Five people plead guilty to hiring illegal immigrants for brothels

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Body

Three women and two men have <u>pleaded guilty</u> in U.S. District Court in San Jose to charges that they <u>hired</u> <u>illegal immigrants</u> to work in a ring of 10 residential <u>brothels</u> in the South Bay, the United States Attorney's Office announced today.

The <u>five</u> were accused of operating the <u>brothels</u>, disguised as massage parlors, in Santa Clara, San Jose and San Mateo and of <u>hiring</u> and exploiting Asian women who entered the country illegally. They were arrested in October in an effort authorities called Operation Bad Neighbor and were indicted by a federal grand jury in November.

Four of the defendants *pleaded guilty* today. They are:

Xiao Feng Shen, 35, of San Jose, who *pleaded guilty* to conspiracy to harbor *illegal immigrants* and money laundering conspiracy. He was known as ``James'' and had overstayed a student visa.

Jia Jing Chu, 34, of San Jose, who *pleaded guilty* to conspiracy to harbor *illegal immigrants*. He was known as ``Peter" and had received a stay of deportation.

Ai-Ching Chang, 45, of Sunnyvale, who *pleaded guilty* to conspiracy to harbor *illegal immigrants* and money laundering conspiracy. She was known as ``Tina" and is a permanent U.S. resident.

Yan Song, 42, of San Jose, who *pleaded guilty* to income tax evasion and money laundering conspiracy. She was known as ``Katie'' and ``Cathy'' and is a permanent U.S. resident.

A fifth defendant, Ming Sun, 32, of San Jose, *pleaded guilty* Feb. 1 to conspiracy to harbor *illegal immigrants* and money laundering conspiracy. She also had overstayed a student visa.

Luke Macaulay, a spokesman for the U.S. Attorney's Office, said he could not disclose why Sun had *pleaded* separately from the others.

The investigation was launched in the fall of 2004 by the San Mateo Police Department when Shen allegedly attempted to bribe a police officer to dismiss pimping and pandering charges against Song, according to the U.S. Attorney's Office. The investigation ultimately involved the San Jose Police Department, the Internal Revenue Service, Immigration and Customs Enforcement officials and the Department of Justice.

As part of the plea agreement, Shen, Sun, Chu and Chang admitted to employing women, some of whom they knew were in the country illegally, as prostitutes in 2004 and 2005. According to the plea agreements, they rotated

the women through the different <u>brothels</u>, provided the women with supplies and transportation, and kept a portion of the women's proceeds as income. The number of <u>illegal immigrants</u> they harbored likely ranged between 24 and 99 women, the U.S. Attorney's Office reported.

Shen, Sun, Chang and Song admitted in the plea deal that they collected cash from the **brothels** and used the money to pay their operating expenses, officials said.

Many of the women found in the <u>brothels</u> have been returned to their home countries, and proceedings are ongoing for at least a dozen others, the attorney's office reported.

Chu, Chang and Shen are scheduled to be sentenced on May 3. Officials did not announce the sentencing date for Song or Sun.

The maximum sentence for conspiracy to harbor <u>illegal immigrants</u> is 10 years in prison and a \$250,000 fine. Money laundering conspiracy can carry a sentence of 20 years in prison and a \$500,000 fine, and tax evasion can result in <u>five</u> years in prison and a \$100,000 fine.

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