



**Tax Recovery and Criminal Enforcement
Task Force Executive Board Meeting
621 Capitol Mall, Room 2114, Sacramento, CA 95814
October 26, 2016**

Meeting called to order at 10:08 a.m. by Randy Silva, Chairman, TRaCE Executive Board

Members Present:

Randy Silva, Chairman, Chief, BOE Investigations
Dan Gonzalez, Vice Chairman, Chief, FTB Investigations
Michael Tsang, Acting Assistant Special Agent in Charge, DHS, Proxy
Richard Cutler, Deputy Attorney General, DOJ
James Biscailuz, Special Agent in Charge, DOJ
David Montoya, Chief, EDD Investigations
Bob Trip, Acting Assistant Special Agent in Charge, FBI, Proxy
Tyrone Blanchette, Assistant Special Agent in Charge, IRS

Members Absent:

Discussion Items:

- August 17, 2016 Minutes
 - James Biscailuz motioned to approve the August 17, 2016 Minutes. Motion was seconded by Dan Gonzalez.
 - Vote: 8 in favor, 0 opposed
Resolved: Motion Carried

- Yearly Combined Executive and Regional Board Meeting
 - Date for the meeting is February 22, 2017
 - A room block has been held at the Delta King, rooms will be held until February 7, 2017.
 - Suggestions for Topics
 - Case Studies from north and south
 - Presenting the case from the inception through prosecution
 - Uniformity among the task forces
 - Networking Session
 - Knowledge transfer among agents
 - What has work for cases, what hasn't
 - Each Agencies giving their specific Mission, Goals and Objective
 - Impact of the Marijuana Industry on other teams/task forces
 - FBI has a presentation involving the MJ Industry effect on crime, tax, organized crime, public corruption, etc.
 - BCP Workgroup Update
 - James Biscailuz will give update on legislative proposal
 - Consistency of Prosecutions for north and south

- US Attorney's Office
- By Law Changes
- Status Reports
 - Outreach
 - Susan Gorsuch and Heidi Gutierrez met with Apple and their regional IPR group
 - Gave information on TRaCE, AB 2681 and potential for obtaining case leads
 - Gina Fong and Susan Gorsuch gave the TRaCE presentation for the Bureau of Medi-Cal Fraud and Elder Abuse (BMFEA)
 - Potential to work together on a case
 - Gina Fong and Susan Gorsuch presented at the Monster IPR Training
 - Many of the brand owners were at the training session
 - Important contact for support from the brands for the legislative proposal
 - Gina Fong and Susan Gorsuch gave the TRaCE Presentation to the Howard Jarvis Taxpayer Association, per their request
 - Show interested and were supportive of TRaCE
 - Gina Fong and Susan Gorsuch gave the TRaCE Presentation to the Department of Industrial Relations
 - Discussed potential case leads
 - Find key targets to work
 - Focus on collaborating for violation in the labor industry
 - Gina Fong and Susan Gorsuch gave the TRaCE Presentation to the San Luis Obispo Police Department
 - SLOPD requested presentation to see how TRaCE could help on a potential case in their jurisdiction.
 - Gina Fong and Susan Gorsuch met with the United Kingdom's Her Majesty's Revenue and Customs (HMRC)
 - Is the taxing arm in the United Kingdom
 - Likes the TRaCE model and would like to utilize it in the UK
 - Wants to have a larger meeting with the California taxing agencies to discuss tax issues as related to sales and use, internet sales, income, cigarette and tobacco, etc.
 - BCP Workgroup
 - James Biscailuz gave an update on the legislative proposal
 - The concept paper is moving forward
 - One of only a few via DOJ to go forward
 - Currently with DOJ HQ
 - Need further information from DMV and EDD on personnel costs due to the new Unit 7 Bargaining Agreement for the Investigator Classification
 - More information in the next few weeks as it goes through the process at DOJ HQ.
 - Quarterly Accomplishments Report 3QTR16
 - A handout was provided reflecting the TRaCE program activities completed and in progress for July through September 2016
 - BJA Grant
 - TRaCE was the recipient of an IPR Grant funded by BJA for \$200,000 for federal fiscal year 2016.

- This grant would provide over time for state agencies on the task force for IPR cases work in regions were TRaCE is currently no present (Bay Area and San Diego)
- Grant was issue to DOJ; a cover letter MOU will be drafted in order to reimburse each department for overtime paid.
- TRaCE Publication Update
 - Drafts of the TRaCE Publication and Outreach Poster Boards were handed out
 - IRS would like their name to be change from Internal Revenue Service (IRS) to IRS-Criminal Investigation (IRS-CI) to avoid confusion to the public
 - Randy Silva motioned to approve the TRaCE Publication and Outreach Poster Board to include the modification request by IRS. Motion was seconded by David Montoya.
 - Vote: 8 in favor, 0 opposed

Resolved: Motion Carried

Next Meeting is scheduled for December 21, 2016 at 10:00 a.m., at 621 Capitol, Mall Room 2114.

Open session meeting adjourned at 10:45 a.m. by Randy Silva, Chairman, TRaCE Executive Board.

Open session reconvened at 12:02 p.m. by Randy Silva, Chairman, TRaCE Executive Board.

- Election of New Executive Board Member, Jim Root, Senior Assistant Attorney General, OAG, to represent the OAG's Office on the TRaCE Executive Board, replacing DAG Richard Cutler
 - James Biscailuz motioned to approve Jim Root, Senior Assistant Attorney General, OAG as a new Executive Board Member. Motion was seconded by Dan Gonzalez.
 - Vote: 8 in favor, 0 opposed

Open Session meeting was adjourned at 12:05 p.m. by Randy Silva, Chairman, TRaCE Executive Board.