

Agenda Item H – Attachments

Materials submitted by the California Department of Justice

- Cal DOJ Bureau of Investigation Task Force Program (1-page overview)
- **Executive Summary** from March 2014 Attorney General Report, *Gangs Beyond Borders: California and the Fight Against Transnational Organized Crime*
- **Press Release**, “Attorney General Kamala D. Harris to Convene Multinational Law Enforcement Summit on Technology and Transnational Crime,” July 14, 2014
- **Press Release**, “Attorney General Kamala D. Harris Announces 51 Arrests in Multi-State Drug Trafficking Bust,” May 7, 2014
- **Press Release** , “Federal Racketeering and Attempted Murder Charges Brought Against Leaders and Associates of the Nuestra Familia Gang,” U.S. Attorney’s Office, May 5, 2014
- **News Article**, “Anderson calls county a ‘boomtown’ for marijuana cultivation,” August 12, 2014

California Department of Justice

Bureau of Investigation

Task Force Program

The California Department of Justice (CA DOJ) helped pioneer and advance multijurisdictional task forces throughout California for more than 35 years. The task forces investigate major crimes and provide investigative services that are limited or non-existent within the local communities served. CA DOJ offers leadership through supervision and management of the teams, assists with investigations and arrests, provides a comprehensive policy and procedural manual, and provides audits or inspections of each team. CA DOJ is able to leverage statewide resources working collaboratively with local, state, and federal law enforcement and prosecutorial agencies.

CA DOJ currently manages 18 task forces statewide that includes the participation of more than 150 local, state, and federal law enforcement agencies. Each task force is governed by a council comprised of the local chiefs, sheriffs, district attorneys, chief probation officers, and CA DOJ management. Such statewide coordination facilitates effective administration of resources; investigative deconfliction; and fosters better intelligence sharing, communication and coordination. The Task Force Program established best practices now used by most investigative units: vertical prosecution, prosecutorial review of search warrant affidavits, joint training exercises, and the Drug Endangered Children protocol. These task forces also provide assistance concerning Realignment Post Release Community Supervision (PRCS) offenders. Due to budget cuts in recent years, the Task Force Program has been reduced from 55 teams to 18.



Executive Summary

Over the last century, few issues have grabbed the nation's attention like organized criminal activity. In particular, transnational organized crime – crime that reaches beyond borders – has been a topic frequently explored, and occasionally even glamorized, by the media and through film. But for the people of California, transnational organized crime is not simply a subject for the silver screen. It is an everyday reality associated with drug trafficking, sexual slavery, and shocking violence that affects nearly every community in the Golden State.

Transnational criminal organizations are self-perpetuating associations operating across national borders that use violence, corruption, and fraud to protect and disguise their illicit, profit-driven activities. This Report examines how these groups – with roots in places around the globe – have flocked to California to engage in an increasingly diverse range of criminal activities.

Chapter One looks into the varying nature of transnational criminal organizations, ranging in size and sophistication from corporation-like drug cartels and extremely violent transnational gangs to Internet-based hacking and financial fraud rings. These organizations are incredibly fluid and adaptive, and their profit-motivated operations run the gamut from traditional crimes – such as narcotics, weapons, or human trafficking – to complex money laundering schemes and specialized cybercrimes.

Like parasites, transnational criminal organizations whose operations extend into California thrive by exploiting their host's strengths. California's economy – a global leader owing to its shared border with Mexico and its status as a gateway for trade between the U.S. and East Asia – attracts hard-working immigrants from around the world and maintains highways and high-speed data networks that speed the flow of goods, people, and information throughout the state. **Chapter Two** explains how transnational criminal organizations have taken advantage of these factors in an attempt to transform California into a center of transnational organized crime. California is the nation's largest portal not only for drugs and human trafficking victims flowing *into* the U.S., but also for weapons and the laundered proceeds of illicit activity smuggled *out* of the U.S. – often through the very same trafficking routes.

The harm done by transnational criminal organizations to communities all across California is hard to overstate. Not only do these organizations threaten public health by driving the supply and distribution of harmful narcotics, but their alliances with violent prison and street gangs (a trend addressed at length in **Chapter Three**) have sparked a rash of violence in a period of otherwise declining criminal activity. Moreover, the substantial amount of illicit money moving through California's economy threatens the security of the state's financial institutions, local businesses, and communities, with an estimated \$30 to \$40 billion in illicit funds laundered through California commerce every year.

Transnational criminal organizations are increasingly taking advantage of new communications technology and the interconnectedness of the globalized world to further their trafficking activities in California. This creates new challenges for law enforcement, a topic explored in **Chapter Four**. But transnational organized crime in California extends beyond drugs, weapons, and human trafficking. In the 21st century, the problem posed by transnational criminal organizations threatens the security of computer and data networks, the integrity of online bank accounts, and the rights of intellectual property holders. By virtue of its population and knowledge-powered economy, California is the top target in the nation for this new generation of transnational criminal organizations – originating in significant numbers from Eastern Europe, but also Africa and China – whose purpose is to commit highly profitable hacking, fraud, and digital piracy crimes. This emerging cybersecurity threat is discussed in **Chapter Five**.

Recognizing the significant threat posed to California's economy and people by transnational criminal organizations, Attorney General Kamala D. Harris assembled a team of researchers, policy analysts, and law enforcement officials to identify the challenges these organizations create and to formulate recommendations to combat them in California most effectively (**Chapter Six**). This report is based on dozens of interviews with law enforcement officials, prosecutors, and policy experts, an in-depth review of state task force data, and research and investigation by the California Department of Justice.

Highlights of the 2014 Report

- Mexico-based transnational criminal organizations are suspected of trafficking 70 percent of the U.S. supply of methamphetamine through the San Diego port of entry alone, making California the primary source for methamphetamine nationwide. In 2013, border authorities seized over 6,200 kilograms of methamphetamine entering California, a three-fold increase since 2009.
- The Sinaloa Federation cartel has emerged from the fragmented Mexican drug market as the dominant Mexico-based drug trafficking organization operating in

California. Sinaloa is now responsible for trafficking the vast majority of Mexico-produced marijuana, methamphetamine, heroin, and cocaine through the Tijuana corridor into California.

- The public safety threat posed by Mexico-based drug trafficking organizations has been amplified as cartels have formed alliances with California prison and streetgangs to control trafficking routes, distribute drugs, and kidnap, extort, and kill as necessary to protect their criminal activities. The Mexican Mafia, for example, provides protection for members of numerous cartels both inside and outside prison, and various Hispanic Sureño and Norteño gangs in Southern and Northern California have teamed up with Sinaloa, La Familia Michoacana, The Knights Templar, and other Mexico-based drug trafficking organizations.
- With gang membership up 40 percent nationally between 2009 and 2011, California has seen higher levels of violent crime (particularly assault, extortion, home invasion robberies, homicide, intimidation, and shootings), as well as an increase in arrests for human trafficking offenses and significant seizures of drugs, weapons, and cash.
- Transnational criminal organizations are taking advantage of new communications technologies and social media to facilitate criminal activity, recruit new members, and intimidate or harass their rivals – even from inside prison walls. In 2011, for example, over 15,000 cell phones were seized from inmates in California prisons.
- Recent increases in the use of *panga* boats to smuggle drugs and people into California exemplify the constant tactical adaptation by transnational criminal organizations. Boats capable of carrying 12 tons of marijuana have landed as far north as Santa Cruz County, with a steady increase in *panga* sightings and landings throughout the Central Coast.
- Between 2009 and 2012, the number of intentional breaches of computer networks and databases in the U.S. jumped by 280 percent, with California's share leading the nation. Many of these breaches have been tied to transnational criminal organizations operating from Russia, Ukraine, Romania, Israel, Egypt, China, and Nigeria, among other places.
- In the 2012-2013 fiscal year, California state drug task forces disrupted or dismantled 140 drug, money-laundering and gang organizations, arrested nearly 3,000 individuals, rescued 41 drug-endangered children, confiscated 1,000 weapons, and seized nearly \$28.5 million in U.S. currency in anti-narcotic law enforcement actions statewide. Federally-sponsored High Intensity Drug Trafficking Areas ("HIDTA") program task forces also identified 305 drug-related transnational

criminal organizations operating in California, and 18 street and prison gangs with ties to these organizations.

- At the same time, state-led task forces charged with protecting California from transnational criminal organizations have suffered severe budget reductions over the last five years, with the number of operating task forces dropping from 55 in 2011 to just 17 in 2013.

Summary of Recommendations

Trafficking

- **The Legislature should amend California law to target the leaders of transnational criminal organizations operating in California:** California does not currently have any statutes that specifically target or punish supervisors, managers, or financiers operating on behalf of transnational criminal organizations. California should fill this statutory void by enacting legislation similar to the federal Continuing Criminal Enterprise Act to directly attack the leadership of these organizations.
- **Federal, state, and local law enforcement should use California's State Threat Assessment System as a central hub for sharing information about transnational crime:** California presently lacks a unified system for collecting, analyzing, and sharing information regarding transnational organized crime. California's State Threat Assessment System (STAS) is uniquely positioned to act as that central hub for California's transnational crime information-sharing needs. In coordination with the Attorney General's Office, California's tribal, local, state, and federal law enforcement agencies should partner with STAS to share information about transnational criminal organizations across the state.
- **Federal, state, and local authorities should establish a unified maritime task force and associated radar network to counter maritime smuggling operations along California's coastline:** While several *regional* partnerships and a federal task force exist to address maritime smuggling operations along California's coast, California needs a multi-jurisdictional Maritime Task Force – that leverages expertise at the federal, state, and local levels – to combat the threat posed by *panga* vessel smuggling. California should also work with Coast Guard Officials to implement a network of high-intensity radar stations or sonar buoys strategically located along the coast to better detect maritime threats and coordinate law enforcement responses.
- **The Legislature and Governor should fund five additional Special Operations Units across California:** The increasingly sophisticated nature of transnational criminal organizations demands an equally sophisticated and coordinated

response from law enforcement. The California Department of Justice's Bureau of Narcotics Enforcement, and related task forces and special operations units, were remarkably successful in targeting and dismantling transnational organized crime cells in California before severe budget cutbacks in 2011 limited their operational capacity. Restoring funding to special operations units in Sacramento, San Francisco, Riverside, Los Angeles, and San Diego is a necessary step in the fight against transnational organized crime in California.

- **The federal government should continue providing critical funding to support state and local law enforcement agencies in investigating and dismantling trafficking organizations:** In particular, Congress should maintain and increase funding levels for methamphetamine law enforcement grants through the U.S. Department of Justice's Community Oriented Policing Services (COPS) office. Additionally, the California Board of State and Community Corrections, which administers federal law enforcement grants from the Byrne Justice Assistance Grant Program, should restore the allocation of these funds to joint state-local task forces.
- **Federal, state, and local law enforcement agencies should increase operational coordination in combatting transnational criminal organizations:** Given the international scope of these trafficking networks, federal, state, and local law enforcement agencies in California must work together – at the investigatory and prosecutorial levels – to combat major transnational criminal organizations and their alliances with prison and street gangs.

High-Tech Crimes

- **State and local authorities should develop public-private partnerships to leverage technology against transnational organized crime:** As the frequent target of transnational criminal schemes, the private sector is at the frontline defending against numerous high-tech threats. It is not surprising that it often has access to information and technologies that the government does not. By forming public-private partnerships, state and local authorities can leverage the private sector's comparative strengths to counter the ever-changing threats and tactics of transnational criminal organizations.
- **Businesses should adopt industry best practices designed to protect against cybercrime:** Lax cybersecurity practices, or the lack of any protections whatsoever, allow far too many breaches of computer networks and databases to happen in California. All entities, public and private, doing business in California should assume that they are a target and defend themselves accordingly by adopting the industry best practices identified in the Department of Justice's recently released report, *Cybersecurity in the Golden State* (<http://oag.ca.gov/cybersecurity>).

Money Laundering

- **The Legislature should amend California law to enable prosecutors to temporarily freeze the assets of transnational criminal organizations and their gang associates before the filing of an indictment:** Under current law, transnational criminal organizations are often given the equivalent of advance warning that their criminal proceeds and assets are about to be seized by law enforcement. That is because of a legal void that prevents the seizure of any assets until the filing of a formal criminal indictment. As a result, in cases where illicit assets are discovered before an indictment can be filed, criminals have the chance to remove their assets before they can be taken. This loophole must be eliminated by empowering law enforcement to temporarily freeze an organization's illicit proceeds or property in advance of a formal prosecution.
- **The Legislature should strengthen California's prohibition against financial transaction "structuring":** When it comes to proving that a financial transaction was "structured" to evade financial reporting requirements, California law imposes a special burden on prosecutors that federal law does not. To prove "structuring" under California law, prosecutors must show not only that transactions were organized to avoid mandatory reporting requirements, but also that such structuring was *intended* to disguise proceeds from illicit activities. This special burden on state and local prosecutors hampers the ability to disrupt money laundering schemes and should be eliminated.
- **California prosecutors need advanced training to combat sophisticated transnational money laundering schemes:** At the same time that budget reductions have curtailed investigatory and prosecutorial capacities, transnational criminal organizations are becoming more and more sophisticated in how they launder their illicit profits. A key to disrupting this sophisticated criminal activity is through equally sophisticated and aggressive prosecutions. Advanced training and technical assistance to state and local prosecutors investigating and prosecuting complex money laundering schemes is vital to building the capacity to bring these prosecutions.
- **State authorities should partner with their Mexican counterparts to share intelligence and disrupt the illicit flow of money across the border:** The ease with which large sums of money can be whisked across borders has never been greater. For this reason, it is critical that investigators and regulatory officials on both sides of the border have the most up-to-date information about cross-border currency flows and the people behind them and cooperate in disrupting money laundering schemes.

Attorney General Kamala D. Harris to Convene Multinational Law Enforcement Summit on Technology and Transnational Crime

Monday, July 14, 2014

Contact: (415) 703-5837

SAN FRANCISCO -- Attorney General Kamala D. Harris will convene state and federal officials from the U.S., Mexico and El Salvador for a multinational summit focused on the use of technology to fight transnational organized crime. The summit, held in association with the annual meeting of the U.S. Conference of Western Attorneys General (CWAG), will focus on human trafficking, intellectual property violations and money laundering.

"Transnational criminal organizations are increasingly using sophisticated networks and technology to commit crimes against the people of California, the United States, and globally," Attorney General Harris said. "This summit will build on the partnership we forged in Mexico City this March to combat the increased use of social media in human trafficking and disrupt money laundering schemes in the U.S.-Mexico border region. I want to thank my colleagues and international partners for joining me to address this serious issue."

Attendees at the summit, the 2014 CWAG Alliance Partnership Binational State Attorney General Exchange, include U.S. state attorneys general, U.S. federal officials, Mexico Attorney General Jesús Murillo Karam, El Salvador Attorney General Luis Martínez, and Mexico state attorneys general.

The summit follows a U.S. delegation visit led by Attorney General Harris to Mexico City in March to strengthened relationships between government officials in both countries and enhanced efforts to combat transnational crime. During the visit, the bipartisan delegation met with Mexico Attorney General Murillo Karam to discuss shared priorities in the fight against transnational crime.

The delegation, which included the state attorneys general from Colorado, Florida, Nevada, and New Mexico, also with Mexican state attorneys general from Sonora, Baja California, Chihuahua, Campeche, Distrito Federal, Zacatecas and Jalisco. The delegation also signed a letter of intent with the National Banking and Securities Commission of Mexico to establish a binational working group on money laundering enforcement. (<https://oag.ca.gov/news/press-releases/attorney-general-kamala-d-harris-us-state-attorneys-general-sign-anti-money>)

Prior to leading the delegation, Attorney General Harris issued the first comprehensive report in California analyzing the current state of transnational criminal organizations highlighting the increasing use of technology to facilitate criminal activity, recruitment, intimidation and harassment. The report called for increased international partnerships to leverage technology against transnational crime. (<https://oag.ca.gov/news/press-releases/attorney-general-kamala-d-harris-issues-comprehensive-report-transnational>)

WHEN: Sunday, July 20, 2014

WHERE: CWAG annual meeting - Park City, Utah

WHO:

Mexico Attorney General Jesus Murillo Karam

El Salvador Attorney General Luis Martínez

U.S. State Attorneys General from Colorado, Florida, Idaho, Nebraska, New Mexico, Nevada, Oregon, South Dakota, Utah, Vermont, and Washington.

Mexican State Attorneys General from Aguascalientes, Baja California, Baja California Sur, Coahuila, Colima, Mexico, Guanajuato, Jalisco, Michoacan, Morelos, Nayarit, Oaxaca, San Luis Potosi, Sinaloa, Sonora, Tamaulipas, Veracruz and Zacatecas.

NOTE: Media interested in covering the summit should contact Nick Pacilio at 415-703-5837.

State of California *Department of Justice*

OFFICE of the ATTORNEY GENERAL
KAMALA D. HARRIS

Attorney General Kamala D. Harris Announces 51 Arrests in Multi-State Drug Trafficking Bust

Wednesday, May 7, 2014

Contact: (415) 703-5837

MERCED -- Attorney General Kamala D. Harris today announced the arrest of 51 individuals associated with a Central Valley-based gang and narcotics trafficking organization and the seizure of methamphetamine, ecstasy, cocaine, marijuana and firearms.

"Drug traffickers have built sophisticated alliances and distribution networks that stretch across state and national borders that require a coordinated law enforcement response," Attorney General Harris said. "This seizure highlights the importance of cross agency collaboration and the need to support the state task forces that make this work happen. I thank our local, state and federal partners for their ongoing commitment to fighting this serious threat."

The 51 defendants are charged with conspiracy, weapons violations, gang enhancements; and possession, transportation, distribution and sale of methamphetamine.

Today, over 200 agents executed arrest and search warrants in Merced County and, at the time of this release, made 41 arrests and seized 17 firearms, 300 ecstasy pills, 1.5 pounds of methamphetamine, 1.5 pounds of cocaine, 10.5 pounds of processed marijuana, 841 marijuana plants, 11 vehicles and \$83,000 U.S. currency.

Over the course of the entire investigation, agents have now made 51 arrests, seized a total of 72.5 pounds of methamphetamine, 6 pounds of cocaine, 300 ecstasy pills, 10 marijuana growing operations, 20 firearms and \$98,400 in U.S. currency.

"Today, through the incredible talent and effort of local, state and federal law enforcement personnel, we dealt a significant body blow to an organized crime cartel that has been trafficking substantial quantities of methamphetamine and cocaine throughout the Central Valley and across several states," Merced County District Attorney Morse said. "Today's raids and arrests will put a serious dent in the structure and activities of Norteño gangsters in Merced County operating with the Nuestra Familia Prison Gang. We will never relent in our efforts to destroy the revenue sources for these violent criminal street gangs that are such a plague in our communities."

The United States Attorney's Office, Eastern District of California will prosecute the seven federal defendants who are in the custody of the United States Marshall's Office. The Merced County District Attorney's Office will prosecute defendants facing state charges, who were booked into Merced County Jail and are currently being held on bail ranging from \$1 million to \$150,000.

Agents from the California Department of Justice's Special Operations Unit (SOU) conducted an investigation into the Norteño criminal street gang in Merced County for distributing crystal methamphetamine and collecting taxes on behalf of the Nuestra Familia Prison Gang.

Separately, in September 2013, agents with the California Department of Justice's Merced Multi-Agency Narcotic Task Force (MMNTF) began an investigation into the Luis Tejada-Hurtado drug trafficking organization (DTO) that initially resulted in the seizure of approximately 30 pounds of methamphetamine and two kilograms of cocaine from a vehicle with a hidden compartment and a storage locker used by the DTO. From that seizure, agents obtained

additional information about several other associates of Hurtado, including Raul Recio and Larry Duncan. Agents recently seized 20 pounds of methamphetamine from Recio immediately after crossing the U.S.-Mexico border. Duncan is a known member of the criminal street gang 'The Get Money Boys/Green Guys' which operates out of Blytheville, Arkansas and Merced County.

In February 2014, SOU and MMNTF agents joined their investigations after they confirmed a link between the Hurtado DTO and Norteño gang. The investigation uncovered that members of the Hurtado DTO were directly supplying methamphetamine to the Norteño gangs in Merced County and Memphis, Tennessee.

Additional agencies and task forces that participated in today's operation include: The California Department of Justice-Bureau of Investigation regional offices and task forces, Central Valley High Intensity Drug Trafficking task forces, Merced County Gang Task Force, Merced Police Department Gang Violence Suppression Unit, Merced County Sheriff's Department, Merced County District Attorney's Office, Atwater Police Department, Los Banos Police Department, Madera Special Investigations Unit, Kings County Gang Task Force, California Highway Patrol, Drug Enforcement Administration, Federal Bureau of Investigation, Homeland Security Investigations, United States Marshall's Service and United States Attorney's Office, Eastern District of California.

A March 2014 report issued by Attorney General Harris called the trafficking of methamphetamine from Mexico into California a growing threat to the state and a top priority for law enforcement. The report, *Gangs Beyond Borders: California and the Fight Against Transnational Organized Crime*, is the first comprehensive report analyzing the current state of transnational criminal organizations in California and the threats they pose to the state's public safety and economy. The report also outlined recommendations to address this problem, which include increased funding for state anti-narcotics trafficking task forces and additional coordination between federal, state, and local law enforcement agencies in combatting transnational criminal organizations. The report is available here: <https://oag.ca.gov/transnational-organized-crime>.

Following the release of this report, Attorney General Harris led a delegation of state attorneys general to Mexico to strengthen working relationships between the governments of both countries and enhance efforts to combat transnational crime. The delegation met with Mexican state attorneys general and federal officials to discuss the issues of drug, human and firearms trafficking, money laundering and high-tech crime.

Attorney General Kamala D. Harris and the four other state attorneys general also signed a letter of intent with the National Banking and Securities Commission of Mexico to establish a bi-national working group on money laundering enforcement.

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**United States Attorney Benjamin B. Wagner
Eastern District Of California**

**Federal Racketeering And Attempted Murder Charges Brought Against
Leaders And Associates Of The Nuestra Familia Gang**

FOR IMMEDIATE RELEASE

Monday, May 05, 2014

www.usdoj.gov/usao/cae

usacae.edcapress@usdoj.gov

Docket #: 1:13-CR-85

FRESNO, Calif. — A second superseding indictment was unsealed today adding 19 counts including racketeering conspiracy and attempted murder against three defendants for their alleged participation in the violent Nuestra Familia gang, Acting Assistant Attorney General David A. O’Neil of the Justice Department’s Criminal Division and U.S. Attorney Benjamin B. Wagner announced.

“This complex case identified the network beyond the gang’s drug distribution channels and revealed a command structure that directs violent acts to gain and maintain control of its members, regardless of whether the members are walking the streets of Modesto or incarcerated,” said Supervisory Special Agent Todd Irinaga of the Modesto FBI office. “Today’s indictments demonstrate the effectiveness of a multi-agency, multi-jurisdictional Organized Crime Drug Enforcement Task Force (OCDETF) approach to dismantling drug trafficking organizations who threaten the safety and quality of life in our communities

Gary Anthony Romero, 48, of Stockton, and Joe Anthony Felix, 34, of Modesto, were first charged with conspiracy to distribute and possess with intent to distribute methamphetamine by a federal grand jury in Fresno. The superseding indictment, returned under seal on April 30, 2014, includes all of the charges alleged in the original indictment, as well as new charges against them. A new defendant, Jesus Gomez Felix, 30, of Modesto, was also charged.

Jesus Felix was arrested today and made his initial appearance in federal court in Fresno today. Romero and Joe Felix were arraigned on the charges today in Fresno. They have been in federal custody since March 2013.

According to the superseding indictment, Nuestra Familia is a prison gang that originally formed in the California state prison system in the 1960s. Nuestra Familia leaders control and direct the gang’s criminal activities both inside and outside of the prison system.

According to the superseding indictment, Romero has been a member of Nuestra Familia for about 20 years and has reached one of the highest levels of authority in Nuestra Familia. He allegedly ordered various crimes to be committed for the benefit of the gang in Stanislaus County, including attempted murders, assaults, robberies and drug dealing. Romero is charged with racketeering conspiracy; six counts of attempted murder and six counts of assault with a dangerous weapon, all in aid of racketeering; one count of using and brandishing a firearm during a crime of violence; one count of conspiracy to commit robbery; and one count of conspiracy to distribute methamphetamine.

Joe Felix became a Nuestra Familia leader in Stanislaus County in 2012 and allegedly ordered members the gang to commit murder and deal drugs in Modesto. Joe Felix is charged with racketeering conspiracy one count of attempted murder, one count of conspiracy to commit murder, and one count of assault with a dangerous weapon, all in aid of racketeering; one count of using and discharging a firearm during a crime of violence; and one count of conspiracy to distribute methamphetamine.

Jesus Felix is charged with one count of assault with a dangerous weapon resulting in serious bodily injury in aid of racketeering and one count of using and discharging a firearm during a crime of violence.

This case was investigated by the Central Valley Gang Impact Task Force under the FBI's Safe Streets Initiative, with the assistance of the Stanislaus County District Attorney's Office, Stanislaus County Sheriff's Office, Modesto Police Department, Ceres Police Department, the California Highway Patrol, the California Department of Corrections and Rehabilitation, the Bureau of Prisons and the Stanislaus County Probation Department.

The case is being prosecuted by Trial Attorney Louis A. Crisostomo of the Criminal Division's Organized Crime and Gang Section and Assistant United States Attorneys Kimberly A. Sanchez and Laurel J. Montoya of the Eastern District of California.

The charges contained in the indictment are merely accusations, and the defendants are presumed innocent unless and until proven guilty. If convicted, each defendant faces a maximum statutory penalty life in prison and a \$250,000 fine. Any sentence, however, would be determined at the discretion of the court after consideration of any applicable statutory factors and the Federal Sentencing Guidelines, which take into account a number of variables.

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Anderson calls county a 'boomtown' for marijuana cultivation

An article appearing in the Sierra Star
By Madera County Sheriff's Department
August 12, 2014



Madera County Sheriff John Anderson says lack of water appears to be driving drug cartels out of the forests and into neighborhoods throughout Madera County.

"They can't grow in the mountains, because there's not enough water to sustain their operations" Anderson said in a prepared statement released Tuesday.

Before the drought, drug trafficking organizations could typically cultivate upwards of 20 to 40 thousand marijuana plants in one garden. Now they're planting their product in subdivisions in the foothills and on the Valley floor in an effort to continue their operation explained Anderson. And, as a result, the number of cultivation sites has nearly doubled since January this year (60 in 2014 - 36 in 2013).

According to Anderson, Oakhurst, Bass Lake, North Fork, Ahwahnee, Coarsegold, Raymond, O'Neals, Chowchilla, Fairmead, and Madera Ranchos are all hotbeds for marijuana gardens.

"They're either renting homes and/or parcels, or buying acreage for the sole purpose to grow marijuana ... where they can tap into water, and, in one case, were caught stealing it," Anderson said. "They quickly pay Code Enforcement fines, because the amount is merely a drop in the bucket compared to the wealth they amass. They walk away from one property and set up camp on another. Or, in some cases, start planting another crop soon after their gardens have been eradicated."

And it's not just marijuana, adds Anderson. Many of these same growers are also involved in the trafficking of Heroin, Cocaine and Methamphetamine. The increased drug activity is leading to an increase in criminal activity, like drive-bys, home invasions, robberies, and homicides. "There have been cases when a garden was discovered because our deputies were called out to a shooting," Anderson said. "Nearly half a dozen homicides have been drug related," Anderson said.

The sheriff's department provided the following examples: A shoot-out in Raymond left one man dead. The battle was fought over marijuana plants. A man in Chowchilla was nearly killed over his marijuana grow. Two men died in Chowchilla over a drug deal (Marijuana and Methamphetamine) that went wrong. A Santa Cruz man was shot and severely beaten in Coarsegold (over marijuana, methamphetamine and heroin), and an Oakhurst man suffered a gunshot wound to his leg that was believed to be drug related. Not only is there a significant increase in drug trafficking, and criminal activity, Anderson says he is seeing more and more cases of Potential health risks brought about by these illegal grows is also a concern. There are numerous cases involving virtually no sanitation.

"And not a single one of these growers live in Madera County," said Anderson. "They are merely using Madera County to grow their product."

Anderson said in the past month deputies discovered one garden on the valley floor and two gardens in Coarsegold, where there were glaring cases of health and safety code violations — among them, faulty electrical wiring posing a fire threat and cesspools of human waste seeping into the ground, and putting adjacent homes in these subdivisions at risk.

In Coarsegold it took deputies more than a day to haul away more than 6,000 pounds of marijuana, and it took Code Enforcement Officers even longer to record the health violations.

One garden was found on Quartz Mountain, located halfway between Coarsegold and O'Neals. There, authorities found marijuana plants five to six feet tall growing on a 42-acre parcel of private land. The garden, hidden in dense brush, measured more than 56,000 thousand square feet. At a second cultivation site, located off Highway 41 in Coarsegold, there were also marijuana plants between five and six feet tall, and the entire back side of this property was surrounded by black tarp, camouflaging several plots.

The second location had a singlewide mobile with an add-on bathroom. Based on the stench of sewage, it appeared the waste matter from that toilet was seeping into the ground.

"The lot located on the valley floor, had living quarters large enough to house as many as six people," Anderson said. "Just like all the other plywood huts, it was fully wired with numerous electrical units including a refrigerator, satellite television, a surveillance system, air conditioning unit and lighting, but no plumbing. Outdoor spigots served for washing and bathing. Both gray water and waste water were used to fertilize thousands of marijuana plants and vegetables.

In North Fork, authorities spent nearly five hours hauling away marijuana plants from a grow site that spanned roughly five acres. Again, the property had a plywood hut, complete with basic human needs, and all of them without sanitation.

Another grow site was located in Yosemite Lakes Park, that was littered with medical recommendations. Not one of the growers resides in Madera County. The prepared statement said that just last week, a woman in North Fork was caught violating the law for a second time. Her failure to comply was discovered, after deputies responded to her residence, following a flood of citizen complaints about what appeared to illegal drug activity.

Deputies gave Lisa Mary Anderson (who maintains a medical marijuana recommendation) a chance to mend her ways last year. They admonished her and gave her a copy of Madera County's marijuana cultivation ordinance. When deputies arrived this year, the first thing they saw was a man fleeing from a garden, sprawling with marijuana plants. She claimed to only know his first name.

"Deputies didn't give her a second chance to comply this time," Anderson said. "They destroyed her 105 plants, and handed her a citation."

Numerous medical marijuana recommendation cards (with names and place of residence) can be been found posted throughout gardens. The majority of the card holders are not Madera County residents. Placards stapled to posts bear the names of the growers who actually reside elsewhere in California, or in another state. Sheriff Anderson says the patent abuse is beyond frustrating.

"We had one case, where a grower, who lives in Susanville, some 300 miles to the north, got her recommendation in Tulare County, and she was cultivating marijuana in Madera County," Anderson said in the release. "In another case, we had three growers, from Massachusetts, tending to garden the size of a football field on property near Chowchilla. Their recommendations were signed in Fresno. They also had a sign telling authorities they had immunity. When confronted about the sign and advised what it meant, they told authorities it was already there before they moved in."

"We have found numerous plots on one-acre parcels, with anywhere from five to 15 different placards. Madera County has literally become a boomtown for marijuana growers, and a hotbed for illicit drug activity," Anderson said.

In the last couple of years, California has experienced a reduction in drug task forces. With that steady statewide depletion, Anderson says this has become especially worrisome, for Madera County, because the one task force (MADNET), that shoulders the responsibility for monitoring all illegal drug activity throughout our county, may be dismantled by end of this year.

"The whole purpose of creating a narcotic task force, that deals with an array of illegal drug activity, including Heroin, Cocaine and Methamphetamine, was due in large measure to the fact that Madera County cannot by itself tackle this problem," Anderson said. "There are simply not enough resources to do it ourselves. We have relied on the California Department of Justice to help us deal with drug activity and the crime it brings. And we were making good progress. Without their support, I am very concerned about the prospect of more drug cartels setting up operations in Madera County. With no additional resources to help us counter this problem, I am very worried that Madera County's 'boomtown' reputation may only get worse."

In an effort to make people aware of the crisis, Sheriff Anderson has now turned to state leaders, asking them to come to Madera County to see how pervasive it is. Recently, State Senator Anthony Cannella sent one of his staff members to tour an eradication operation in the foothills of Eastern Madera County to see firsthand the abuse and appalling conditions created by these growers.