

ARTICLES FOR 7-6-17 ROUNDUP

ATTORNEY GENERAL XAVIER BECERRA RELEASES 2016 HATE CRIME IN CALIFORNIA REPORT

Total number of hate crimes, victims, and suspects all increased in 2016

SACRAMENTO – Attorney General Xavier Becerra today released the 2016 edition of the California Department of Justice (DOJ) Hate Crime in California report. The Hate Crime in California report provides statistics on hate crimes that occurred statewide during 2016, including the number of hate crime events and both the number of victims and suspects of those crimes. The DOJ, all law enforcement agencies, district attorneys, and elected city attorney's offices in California, developed local data collection programs and submitted hate crime statistics for this edition of Hate Crime in California. The DOJ also provides trend information on the number and types of hate crimes over the past ten years.

“When someone commits a crime motivated by hate, it is not just an attack on one innocent person, but an attack on the entire State and our communities,” said Attorney General Becerra. “We can see from today's report that words matter, and discriminatory rhetoric does not make us stronger but divides us and puts the safety of our communities at risk. This is why condemning hate crimes, discrimination, and racism is critical to ensuring all Californians live without fear of being targeted because of their race, ethnicity, religion, disability, gender or sexual orientation. As California's Attorney General, I am committed to working with local law enforcement agencies, schools and local communities to enforce California's anti-hate crime statutes to the fullest extent of the law. I strongly encourage anyone who believes they are a victim of a hate crime to report it to local law enforcement immediately.”

The increase in hate crimes in California comes at a time when the nation is confronting an unsettling increase in hate crimes. The latest reports from the Federal Bureau of Investigation demonstrate an increase in the number of hate crimes nationwide, including crimes motivated by biases towards racial and ethnic minorities, Muslims, persons with disabilities, women, immigrants, and the LGBT community. Last week it was reported that from 2011-2015, more than half of violent hate crime victimizations were not reported to police.

Hate Crime in California 2016 reports statistics on hate crimes that occurred in California during 2016, including the following key findings:

Over the last ten years, the total number of hate crime events has decreased 34.7% from 1,426 in 2007 to 931 in 2016.

Hate crime events increased 11.2% from 837 in 2015 to 931 in 2016.

Hate crime events involving a racial basis increased 21.3% from 428 in 2015 to 519 in 2016.

Hate crime events with a race/ethnicity/national origin bias are consistently the most common type of hate crime over the past ten years (2007-2016). Hate crimes with a sexual orientation bias are the second most common type of hate crime over the same period.

Hate crimes with an anti-black or African American bias motivation continue to be the most common hate crime, accounting for 31.3% (3,262) of all hate crime events since 2007.

Hate crimes with a sexual orientation bias are the second most common type of hate crime over the last ten years, accounting for 22.2 percent of hate crimes report in 2016.

Hate crimes with an anti-gay (male) bias increased 40.7% from 108 in 2015 to 152 in 2016.

Hate crimes with an anti-Jewish motivation continue to be the most common within the religion bias category, accounting for 11.1% (1,158) of all hate events reported since 2007.

Attorney General Becerra encourages researchers, academics and interested parties to further analyze the data. The information from the Hate Crime in California report can be accessed via the Attorney General's OpenJustice website.

Since its launch in September 2015, OpenJustice, a first-of-its-kind criminal justice open data initiative that releases unprecedented data, established California as a leader among US states in criminal justice transparency. Additionally, the OpenJustice Data Act of 2016 (Assembly Bill 2524), effective January 1, 2017, codified the OpenJustice Web portal as the means for displaying all data contained in annual crime reports, thereby making OpenJustice a key government resource for Californians. By driving research, reporting, and conversation, OpenJustice can help Californians better understand how the criminal justice system shapes various aspects of their lives, from safety, housing, education, health, and family, to economic opportunity.

A copy of the report can be found online: <https://openjustice.doj.ca.gov/resources/publications>

THREE INDICTED ON HUMAN TRAFFICKING, MONEY LAUNDERING CHARGES FOR SELLING WOMEN FOR SEX AT BROTHELS

AG's Office, FBI Worked with Local Police Departments to Dismantle Sex Trafficking Operation in Boston, Cambridge, North Reading, and Quincy

BOSTON – Three individuals have been indicted on human trafficking and money laundering charges for trafficking women for sex at brothels throughout Greater Boston, Attorney General Maura Healey announced today. The AG's Office and the Federal Bureau of Investigation Boston Division previously arrested the individuals after a joint investigation and takedown in May.

A Statewide Grand Jury today indicted Pingxia Fan, age 40, of Boston, Timothy Hayes, age 50, of Gloucester, and Simon Shimao Lin, age 59, of Boston, in connection with trafficking women for sex at brothels in Boston, Cambridge, North Reading, and Quincy.

“Victims of human trafficking are preyed upon by pimps and traffickers who exploit the most vulnerable among us for profit,” said AG Healey. “We allege these defendants ran an extensive criminal operation that took advantage of women and sold them for sex. We thank the FBI and local police departments for their continued partnership in dismantling criminal networks that exploit human beings.”

“Collectively, it’s estimated that Fan and her associates were making millions of dollars, every year, exploiting women,” said Harold H. Shaw, Special Agent in Charge, FBI Boston Division. “When human beings are treated as commodities and are trafficked for sex, they are not only being abused physically, but emotionally, mentally, and financially. The FBI will continue to surge

resources and collaborate with our law enforcement partners to impede, disrupt, and dismantle the criminal networks that are responsible for this illegal activity.”

The defendants were indicted by a Statewide Grand Jury on the following charges:

Timothy Hayes, age 50, of Gloucester

Trafficking Persons for Sexual Servitude (5 counts)
Deriving Support from Prostitution (5 counts)
Keeping House of Ill Fame (5 counts)
Conspiracy to Traffic Persons for Sexual Servitude (5 counts)
Money Laundering (3 counts)

Pingxia Fan, age 40, of Boston

Trafficking Persons for Sexual Servitude (5 counts)
Deriving Support from Prostitution (5 counts)
Keeping House of Ill Fame (5 counts)
Conspiracy to Traffic Persons for Sexual Servitude (5 counts)
Money Laundering (3 counts)

Simon Shimao Lin, age 59, of Boston

Trafficking Persons for Sexual Servitude (2 counts)
Conspiracy to Traffic Persons for Sexual Servitude (2 counts)
Money Laundering (3 counts)

The defendants will be arraigned in Suffolk Superior Court on some charges on July 18. They will be arraigned in Middlesex and Norfolk Superior Courts at later dates.

The defendants were arrested in May after an investigation conducted by the Federal Bureau of Investigation Boston Division Human Trafficking and Child Exploitation Task Force and Massachusetts State Police assigned to the AG’s Human Trafficking Division.

The AG’s Office began an investigation after a referral from the North Reading Police Department, which did an initial investigation into a residence in North Reading and offered extensive assistance in this case.

The investigation revealed that these defendants ran a sex trafficking and money laundering operation involving multiple brothels—two in Quincy, and single locations in Boston, Cambridge, and North Reading. The defendants allegedly used multiple vehicles to transport sex trafficking victims, money, and supplies.

The defendants allegedly arranged for women to meet with men at the brothel locations to provide commercial sexual services in exchange for cash. Authorities allege the majority of the money

from these encounters went to the defendants, which they laundered into the business to perpetuate the daily operations of the criminal enterprise.

These charges are allegations, and all defendants are presumed innocent until proven guilty.

AG Healey has a dedicated Human Trafficking Division that focuses on policy, prevention and prosecution and includes a team of specialized prosecutors, victim advocates and Massachusetts State Police troopers who handle high impact, multi-jurisdictional human trafficking investigations and prosecutions across the state. Through the Human Trafficking Division, the AG's Office has charged more than 35 individuals in connection with human trafficking since the law was passed.

The FBI Boston Division's Human Trafficking and Child Exploitation Task Force is one of 12 DOJ-funded task forces in the country with the mission to combat sex and labor trafficking. Nationally, the FBI participates in over 100 human trafficking task forces and working groups. The FBI believes in a victim-centered approach to human trafficking investigations, where identifying and stabilizing victims of this heinous crime is equally as important as providing resources to help them.

This case is being prosecuted by Assistant Attorneys General Nancy Rothstein and Jeffrey Bourgeois, both of the AG's Human Trafficking Division, with assistance from Deputy Chief of the Human Trafficking Division Jennifer Snook, Nikki Antonucci, Chief of the AG's Victim Services Division and Investigator Jillian Petruzzello of the AG's Financial Investigations Division. It was investigated by Massachusetts State Police assigned to the AG's Human Trafficking Division and the Federal Bureau of Investigation Boston Division Human Trafficking and Child Exploitation Task Force, with assistance from the AG's Digital Evidence Lab. The Massachusetts State Police and the Boston, Ca

SCHUETTE: STERLING HEIGHTS MAN PLEADS GUILTY TO FELONY MINOR SEX TRAFFICKING, RECEIVES UP TO 20 YEARS IN PRISON

Contact: Andrea Bitely, Megan Hawthorne; (517) 373-8060

LANSING --- Michigan Attorney General Bill Schuette today announced that Andrew Golden, 35, of Sterling Heights, pleaded guilty to one count of Minor Sex Trafficking, for sex trafficking a 17 year-old. He was sentenced at the time of his plea to 20 months – 20 years in prison.

“We have had so much activity from our human trafficking unit over the past several months, we can make no mistake: Human Trafficking is happening in Michigan. We can’t ignore the crime happening not just in our cities but in our small towns as well,” said Schuette. “I want to once again thank SEMTEC and local law enforcement for their quick action in this case and their continued efforts to fight human trafficking in our state.”

Golden pleaded guilty to one count of Minor Sex Trafficking, Tuesday, June 27, 2017 before Judge Daniel O’Brien in Oakland County Circuit Court and was sentenced at that time. In addition to his prison sentence, Golden must have no contact with the victim, register as a sex offender, and register his DNA.

Golden withdrew a previous guilty plea at the time of sentencing on April 24, 2017. As a result the court began a trial on Monday, June 26, 2017, but again a plea preempted the trial from continuing.

Case Background

On December 14, 2016 agents found a posting on the website Backpage advertising “adult entertainment: escorts” that allegedly matched the description of the minor in question. Agents conducted an undercover operation to rescue the girl on that same day Golden was arrested at a hotel in Southfield.

SEMTEC is operated by the FBI and is a partnership with 12 law enforcement organizations, including the Michigan State Police, throughout southeast Michigan. SEMTEC serves as the investigative entity of the federally funded Joint Anti-Trafficking Task Force.

Protecting Victims, Stopping Trafficking in Michigan

Created by reallocating resources in the Attorney General's Criminal Division, Schuette's Human Trafficking Unit has placed an increased focus on combating human trafficking in Michigan, a priority Schuette identified upon taking office. The unit works closely with local, state and federal law enforcement agencies to uncover and prosecute cases of modern-day slavery involving both children and adults.

WISCONSIN DEPARTMENT OF JUSTICE DIVISION OF CRIMINAL INVESTIGATION (DCI) INVESTIGATION LEADS TO SEX TRAFFICKING INDICTMENT IN DANE COUNTY

MADISON, Wis. – Attorney General Brad Schimel announced today that Radames Hendrix has been indicted on two charges related to sex trafficking.

“When I was sworn in as Attorney General I put pimps and ‘Johns’ on notice and made fighting human trafficking a top priority,” said Attorney General Schimel. “The coercion and threats used by sex traffickers to trap the vulnerable in a life of forced prostitution is despicable, especially when they specifically prey on minors. The investigative teamwork between federal, local, and DCI agents is an essential part of tackling these complex crimes.”

Hendrix (42, Madison, Wis.), was arrested in Dane County in the early morning hours of June 29, 2017 after a grand jury indicted him on one count of Sex Trafficking of a Minor and one count of Trafficking by Force, Threats, and Coercion in October 2013. DCI led this investigation with the assistance of the Federal Bureau of Investigation, Madison Police Department, and Stoughton Police Department.

This case is being prosecuted by the Office of Acting U.S. Attorney for the Western District of Wisconsin Jeffrey M. Anderson. Suspects are innocent until proven guilty.

MONTANA ATTORNEY GENERAL TIM FOX DEFENDS COAL LEASE DECISION, INTERVENES IN LAWSUIT

Responding to a lawsuit filed in Federal District Court against the U.S. Department of Interior, Montana Attorney General Tim Fox filed for intervention Thursday on behalf of the state of Montana, defending the U.S. DOI's reversal of the Obama Administration's moratorium on federal coal leases.

The lawsuit—filed by multiple environmental groups as well as attorneys general from New Mexico, California, New York and Washington—seeks to reverse a March 29 Secretarial Order issued by U.S. Department of Interior Secretary, Ryan Zinke, which ended the Obama Administration's moratorium on issuing coal mining leases on federal land. Montana has an estimated 25-percent of the nation's recoverable coal reserves.

“Secretary Zinke acted within his authority under the law to reverse a discretionary policy of the previous administration, and the lawsuits objecting to the new policy are purely political and ideological in nature,” said Attorney General Tim Fox. “The state of Montana has a significant stake in the continuation of federal coal leases, and is well-positioned to benefit from increased coal mining on our federal lands.”

Attorney General Fox's petition for intervention states:

“Montana seeks to intervene in this case because it has a significant interest in ensuring that federal coal leasing located within the State continues. Montana would be grievously harmed if the Interest Groups and Plaintiff States prevail.”

In fiscal year 2016 alone, the Department of Interior Office of Natural Resources Revenue reported a total of \$31.5 million as coal royalties from federal lands within Montana. \$15.4 million of which were paid to the state.

Fox also argues that, because Montana has a significant stake in the outcome of the case, the state must be granted intervention as only Montana can adequately represent its own unique interests.

The case was filed before Federal District Court Judge Brian Morris, in Great Falls.

AG DEREK SCHMIDT: NEW LAW WILL PROTECT MILITARY CONSUMERS FROM SCAMS

TOPEKA – (June 28, 2017) – A new Kansas law will stiffen penalties for scammers who prey on members of the military, Kansas Attorney General Derek Schmidt said.

Effective July 1, members of the military have been added to the definition of “protected consumer” in the Kansas Consumer Protection Act. This definition has previously included veterans and immediate family members of members of the military, along with elder and disabled persons, but not service personnel themselves. If a violation of the Kansas Consumer Protection

Act is found to have occurred against a consumer fitting one of these descriptions, the court may impose a penalty of up to \$20,000 for each violation, double the usual \$10,000 maximum penalty.

“With three major military bases in our state and thousands of Kansans serving in the National Guard and Reserves, this is a positive change to help protect those who are protecting us,” Schmidt said. “Scammers who want to take advantage of members of the military should be warned that we are watching for them, and this new law will help strengthen our ability to punish those who try to prey on service personnel.”

The new law, which Schmidt supported, was unanimously adopted by the Kansas Legislature earlier this year as Senate Bill 201.

ATTORNEY GENERAL KILMARTIN LEGISLATION PROHIBITING ILLEGAL PRACTICES IN THE MORTGAGE INDUSTRY PASSES GENERAL ASSEMBLY

With passage last evening by both the House and the Senate, legislation (H5695/S0835) filed at the request of Attorney General Peter F. Kilmartin that creates the criminal offense of residential mortgage fraud now moves to the Governor's desk for signature.

Residential mortgage fraud is when a person knowingly makes an omission or misrepresentation of a fact with the deliberate intention that it will be relied on in the mortgage lending process; receives proceeds in connection with a fraudulent transaction; conspires with another to engage in acts of residential mortgage fraud; or files a document that is known to be a misstatement.

The legislation makes residential mortgage fraud a felony and those convicted would be subject to imprisonment up to 10 years, a fine of \$10,000, or both. If the offender knew that the victim was vulnerable due to age, infirmity, or reduced physical or mental capacity, or national origin, they would be subject to imprisonment up to 15 years, a fine of \$15,000, or both; and court-ordered restitution. In addition, any person who engages in a pattern of residential mortgage fraud would be subject to imprisonment up to 20 years, a fine of \$100,000 or both.

This act is a national model for residential mortgage fraud based on Georgia law. Rhode Island joins over twenty 20 states, including Connecticut and Massachusetts, that have enacted similar legislation.

“Rhode Island was among the hardest hit when the housing bubble burst, leaving tens of thousands of homeowners unable to pay their mortgages, and nearly driving our economy off a cliff. Everyone – bankers, mortgage service providers and individuals applying for mortgages – played it fast and loose, often providing false information about the ability of those applying for a mortgage to afford the payments with the promise of a quick commission and with the expectation the market would continue to go up. With this Act, we have put important measures and penalties in place for such reckless and criminal behavior and will ensure Rhode Island is not as vulnerable to another housing downturn,” said Attorney General Peter Kilmartin, who went on to thank the financial institutions for working with my office to craft a sound bill.

"I am pleased to have the support from the mortgage service industry and our financial institutions. I believe they too recognize the importance of having the right protections to prevent the past from repeating itself."

ATTORNEY GENERAL AND DEPARTMENT OF FINANCIAL REGULATION ANNOUNCE PUBLIC MEETINGS ON POSSIBLE DATA BROKER LEGISLATION

CONTACT: My-Lanh Graves, Administrative Secretary, 802-828-5479

On Wednesday, July 26 and Thursday, July 27, 2017, meetings will be held at which any interested person may provide comments on data broker regulatory legislation. Broadly speaking, a data broker collects information, including citizens' personal information, from a variety of sources and then sells that information to advertisers and others for various purposes.

The Vermont Legislature tasked the Attorney General and the Department of Financial Regulation (DFR) to propose legislation or make a recommendation about whether, or how, to regulate the data broker industry. The working group will consult with consumer and industry stakeholders, and receive comments from the public. The working group's recommendation or draft legislation is due by December 15, 2017.

The meetings will be held between 10:00 AM and 3:00 PM at the Department of Financial Regulation's office, located at 29 Church Street, 3rd Floor in Burlington, Vermont. These meetings are open to the public. If you wish to comment or attend, please contact: My-Lanh Graves at 802-828-5479 or MyLanh.Graves@Vermont.gov. An agenda will be posted on the Attorney General's and DFR's websites prior to the meetings.

The Legislature passed S.72 in June 2017; it requires the Attorney General and DFR to provide a recommendation or draft legislation reflecting:

An appropriate definition of the term "data broker";

Whether and, if so, to what extent the data broker industry should be regulated by the Commissioner of Financial Regulation or the Attorney General;

Additional consumer protections that data broker legislation should seek to include that are not addressed within the framework of existing federal and State consumer protection laws; and

Proposed courses of action that balance the benefits to society that the data broker industry brings with actual and potential harms the industry may pose to consumers. The full text of S.72 can be found [here](#).

The public meetings are intended to provide an opportunity for industry, consumer advocates, and the public to comment on the above-listed specific topics and on potential legislation regarding data brokers generally. Written comments will also be accepted through Friday, August 11, 2017 and will become part of the public record in this matter. Please send any written comments to My-

Lanh Graves at MyLanh.Graves@Vermont.gov or by mail to the Attorney General's Office at 109 State St., Montpelier, VT 05609.

OFFICIALS TOUT 'HUGE TAKEDOWN' OF RIO GRANDE DRUG DEALERS, INCLUDING 35 ARRESTS

By MATTHEW PIPER | The Salt Lake Tribune

A sweeping investigation of heroin and cocaine dealing near the 210 S. Rio Grande St. homeless shelter resulted in 35 arrests and the seizure of more than 70 pounds of drugs and \$1.25 million in assets, officials announced Friday at the state Capitol. Utah Attorney General Sean Reyes described the operation as a "huge takedown" of a sophisticated, foreign-based criminal organization — though drugs are still sold in plain sight near the downtown shelter.

"We feel we've eradicated an entire network," Reyes said. "Of course, the question is going to come: Does that mean somebody else won't step into the breach? No, we can't guarantee that another enterprising criminal group won't try to exploit the same environment, but word has gotten out, I guarantee you, that Utah is being highly aggressive."

Federal, state and local law enforcement agencies teamed for the investigation, which began by targeting methamphetamine distributors in February 2016 but changed course in response to epidemic opiate abuse.

House Speaker Greg Hughes, who spoke at Friday's news conference, kicked off this year's legislative session by vowing to "eradicate this criminal element in the state of Utah" as part of a broader effort to reduce drug dependency and homelessness.

An average of six Utahns die each week from opioid overdose, according to the state Health Department.

Brian Besser, the Drug Enforcement Agency's district agent in charge, noted that much of the \$1.1 million seized during the investigation was in bundles of dollar bills — demonstrating to an unusual degree the tie between the U.S. drug epidemic and foreign suppliers.

"Normally, drug traffickers can use \$1 bills to heat themselves in the winter," Besser said. "They're nothing to them. You usually find twenties and above, because they don't waste their time. So when I see \$1 bills in \$10,000 bundles going down to Mexico, that means that came right off the street. It wasn't laundered. ... It went from the user's pocket, right to the cartel."

Many of the organization's Utah dealers are Honduran, and Reyes said Friday that some detainees whose mugshots were not featured on a nearby poster board might have been trafficked and forced against their will to take part in illegal activity.

The first seizure in the operation, dubbed "Three Letters" by the DEA, was made in late March 2016.

Twenty people had been arrested by February 2017, and 15 more were detained in March and May. Some are being held for deportation proceedings, officials said.

Among those detained is a 31-year-old man who is described in a probable cause statement as a major player in the organization, directing shipments of multiple kilograms of heroin and cocaine to Salt Lake and Tooele counties.

Drugs were seized in Utah County, Midvale and Murray, and an electronic communications intercept resulted in an arrest in Tooele, according to probable cause statements. The drugs were found stashed in concealed compartments of defendants' vehicles.

Reyes said the investigation was unique both in its duration and the degree to which investigators collaborated with prosecutors.

Besser called the operation "a very big one."

"These organizations, mind you, they make millions and millions and millions a year. But anytime they lose \$1.2 million, [they're] like any corporation. They've got to take a deep breath, they've got to sit back and they've got to pause."