
**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : Honorable Steven C. Mannion
 :
 v. : Mag. No. 15-6077 (SCM)
 :
 ARNALDO ECHEVARRIA : **CRIMINAL COMPLAINT**

I, Kimberly S. Derleth, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

SEE ATTACHMENT A

I further state that I am a Special Agent with the Immigration and Customs Enforcement, Office of Professional Responsibility, U.S. Department of Homeland Security, and that this complaint is based on the following facts:

SEE ATTACHMENT B

continued on the attached page and made a part hereof.

Kimberly S. Derleth
Special Agent
Immigration and Customs Enforcement
Office of Professional Responsibility
U.S. Department of Homeland Security

Sworn to before me and subscribed in my presence,
_____, 2015, at Newark, New Jersey

HONORABLE STEVEN C. MANNION
UNITED STATES MAGISTRATE JUDGE

Count 1
(Harboring an Illegal Alien)

Between in or about July 2012 and in or about December 2014, in Essex County, in the District of New Jersey, and elsewhere, defendant

ARNALDO ECHEVARRIA

did knowingly and in reckless disregard of the fact that an alien had come to, entered and remained in the United States in violation of law, conceal, harbor, and shield from detection, and attempt to conceal, harbor, and shield from detection such alien.

In violation of Title 8, United States Code, Section 1324(a)(1)(A)(iii).

Count 2
(False Statement)

On or about December 4, 2012, in Essex County, in the District of New Jersey, and elsewhere, defendant

ARNALDO ECHEVARRIA

in a matter within the executive branch of the United States, specifically United States Department of Homeland Security, Immigration and Customs Enforcement, did knowingly and willfully (1) falsify, conceal, and cover up by a trick, scheme, and device a material fact; (2) make a material false, fictitious, and fraudulent statement and representation; and (3) make and use a false writing and document knowing the same to contain a materially false, fictitious and fraudulent statement and entry.

In violation of Title 18, United States Code, Section 1001.

ATTACHMENT A

1. I, Kimberly S. Derleth, am a Special Agent with the United States Immigration and Customs Enforcement (“ICE”), Office of Professional Responsibility. ICE is a division of the United States Department of Homeland Security (“DHS”). I am fully familiar with the facts set forth herein based on my own participation in this investigation, interviews and briefings with other law enforcement officers, and interviews and briefings with witnesses. I also have reviewed other evidence, including toll records, surveillance reports, witness interviews, pole camera footage, and evidence recovered from a search warrant. Because this complaint is being submitted for the limited purpose of establishing probable cause, I have not set forth herein each and every fact that I know concerning this investigation. All times set forth herein are approximate and refer to Eastern Standard Time. Where I assert that an event took place on a particular date, I am asserting that it took place on or about the date alleged. Unless otherwise indicated, statements attributable to individuals are set forth in substance and in part.

2. At various times relevant to this complaint:

(a) Defendant ARNALDO ECHEVARRIA (“ECHEVARRIA”) was employed as a Deportation Officer with ICE. He also was the owner of a hair salon in West Orange, New Jersey (the “Salon”).

(b) Individual 1 was ECHEVARRIA’s girlfriend. Individual 1 worked at the Salon and resided in the United States illegally. Individual 1 obtained a Pennsylvania state identification using the name and identification of another individual.

(c) Individual 2 was a licensed cosmetologist and hairdresser in the State of New Jersey.

(d) Individual 3 worked at the Salon for several months, until Individual 3 was arrested for having remained in the United States beyond the period authorized by Individual 3’s visa. Individual 3 also resided in the United States illegally.

The Salon

3. On December 4, 2012, ECHEVARRIA submitted for approval to his superiors at ICE a form entitled “Request to Engage in Outside Employment or Other Activity” (the “Form”). On the Form, ECHEVARRIA stated: “I will be the owner of a Hair Salon. There will be no conflict of interests involving ICE matters.” ECHEVARRIA answered “None!” in response to a question asking him to explain whether the proposed outside employment would, among other things, involve: (a) “dealing or transacting business with aliens;” (b) “professional interaction with other employees of the Department of Homeland Security or with individuals or entities with whom you have or may come into official contact on customs or immigration matters;” or (c) “any activities which might create an appearance of impropriety, conflict with or infringe on your duties as an employee of U.S. Immigration and Customs Enforcement, or otherwise reflect negatively on ICE.” ECHEVARRIA signed the Form and certified that the statements on the Form were “complete and correct” to the best of his knowledge. The Form was signed and approved in December 2012 by ECHEVARRIA’s superiors. In fact, the

information submitted by ECHEVARRIA on the Form was false, as ECHEVARRIA knew that the Salon would employ illegal aliens, such as Individual 1, and consequently would pose a conflict of interest with ICE matters and reflect negatively on ICE.

4. In December 2012, according to documents from the State of New Jersey and the Internal Revenue Service, ECHEVARRIA: (a) incorporated a business to own the Salon in the State of New Jersey (the “Business”), listing himself and no one else on the “Board of Directors;” and (b) applied for and received an Employer Identification Number from the Internal Revenue Service for the Business.

5. On January 2, 2013, ECHEVARRIA entered into a business lease to rent a property located in West Orange, New Jersey for a term of five years. According to the lease document, ECHEVARRIA listed his name, home address, and cell phone number as the “Tenant.” In the section labeled “Use of Rental Space,” the lease stated: “Unisex Hair Salon.”

6. On February 15, 2013, ECHEVARRIA opened a bank account for the Business. On the account opening paperwork, he listed annual gross sales for the business of approximately \$50,000, and stated that the business had 2 employees. He listed himself as the signer on the account. No other individuals were listed as signatories for this account.

7. According to records obtained from the State of New Jersey, on March 18, 2013, ECHEVARRIA submitted an application for a full service shop license to the New Jersey Division of Consumer Affairs, Board of Cosmetology and Hairstyling:

(a) ECHEVARRIA listed himself as the 100% owner of the Business and listed his home address as the address for the Business.

(b) The application required ECHEVARRIA to list the name and license number of an “Experienced Practicing Licensee.” ECHEVARRIA listed Individual 2 and the license number for Individual 2.

(c) ECHEVARRIA did not list anyone else on the application.

Individual 1

8. The Facebook page for Individual 1 contains several references to ECHEVARRIA and several photos of Individual 1 with ECHEVARRIA. For instance, on August 20, 2012, a photo was posted to Individual 1’s Facebook page of Individual 1 with the word “Etch” written on it. Between October 5, 2012 and October 8, 2012, multiple photos were posted to Individual 1’s Facebook page of Individual 1 and ECHEVARRIA together. On March 14, 2013, a picture was posted to Individual 1’s Facebook page that stated “I love you Etch.”

9. As of June 2013, the Facebook page for Individual 1 stated that Individual 1 had worked at a beauty salon since December 2012. Between June 2013 and November 2014, Individual 1 had “liked” many photos on the Facebook page for the Salon. Additionally, law enforcement agents observed Individual 1 working at the Salon on multiple occasions around this time period.

10. ECHEVARRIA received credit card payments from Salon customers, using mobile devices, via an application developed by Square, Inc. According to records from Square, Inc., on October 8, 2013, Individual 1's iPhone was authorized to receive payments from Salon customers.

11. The investigation has revealed that Individual 1 entered and resides in the United States illegally. According to records obtained from the State of Pennsylvania, on February 23, 2010, Individual 1 applied for and received a Pennsylvania identification card, using the name and identification of an individual in Puerto Rico (the "Alias"). In order to obtain the fraudulent Pennsylvania identification card, Individual 1 used a birth certificate and social security number corresponding to the Alias.

12. According to ICE records, on July 30, 2012, ECHEVARRIA conducted law enforcement database searches for the name and date of birth associated with the Alias. As a Deportation Officer with ICE, ECHEVARRIA received training and notice on the authorized uses and security procedures in place for accessing the information contained within the law enforcement databases, including notice that the databases contained sensitive law enforcement data and were only to be used for official use.

13. Individual 1 resided at an apartment in Newark, New Jersey ("Individual 1's residence). ECHEVARRIA did not reside at Individual 1's residence. However, in order to conceal Individual 1's status as an illegal alien, ECHEVARRIA signed the lease for Individual 1's residence, and ECHEVARRIA maintained the cable and electric bills for Individual 1's residence in his name, rather than in the name of Individual 1. For example, according to records obtained from PSE&G, the account for Individual 1's residence was in the name of ECHEVARRIA, and it listed ECHEVARRIA's cellular telephone number and the last four digits of ECHEVARRIA's social security number. The PSE&G account did not contain Individual 1's name nor did it contain any identifying information for Individual 1.

14. On multiple occasions, law enforcement observed ECHEVARRIA driving Individual 1 and other Salon employees to the Salon in the morning and from the Salon in the evening. For instance:

(a) On October 11, 2013, at approximately 7:05 AM, ECHEVARRIA arrived at Individual 1's residence, driving his vehicle (the "Vehicle"). Individual 1 exited the residence and entered the Vehicle. At 7:30 AM, the Vehicle arrived at the Salon. ECHEVARRIA and Individual 1 exited the Vehicle and entered the Salon. At 7:37 AM, ECHEVARRIA departed the Salon and re-entered the Vehicle. At 8:03 AM, ECHEVARRIA, driving the Vehicle, arrived at the ICE office in Newark, New Jersey

(b) On October 17, 2013, at 6:15 PM, law enforcement observed ECHEVARRIA depart the ICE office in Newark, New Jersey, enter the Vehicle, and drive to the Salon. At 6:50 PM, ECHEVARRIA, Individual 1, Individual 3, and another female exited the Salon and entered the Vehicle. At 7:05 PM, Individual 1 exited the Vehicle and entered Individual 1's residence.

15. On October 29, 2013, law enforcement installed a pole camera in the vicinity of the Salon. The pole camera was removed on July 16, 2014. Review of the recordings captured by the pole camera shows ECHEVARRIA transporting Individual 1 to and from the Salon frequently, on days during which the Salon was open.

16. On December 3, 2014, law enforcement interviewed Individual 1. Individual 1 stated the following:

(a) Individual 1 admitted to having told ECHEVARRIA both that she had entered the United States illegally and that she was using an Alias. Individual 1 and ECHEVARRIA dated for a period of time prior to the opening of the Salon. ECHEVARRIA opened the Salon after ECHEVARRIA learned of Individual 1's illegal status and ECHEVARRIA took care of all of the arrangements related to opening the Salon.

(b) Individual 1 stated that in order to open the Salon, ECHEVARRIA needed a legitimate cosmetologist license-holder. Individual 1 introduced ECHEVARRIA to Individual 2, who held a cosmetologist license, and ECHEVARRIA entered into a business arrangement with Individual 2 whereby Individual 2 used Individual 2's legitimate license to open up the Salon for ECHEVARRIA. Individual 2 did not work at the Salon.

(c) Individual 1 stated that all of the employees of the Salon were paid in cash, normally by ECHEVARRIA. ECHEVARRIA did not complete I-9 forms for any employees.¹

(d) Individual 1 confirmed that ECHEVARRIA picked her up and dropped off Individual 1 to and from the Salon each day.

(e) Individual 1 found an apartment in Newark, New Jersey, but stated that Individual 1 could not rent the apartment because of Individual 1's illegal status in the United States. Accordingly, ECHEVARRIA signed the lease for the apartment and put the cable and electric bills in his name. Additionally, ECHEVARRIA gave Individual 1 rent money each month and would contact the landlord to inform the landlord that Individual 1 had received the rent money for payment.

17. On December 3, 2014, Individual 1 consented to a search of Individual 1's residence. During the search, law enforcement agents recovered a number of utility bills relating to Individual 1's residence, all of which bore ECHEVARRIA's name as the account-holder.

Individual 3

18. On January 31, 2014, Individual 3 was arrested and detained in ICE custody for remaining in the United States beyond the period authorized by his visa.

19. The Facebook page for Individual 3 contains multiple photos of Individual 3 working at the Salon prior to his arrest. For instance, there were multiple photos posted to

¹ An I-9 form is an employment eligibility verification form required to be completed by the employer for any individuals hired for employment in the United States.

Individual 3's Facebook page in November 2013 of Individual 3 inside the Salon. Additionally, law enforcement agents observed Individual 3 working at the Salon. And a review of the recordings captured by the pole camera shows ECHEVARRIA transporting Individual 3 to and from the Salon on multiple occasions.

20. Between August 2014 and September 2014, law enforcement conducted multiple interviews of Individual 3. Individual 3 stated the following:

(a) Individual 3 confirmed that ECHEVARRIA was a deportation officer with ICE and that ECHEVARRIA drove Salon employees to and from the Salon. Individual 3 stated that there were ICE business cards for ECHEVARRIA in ECHEVARRIA's vehicle.

(b) Individual 3 discussed Individual 3's immigration status with ECHEVARRIA on multiple occasions. As a result of these discussions, ECHEVARRIA knew that Individual 3 resided in the country illegally and provided Individual 3 with advice on certain occasions.

(c) Individual 3 had witnessed ECHEVARRIA wearing his service weapon while at the Salon and in his vehicle.

(d) Individual 3 worked as a cleaner at the Salon and was paid in cash. All of the employees were paid in cash, and no employees, including Individual 3, were asked to fill out any I-9 or other paperwork.

Payments

21. On December 3, 2014, law enforcement agents executed a search warrant at the Salon. During execution of the search warrant, law enforcement agents recovered a ledger book detailing the payments made to various Salon employees. The ledger book detailed the amount of the payment and the payee and included many payments to Individuals 1 and 3.

22. During the December 3, 2014 search warrant, law enforcement agents did not find any I-9 or other employment eligibility verification forms for any Salon employees.

23. According to the State of New Jersey, there are no employment records related to Individual 1 or Individual 3, and ECHEVARRIA has not filed any payroll or tax paperwork for the Salon or for any of its employees with the State of New Jersey.

24. A review of bank records associated with the Business from February 2013 to December 2013 shows a number of cash deposits and a number of deposits from credit cards, likely corresponding to credit card payments by customers of the Salon. However, there were no checks written to any employees of the Salon located in these bank records.

25. A review of personal bank records associated with ECHEVARRIA from October 2012 to December 2013 shows a number of transfers to and from the Business bank account. A review of these records reveals no checks written to any employees of the Salon.