the border. ◆

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