

## **Bank Secrecy Act Records Link Gambling Ring to Structuring at Casinos**

Arrests of more than two dozen people associated with an organized crime-controlled sports-betting ring was made possible, in part, because law enforcement officials were able to track some of the subjects' suspicious financial transactions through review of BSA data. According to police, the ring handled several million dollars a month and its operators paid "tributes" to organized crime figures.

These arrests, including several organized crime associates who directed the operations and had previous gambling arrests, are part of a series of crackdowns on sports-betting rings with links to established organized crime groups. When patrons lose bets in sports betting, they have to pay immediately or face substantial interest rates on future payments, a practice that amounts to loan sharking.

One of the arrested subjects had previously attracted the attention of investigators due to a history of large cash transactions at casinos. In fact, two casinos filed SARs documenting structuring of some of those transactions. In a period of approximately four years, the subject had been responsible for an estimated 80 casino transactions that generated CTRs totaling millions of dollars. Many of these transactions indicate money coming from the casino, and investigators are examining these transactions to determine their relationship, if any, to the sports-betting ring.

Two of the suspects' transactions caused SARs to be filed three months apart by casinos in separate states. Both SARs indicated that the subject tried to exchange chips for money in an attempt to avoid currency reporting requirements. One casino noted in the narrative that the action was highly unusual because the subject was a known customer whose activities had previously required the filing of CTRs by a casino. The other casino thought the subject's conduct was so extraordinary that in addition to filing a SAR, they sent a letter to the subject barring the subject from the casino.

Other BSA records filed on the subject include several bank CTRs, a Currency and Monetary Instruments Report, and a Form 8300 that reported a transaction in currency aggregating over \$10,000. The suspect is being investigated because the suspect is not believed by law enforcement to be in a position to have the amounts of money reported in BSA filings.

(Investigating Agency: State Police)

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