

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

<u>ANALYST</u>	<u>STAFF DIRECTOR</u>	<u>REFERENCE</u>	<u>ACTION</u>
1. <u>Dugger</u> <i>P.D.</i>	<u>Liepshutz</u> <i>MM</i>	1. <u>JCR</u>	<u>FAV/CS</u>
2. _____	_____	2. _____	_____
3. _____	_____	3. _____	_____
4. _____	_____	4. _____	_____

SUBJECT:

Crime Prevention

BILL NO. AND SPONSOR:

CS/SB 2484 by Committee on JCR and Senator Beard

I. SUMMARY:

A. Present Situation:

Section 896.101, F.S., makes the act of money laundering a second degree felony offense under Florida law. It parallels the federal money laundering provision, 18 U.S.C. s. 1956 (1988), by making it a crime to knowingly conduct or attempt to conduct a financial transaction involving the proceeds of "specified unlawful activity" or to transport or attempt to transport a monetary instrument or funds. "Specified unlawful activity" means any predicate offense under the Florida Racketeer Influenced and Corrupt Organization Act (RICO), ch. 895, F.S. To be criminally liable for either type of money laundering activity, a person must have an intent to promote the carrying on of specified unlawful activity; knowledge that the transaction was designed to conceal the nature, location, source, ownership, or control of the proceeds; or knowledge that the transaction was designed to avoid reporting requirements. Money laundering is not a predicate offense under the RICO statute.

The federal statute also makes it a crime for a person, having the requisite intent, to conduct a financial transaction involving property represented by a law enforcement officer or by a person under that officer's direction to be proceeds of specified unlawful activity or property used to conduct or facilitate such activity. This provision allows federal law enforcement officers to arrest a money launderer as a result of a reverse sting operation, where they represent to the money launderer that the money they want him to launder is "dirty" when in fact it is not. Florida does not have a comparable provision.

B. Effect of Proposed Changes:

CS/SB 2484 would further conform Florida's money laundering statute to its federal counterpart by making it a second degree felony for a person possessing the requisite intent, to conduct a financial transaction involving property represented by a law enforcement officer or a person acting under the direction of a law enforcement officer, to be proceeds of specified unlawful activity or property used to conduct or facilitate such activity. This new provision would make it possible for state law enforcement officers to arrest a money launderer as a result of a reverse sting operation where they represented to the money launderer that the money they wanted him to launder was "dirty," when in fact it was not.

In addition, the CS would add money laundering to the list of crimes constituting racketeering activity under the Florida RICO statute. It would also add the crime of tampering with a witness which is punished under s. 914.22 as a third degree

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felony or a first degree misdemeanor, depending on the degree of intimidation, as a predicate offense under RICO.

II. ECONOMIC IMPACT AND FISCAL NOTE:

A. Public:

None.

B. Government:

None.

III. COMMENTS:

None.

IV. AMENDMENTS:

None.

STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
Senate Bill 2484

Provides that to be guilty of the newly created offense under the bill, a person must have the requisite intent to conduct a financial transaction involving property represented by a law enforcement officer or a person acting under the direction of a law enforcement officer, to be proceeds of specified unlawful activity or property used to facilitate specified unlawful activity.

Committee on Judiciary-Criminal


Staff Director

(FILE TWO COPIES WITH THE SECRETARY OF THE SENATE)

BILL VOTE SHEET

(VS-88: File with Secretary of Senate)

BILL NO. SB 2484

COMMITTEE ON: Judiciary-Criminal

DATE: 5/7/90

ACTION:

TIME: 1:00 p.m. - 4:00 p.m.

Favorably with amendments

PLACE: Room 1-C

Favorably with Committee Substitute

OTHER COMMITTEE REFERENCES:
(in order shown)

Unfavorably

None

Submitted as a Committee Bill

Temporarily Passed

Reconsidered

Not Considered

No Quorum

THE VOTE WAS:

5/7/90

FINAL BILL VOTE		SENATORS	Motion to report as CS									
Aye	Nay		Aye	Nay	Aye	Nay	Aye	Nay	Aye	Nay	Aye	Nay
X		Beard										
		Diaz-Balart										
X		Johnson										
X		Peterson										
		Stuart										
		MAJORITY LEADER Gordon										
X		VICE-CHAIRMAN Girardeau										
X		CHAIRMAN Grant										
5	0	TOTAL	FWO	-								
Aye	Nay		Aye	Nay	Aye	Nay	Aye	Nay	Aye	Nay	Aye	Nay

Please Complete: The Key sponsor appeared ()
 A Senator appeared ()
 Sponsor's aide appeared ()
 Other appearance ()