

Local Municipality Case Example (Drugs and Money Laundering)

In early 2012, FinCEN conducted outreach to all of its state and local law enforcement partners, and asked for cases where FinCEN data played a useful role in their investigations. Below, in their own words, is an example of how FinCEN's stakeholders use FinCEN data. It has been edited only for confidentiality and privacy concerns.

The following example is from a local municipality case. Local police and sheriff's agencies increasingly use FinCEN records in their investigations. Many local agencies have representatives on SAR review teams and task forces that share FinCEN data. In addition, FinCEN has given direct access to some local agencies with a robust financial crime focus that have a history of using the data.

"In October of 2010, while observing a vehicle with an out of state registration and heavily tinted windows traveling in the Northwest quadrant of the city, officers conducted a traffic stop on the vehicle. A registration check on the tags revealed that the tags had been suspended. After observing what appeared to be marijuana on the floor of the vehicle in front of the front seat passenger, the officers asked the owner for consent to search the vehicle. The vehicle was occupied by three men.

A search of the vehicle uncovered over \$16,000 in U.S. currency and \$53,000 in money orders from various locations within the city. The money orders were in various denominations and had all been purchased within a 2 to 3-day time frame. The vehicle's owner was arrested for having an unregistered vehicle. Seized from the driver was an additional \$150 in U.S. currency. All the currency and money orders were seized for civil forfeiture processing. Additionally, further investigation into the matter led to the issuance of a search warrant for the driver's local address. Seized as a result of the warrant was an additional \$5,953 in U.S. currency, fifty-four and three-tenths (54.3) grams of marijuana, and thirty Oxycodone pills.

As a result of the financial investigation, a FinCEN Gateway query revealed possible 'smurfing' activities by the vehicle's owner. This information assisted in the administrative forfeiture of both the currency and money orders."

[Published in *The SAR Activity Review - Trends, Tips & Issues*, Issue 22, October 2012]