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FOR IMMEDIATE RELEASE

State's Highest Court Provides Clarity for Seizing Human Smuggling Payments

(Phoenix, Ariz. – June 3, 2009) The Arizona Supreme Court today issued a ruling that provides important clarifications about the Attorney General's Office's ability to seize wire transfers to Mexico intended to pay for human smuggling operations in Arizona.

In today's ruling, the Court remanded the case of *Arizona v. Western Union Financial Services* to Maricopa County Superior Court for further proceedings on the forfeiture of seized funds. The Court also recognized the problems posed by cross-border smuggling and noted "the Arizona Attorney General's commendable efforts to curtail human smuggling and narcotics trafficking."

While the Court found that one form of jurisdiction for the seizures is not proper, it stated that today's ruling does not extend to other forms of jurisdiction. The Court said, "... the Fourteenth Amendment poses no bar to an Arizona court, after an appropriate showing, issuing in personam orders to Western Union governing the disposition of wire transfers involving the proceeds of racketeering conducted in this state."

The ruling went on to state that, "If those with interests in the property are subject to in personam jurisdiction in the forum state, a court in that state undoubtedly has jurisdiction consistent with the Due Process Clause to enter orders relating to the property."

Goddard said of the ruling:

"I'm pleased that Arizona's highest court recognizes the threat posed to Arizona communities by violent criminal syndicates smuggling thousands of people per day across the border. Today's ruling gives my Office guidance for how best to proceed seizing the smuggling proceeds sent by wire transfer that feed these violent, criminal enterprises."

"Choking off the funds that sustain the cartels is our most effective tool to fight back against their gruesome violence and secure the border. I intend to move forward with future sweeping warrants, and I am meeting tomorrow with Sonora Attorney General Abel Murrieta to discuss our next steps in this critical fight."

Since 2001, the Attorney General's Office, the Department of Public Safety and the Phoenix Police Department have conducted joint investigations into human smuggling organizations operating in Arizona. The agencies, working as the Arizona Financial Crimes Task Force, have seized more than \$17 million in criminal assets and have arrested more than 100 human

smugglers and money launderers. The task force has concentrated on businesses that facilitate smuggling, such as money transmitter locations, used car dealers, travel agents and a gun dealer.

As a result of the task force's investigations, criminals began routing payments for human smuggling operations in Arizona from other states directly to Mexico. This change prompted Arizona authorities to obtain a warrant in September 2006 that enabled the Attorney General's Office to seize transfers from 29 other states to human smuggling organizations in 26 money transmitter locations in Sonora, Mexico, within 70 miles of the Arizona border.

In July 2008, the Arizona Court of Appeals issued a 75-page opinion stating that Goddard could take those funds. The appellate court's ruling asserted that the state had sufficient probable cause to seize money transfers sent to Sonora.

Throughout the past year, Goddard has widened his pursuit of human smuggling syndicates into Mexico through a bilateral agreement with the Sonora Attorney General's Office. Under the terms of this agreement, the two states have committed to work together to combat human trafficking and money laundering and share information in criminal investigations.

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