



U.S. Department of Justice

SEP 22 2010

Washington, D.C. 20530

Robert I. Cusick  
Director  
Office of Government Ethics  
Suite 500  
1201 New York Avenue, NW  
Washington, DC 20005-3919

Dear Mr. Cusick:

In accordance with the provisions of Title I of the Ethics in Government Act of 1978 as amended, I am forwarding the financial disclosure report of Stacia Hylton. President Obama has announced his intent to nominate Ms. Hylton to serve as the Director, U.S. Marshals Service, United States Department of Justice.

We have conducted a thorough review of the enclosed report. The conflict of interest statute, 18 U.S.C. § 208, requires that Ms. Hylton recuse herself from participating personally and substantially in any particular matter that has a direct and predictable effect on her financial interests or the financial interests of any other person whose interests are imputed to her, unless she first obtains a written waiver, pursuant to Section 208(b)(1), or qualifies for a regulatory exemption, pursuant to Section 208(b)(2). Ms. Hylton understands that the interests of the following persons are imputed to her: her spouse; minor children; any general partner of a general partnership in which she is a limited or general partner; any organization in which she serves as an officer, director, trustee, general partner or employee; and any person or organization with which she is negotiating or has an arrangement concerning prospective employment. In determining whether a particular matter has a direct and predictable effect on her financial interests or on those of any other person whose interests are imputed to her, Ms. Hylton will consult with Department of Justice ethics officials.

We have advised Ms. Hylton that because of the standard of conduct on impartiality at 5 C.F.R. § 2635.502, she should seek advice before participating in any particular matter involving specific parties in which a member of her household has a financial interest or in which someone with whom she has a covered relationship is or represents a party.

Ms. Hylton is a sole proprietor of her consulting company, which does business as Hylton Kirk and Associates, LLC. Upon confirmation, Hylton Kirk and Associates, LLC, will cease engaging in any business. During her appointment to the position of Director, United States Marshals Service, Hylton Kirk and Associates, LLC, will remain dormant and will not advertise. Ms. Hylton will not perform any services for the business, except that she will comply with any

requirements involving legal filings, taxes, and fees that are necessary to maintain the business while it is in an inactive status. All amounts owed to Ms. Hylton by any of her clients will be fixed before she assumes the duties of the position of Director, and she will not participate personally and substantially in any particular matter that has a direct and predictable effect on the ability or willingness of any of these clients to pay these amounts. As Director, she will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of Hylton Kirk and Associates, LLC. For a period for one year from the cessation of her consulting services, Ms. Hylton will not participate personally and substantially in any particular matter involving specific parties in which any of her former clients is a party or represents a party, unless she is first authorized to participate pursuant to 5 C.F.R. § 2635.502(d).

Upon confirmation, Ms. Hylton will resign from the board of directors of the Highlands Swim and Tennis Club, and for a period of one year following her resignation, she will not participate personally and substantially in any particular matter involving specific parties in which the Highlands Swim and Tennis Club is a party or represents a party, unless she is first authorized to participate under 5 C.F.R. § 2635.502(d).

Finally, Ms. Hylton understands that as an appointee she is required to sign the Ethics Pledge (Exec. Order No. 13490) and that she will be bound by the requirements and restrictions therein in addition to the commitments she has made in this and any other ethics agreement.

Based on the above agreements and counseling, I am satisfied that the report presents no conflicts of interest under applicable laws and regulations and that you may so certify to the Senate Judiciary Committee.

Sincerely,



Lee J. Lofthus  
Assistant Attorney General  
for Administration and  
Designated Agency Ethics Official

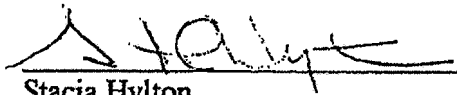
Enclosure

Mr. Robert Cusick

Page 3

NOMINEE STATEMENT

I have read the attached Ethics Agreement signed by Lee J. Lofthus, Assistant Attorney General for Administration and Designated Agency Ethics Official on 9/22, 2010, and I agree to comply with the conflict of interest statute and regulations, and to follow the procedures set forth in the agreement. In addition, I understand that as an appointee I am required to sign the Ethics Pledge (Exec. Order No. 13490) and that I will be bound by the requirements and restrictions therein in addition to the commitments I have made in this and any other ethics agreement.

  
\_\_\_\_\_  
Stacia Hylton

9/22/10  
\_\_\_\_\_  
Date