



Tax Recovery and Criminal Enforcement Task Force
Los Angeles Regional Board Meeting
12501 E Imperial Highway, Ste. 300, Norwalk, CA 90650
September 14, 2016

Meeting called to order at 10:12 a.m. by Anthony Orlando, Chairman, TRaCE Regional Board

Members Present:

Anthony Orlando, Acting Special Agent in Charge, IRS
Jim Biscailuz, Special Agent in Charge, DOJ
Vikram Mandla, Deputy Attorney General, DOJ
Gema Gonzalez, Deputy Chief, FTB Investigations
Frank Waldschmitt, Assistant Chief, EDD Investigations
LJ Connolly, Assistant Chief, FBI
Jeremy D. Scott, Assistant Special Agent in Charge, DHS
Carlos Rojas, Chief of Police, Santa Ana Police Department

Members Absent:

Marzo Sacasa, Southern Administrator, BOE
Vito Scattaglia, Deputy Chief, DMV Investigations
(Cmdr. Paula Lucero – Proxy)

Discussion Items:

- July 13, 2016 Minutes
 - Vikram Mandla motioned to approve the July 13, 2016 Minutes. Motion was seconded by Gema Gonzalez.
 - Vote: 9 in favor, 0 opposed

Resolved: Motion carried
- Yearly meeting with Executive Board – February 2017
 - Facilitator, Gina Fong Discussed optics and attendees. There is a room block at the Delta King at a State rate of \$95.00 per night. The current Federal rate was determined to be \$119.00. Regional Board suggested including case studies as presentations for the agents and Board Members attending. This will help with consistency and uniformity between the North and South TRaCE Teams. Also, new Chair election is scheduled.
- Disclosure/Confidentiality Training
 - Confidentiality forms used by the three State agencies (BOE, EDD, and FTB) are included in the handouts. These cover the provisions for disclosure and confidentiality. E-copies to be provided to Chair for review and approval by Legal in other agencies.

- Status Report
 - Outreach
 - Presentation made to Apple IPR Unit in Walnut Creek, CA. They are very supportive of the TRaCE operational enforcement model and they like how TRaCE is willing to seek restitution for the Brands. Susan Gorsuch and Heidi from FTB attended.
 - San Luis Obispo Sheriffs' Dept. Presentation
 - SLOSO requested a presentation
 - Presentation focused on following the money and utilizing tax agency information to supplement investigative intelligence
 - Presentation given to Her Majesty Revenue and Customs representatives, Chris Martin and Euan Stewart. They shared with Susan Gorsuch and Gina Fong of TRaCE that they have a problem with smuggling tobacco/cigarettes in the UK.
 - Value Added Tax is approximately 20% in the UK and they are losing revenue due to underground economic activity. They liked the TRaCE Model and will be discussing options with their Revenue Departments. TRaCE shared how California's report their purchases of merchandise and pay use tax on their State Income Tax Return. They will be exploring this option in the UK.
 - ATF as a TRaCE Partner
 - Southern California TRaCE Task Force Commander, Rigo Garcia, shared that there are twelve ATF agents working tobacco related investigations throughout the county. The investigative priorities for the ATF Agents have changed. They may be able to work more with TRaCE, but no MOU at this time.
 - BCP Workgroup
 - Jim Biscailuz indicated that the Budget Change Proposal and Legislative Proposal have both been submitted to DOJ. There has been no opposition thus far.
 - The idea is to expand TRaCE with BCP approval. Taxing agencies are key.

The Open Session meeting adjourned at 10:51 am by Anthony Orlando, Chairman, Los Angeles Regional TRaCE Executive Board.

Next meeting scheduled for Wednesday, November 09, 2016, 10:00 am at 12501 E. Imperial Highway, Ste. 300, Room 317, Norwalk, CA 90650.