Department of Justice

Acting United States Attorney Alex G. Tse
Northern District of California

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April 27, 2018

SOUTH BAY RESIDENT SENTENCED TO OVER FOUR YEARS IN PRISON FOR SCHEME TO ILLEGALLY STRUCTURE CASH DEPOSITS FROM MARIJUANA SALES

SAN FRANCISCO– Steven J. Nemec was sentenced today to 57 months prison and ordered to forfeit $80,000 for structuring cash transactions, announced Acting U.S. Attorney Alex G. Tse, Drug Enforcement Administration (DEA) Assistant Special Agent in Charge Chris Nielsen, and Internal Revenue Service, Criminal Investigation, Special Agent in Charge Michael T. Batdorf. The sentence was handed down by the Honorable Susan Illston, U.S. District Judge, following Nemec's entry of a guilty plea on September 1, 2017.

According to his guilty plea, between November 14, 2012, and September 24, 2013, Nemec, 46, of Santa Clara, Calif., used seven bank accounts to structure 175 cash deposits, totaling $1,374,830. Nemec admitted that all of the cash deposits were made in amounts that were less than $10,000 in an effort to avoid scrutiny of his financial transactions. In addition, Nemec admitted he knew the funds being deposited were the proceeds of illegal activity, i.e., marijuana sales. Nemec also did not report to the IRS the portion of the money that was his own income.

On March 29, 2016, a federal grand jury issued an indictment charging Nemec with 54 counts of structuring, in violation of 31 U.S.C. § 5324(a)(3). Pursuant to his guilty plea, Nemec pleaded guilty to all the counts in the indictment.

In addition to the term of imprisonment and restitution, Judge Illston ordered Nemec to serve 3 years of supervised release. The supervised release will follow his prison term.

Assistant U.S. Attorney Helen Gilbert is prosecuting this case with assistance from Ana Guerra and Linda Love. The prosecution is the result of an investigation by the DEA and Internal Revenue Service, Criminal Investigation. This case was investigated and prosecuted by member agencies of the Organized Crime Drug Enforcement Task Force, a focused multi-agency, multi-jurisdictional task force investigating and prosecuting the most significant drug trafficking organizations throughout the United States by leveraging the combined expertise of federal, state, and local law enforcement agencies.

Further Information:

Case #: CR 16-134 SI

A copy of this press release will be placed on the U.S. Attorney's Office's website at www.usdoj.gov/usao/can.

Electronic court filings and further procedural and docket information are available at https://ecf.cand.uscourts.gov/cgi-bin/login.pl.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's website at www.cand.uscourts.gov.

All press inquiries to the U.S. Attorney's Office should be directed to Abraham Simmons at (415) 436-7264 or by e-mail at Abraham.Simmons@usdoj.gov.