



**Tax Recovery and Criminal Enforcement Task Force
Los Angeles Regional Board Meeting
5700 S Eastern Ave., Commerce, CA 90040
November 17, 2015**

Meeting called to order at 10:02 a.m. by Gonzalo Hernandez, Chairman.

Members Present:

Gonzalo Hernandez, Area Administrator, BOE	Y	<input checked="" type="checkbox"/>	N	<input type="checkbox"/>
Vikram Mandla, Deputy Attorney General, DOJ	Y	<input checked="" type="checkbox"/>	N	<input type="checkbox"/>
Jim Biscailuz, Special Agent in Charge, DOJ	Y	<input checked="" type="checkbox"/>	N	<input type="checkbox"/>
Gema Gonzalez, Deputy Chief, FTB Investigations	Y	<input checked="" type="checkbox"/>	N	<input type="checkbox"/>
Frank Waldschmitt, Chief, EDD Investigations	Y	<input checked="" type="checkbox"/>	N	<input type="checkbox"/>
LJ Connolly, Assistant Chief, FBI	Y	<input checked="" type="checkbox"/>	N	<input type="checkbox"/>
Anthony Orlando, Assistant Special Agent in Charge, IRS	Y	<input checked="" type="checkbox"/>	N	<input type="checkbox"/>
James Ink, Assistant Special Agent in Charge, DHS	Y	<input type="checkbox"/>	N	<input checked="" type="checkbox"/>

Members Absent:

James Ink, Assistant Special Agent in Charge, DHS

LA TRaCE Task Force Regional Board Member(s) present via teleconference:

None

Discussion Items:

- September 15, 2015 Minutes-No meeting recorded since a quorum was not present
- July 21, 2015 Minutes
 - Jim Biscailuz motioned to approve the July 19, 2015 Minutes. Motion was seconded by Vice Chairman, Anthony Orlando.
 - Vote: 7 in favor, 0 opposed
 - Resolved: Motion carried**
- Election of new Regional Board Member

Chairman Hernandez announced the need for a Department of Homeland Security (DHS) Regional Member as former Regional Board Member, James Ink was no longer able to fulfill the duty. John R. Reynolds was present from the DHS and was interested in becoming a Regional Board Member representing DHS.

 - Frank Waldschmitt motioned to have John R. Reynolds elected to replace James Ink. Motion was seconded by Jim Biscailuz.
 - Vote: 7 in favor, 0 opposed
 - Resolved: Motion carried**-pending approval by Northern California Regional Board.
- Cost of Investigations Fund
 - There is one fund account for the Northern California TRaCE Task Force. The account was opened at Wells Fargo and the two Fiduciaries are Randy Silva and Gina Fong. All record

keeping and receipts are kept in a binder which is available for audit by any participating TRaCE agency. If the Los Angeles TRaCE Task Force receives cost of investigation, Gina Fong and Randy Silva will open a second account separate and apart from the Northern California cost of investigation account.

- Status Report

- Los Angeles TRaCE Task Force Update
 - TRaCE staff moved from 2nd to 1st floor in space formerly occupied by DOJ, LA Clear. Access by some of the agencies is problematic due to the connection. Jim Biscailuz is looking for funding to install a wireless connection (Wi-Fi) The LA Task Force was in need of a camera and BOE's Investigation Division has agreed to allow the task force to utilize a camera from their inventory. BOE TRaCE Task Force Agent, Chang Noh will be the custodian of the camera.
 - The LA TRaCE Task Force also is need of a multi-function printer that can fax, scan, print and copy. Gina Fong has located a printer and is in the process of facilitating delivery to the LA TRaCE Task Force.
- Washington, D.C. Debrief Report
- TRaCE representatives Susan Gorsuch, Northern California Task Force Commander (California Department of Justice); Gina Fong, Technical Advisor (Board of Equalization); and Kevin Ferreira, Technical Advisor/Outreach Coordinator (Board of Equalization), attended meetings in Washington, D.C., for the purpose of strengthening TRaCE's relationship with its federal partners and introduction of TRaCE to new innovative leaders in the public and private sector that focus on Intellectual Property enforcement. Discussions covered joint enforcement and referral opportunities, implementation of new investigative strategies and concepts, newly engineered investigatory methods, as well as the possibility advancing the TRaCE Model on a national level to collaboratively combat the underground economy on a coordinated front.
 - A full description of the meetings as well as the outcomes were captured in a Debrief Report. The Debrief Report will be distributed to the Regional Members at the next Regional Board Meeting, January 13, 2016.
- Department of Industrial Relations (DIR) Legislative Report

This progress report is being submitted at the request of the Senate Budget Committee at a meeting held on May 5, 2015. The report addresses progress on the requirements outlined in AB 576 which discuss the development of a central intake system/process and organizational structure to document, review, and evaluate data and complaints. In addition, the report describes the results of the TRaCE Task Force and the request for furthering its efforts with proper funding.

This report is to be submitted by December 31, 2015, to the Senate Committee on Budget and Fiscal Review, the Senate Committee on Governance and Finance, the Assembly Committee on Budget, and the Assembly Committee on Revenue and Taxation.

Before distributed, the report will be reviewed and approved for release by all TRaCE core agencies.

- Outreach Report
 - A meeting was held with SMUD representatives to share information about the TRaCE Task Force and to seek a partnership on power theft cases. SMUD representatives were

- extremely supportive and they have agreed to partner with TRaCE just as they do with local law enforcement.
- TRaCE representatives presented an overview of TRaCE at the Organized Retail Crime Association (ORCA) Symposium. ORCA is supportive of TRaCE and leads have already been forwarded from law enforcement attendees.
 - 3rd Quarter 2015 Accomplishments (handout)
 - Task Force Commander Garcia will provide information for Los Angeles/Southern California.
 - Local Law Enforcement Participation
 - Randy Silva indicated there are issues regarding sharing of information due to the confidential nature of taxpayer information. Before adding any local law enforcement to either task force, we need to look at how we would engage them and what information could be shared pursuant to signing the MOU and Confidentiality Agreement (Exhibit D).
 - Future Meetings-frequency, date, time and location
 - Co-Chairman Anthony Orlando moved to hold future meetings on the second Wednesday of every other month, at the Norwalk Investigations Division office.
Motion was seconded by Jim Biscailuz.
 - Vote: 7 in favor, 0 opposed
Resolved: Motion carried-pending approval by Northern California Regional Board and update of the Bylaws.
 - Co-Chairman Anthony Orlando also suggested having a presenter at the next meeting. He will check into getting a presentation from ORCA.

Next meeting tentatively scheduled for Wednesday, January 13, 2016, 10:00 am at 12501 E. Imperial Highway, Ste. 300, Room 317, Norwalk, CA 90650.

Open Session meeting adjourned at 10:41 am by Gonzalo Hernandez, Chairman, Los Angeles Regional TRaCE Executive Board.