Forging a New Legacy

Homeland Security Investigations
Tracing of Assets and Forfeitures
HSI Special Agent Training
ICE Academy
Terminal Performance Objective

Given case-related facts that indicate illicit assets and an example of a forfeiture proceeding (administrative, civil, or criminal), determine the appropriate seizure/forfeiture procedure and asset tracing method to locate illicit proceeds and assets according to HSI guidelines in the Asset Forfeiture Handbook.
Enabling Performance Objectives

• Explain methods of proving income, identify sources of information to locate illicit proceeds and assets.
• Determine the difference between evidence and intelligence gathering.
• Describe terms, utilization of AIRG, and HSI policy/guidelines related to seizures and forfeitures.
Review of the Past

- Financial Investigations lesson introduced the fundamentals of the HSI focus CITP training taught how to use the determining net-worth method of tracing illicit income
- Legal lessons provided the statutory basis for seizing and forfeiting assets
Explanation

- Methods of proving income
- Sources of information to locate illicit proceeds and assets
- Difference between evidence and for intelligence gathering
- Terms, utilization of AIRG, HSI policy/guidelines on seizures and forfeitures

Demonstration of concepts and methods

Practice of concepts and methods
Methods of Proving Income
Indirectly Tracing Illicit Income
Indirect Methods of Tracing Illicit Income
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Asset Identification Removal Groups (AIRGs)

Primary mission: support asset removal of real property in concert with major criminal investigations and prosecutions

Expertise to assist agents in:

- Identifying assets with forfeiture potential
- Establishing forfeiture provisions (civil/criminal)
- Establishing probable cause for seizure
Certain information is only suitable as intelligence, not actionable information because of:

- Low or not enough equity
- Insufficient probable cause to seize and forfeit the assets
Avoiding Pitfalls
Asset Forfeiture

• Found throughout federal criminal code
  Asset Forfeiture has become one of the most powerful and important tools used against all manner of criminal organizations.
  Used to abate nuisances and to take the instrumentalities of crime out of circulation.
  Takes profit out of crime and returns property to victims.
  Both deterrent and punishment.
  Sometimes prosecution and incarceration not needed to achieve the ends of justice.
Divestiture of illicit assets without compensation of property – used in a manner contrary to sovereign’s laws

Illegal use alone does not grant government automatic right to seize and forfeit

Requires specific authorization by statute

Requires express statutory authority before proceeding against property
Tools/Job Aids for Forfeiture
Forfeiture Terms and Definitions

- Equitable Sharing
- Encumbrance
- Facilitation
- Final Order of Forfeiture
- Interlocutory Sale
- Lien
- Lis Pendens
- Net Equity
- Payment in Lieu of Forfeiture
- Post-and-Walk
- Preliminary Order of Forfeiture

See Definitions in Student Guide
Forfeiture Terms and Definitions (cont’d)

- Payment in Lieu of Forfeiture
- Post- and-Walk
- Preliminary Order of Forfeiture
- Pre-Seizure Analysis
- Proceeds
- Seizure
- Threshold
- Turnover Order

See Definitions in Student Guide
Asset Identification and Removal Group (AIRG)

- Expertise in identifying and tracking illegally acquired assets in all HSI categories
- Identifies assets and investments illegally acquired
- Establishes probable cause to seize and forfeit property used and/or acquired from criminal activity
- Identifies, analyzes, traces, seizes, and forfeits criminal proceeds deposited into financial institutions
- Dismantles known criminal organizations by targeting financial infrastructure and seeking criminal, civil, or administrative actions to accomplish
AIRG (cont’d)

- Develops sources of information that can provide leads and intelligence on criminal groups and how they try to legitimize their wealth. Collects and assesses intelligence on:

(b)(5), (b)(7)(E)
AIRG (cont’d)

• AIRG help is requested as a COLLATERAL REQUEST to the AIRG Group via [b](7)(E) does not run a parallel investigation
Collaboration on Search Warrants
Homeland Security Investigations (HSI)

During Execution of Warrant

(b)(5), (b)(7)(E)
General Guidelines
General Guidelines (cont’d)
Homeland Security Investigations (HSI)

Evaluation of a Property

Determining whether to take a real property requires information from various sources

Factors to be considered:

(b)(5), (b)(7)(E)
Pre-seizure Planning

Anticipate and make decisions about:

- Coordinate with local Seized Property Specialist
- Coordinate with FP&F paralegal specialist early in investigation in which multiple seizures anticipated
What is Being Seized
What is Being Seized (cont’d)
Net Equity and Seizure Thresholds
Treasury Executive Office of Asset Forfeiture

• TEOAF administers Treasury Forfeiture Fund (TFF) TFF is the receipt account for deposit of non-tax forfeitures made by: Criminal Investigation Division, Internal Revenue ServiceICE, CBPU.S. Secret ServiceU.S. Coast Guard
Demonstration

Demonstration Scenario in Student Guide
Student Practice

\[(b)(5), (b)(6), (b)(7)(C), (b)(7)(E)\]

Student Practice Scenario in Student Guide
Summary

• Seizures and forfeitures aims to undermine the economic infrastructure of a criminal enterprise. Asset forfeiture can remove the tools, equipment, cash flow, profit, and, sometimes, the product itself. Three indirect methods can trace illicit income:

  - (b)(7)(E) can provide indications of worth.

Collaborate with AIRG, AUSA, CFAs, FP&F in planning seizure. Ensure affidavit covers...