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The cost of hiring 126 illegal aliens: \$6.8 million
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A family owned commercial fishing business in Virginia and two of its owners paid \$6.8 million in fines and forfeitures after pleading guilty to hiring 126 illegal aliens to work on their boats.

The charge is a misdemeanor and federal prosecutors had recommended home confinement in addition to the monetary penalties, but U.S. District Judge Raymond A. Jackson sentenced Yvonne Michelle Peabody, the company's vice president, to three months in prison.

At the sentencing hearing last month, the judge said he was making an example out of Peabody, who had served on the Mid-Atlantic Fisheries Council's law enforcement subcommittee at the same time illegal aliens had been working on the family's eight scallop boats.

She paid a \$50,000 fine and will also spend an additional four months on home confinement after her release. Her father, William Peabody, will serve five months of home confinement and paid \$100,000 in fines.

Hiring undocumented workers or foreign crew already in the United States on a B1/B2 visa who are or were employed by another megayacht at the time of their entry is prevalent in the yachting community. The prosecution of the Peabodys is a reminder that when federal authorities choose to enforce the law, the penalties can be stiff.

John E. Holloway, the Peabodys' attorney, had argued in court that the "government took a permissive approach to the presence of illegal aliens on commercial fishing vessels."

The IRS mailed notifications that some of the alien registration numbers or social security numbers workers had provided the Peabodys could be fakes. Also, U.S. Coast Guard officials boarded the Peabodys' boats at least 13 times from 2003 to 2007 and issued only warnings when illegal aliens were found aboard.

Miami attorney Michael T. Moore said he hasn't seen this severe of a punishment in a case like this before.

"Illegal aliens are under the screen and that is very, very frustrating for the Department of Homeland Security," Moore said. "The fundamental confusion that most people make is they get lost in the weeds over the flag, but you never can violate the immigration laws of the United States no matter the flag."

The yachting community is as vulnerable to the same kind of prosecution in the event the U.S. government decided to enforce the immigration laws, Moore said. But he also cautioned against drawing too many parallels to the Peabody case for a few reasons, chiefly because of how the Peabodys caught the attention of law enforcement.

Prosecutors became interested in the Peabodys only after Yvonne Peabody's boyfriend, a chief petty officer in the U.S. Coast Guard, got into trouble at work for e-mailing her confidential Coast Guard information.

According to court documents, in 2004 Yvonne Peabody asked boyfriend Morris Wade Hughes to send her a Coast Guard picture showing areas closed to commercial fishing. Hughes then accessed a government database, downloaded the picture and sent it to her.

The picture was not classified information, but Hughes' superiors were not happy when they found out about it. They launched an investigation into Hughes that uncovered the illegal aliens working for the Peabodys.

In December, Hughes was indicted on seven charges, including unlawful access to a government computer, conspiracy to defraud the United States, and unlawful disclosure of confidential information. At his February trial, prosecutors called to the stand Yvonne Peabody to testify against Hughes, who had also been charged with sending her information about the investigation into her family's business.

The Peabodys cooperated with prosecutors and worked out a plea deal, agreeing to the hefty fines and forfeitures.

A jury convicted Hughes of three misdemeanors for passing along confidential information to Yvonne Peabody. But he was acquitted of the more serious conspiracy charge, which was a felony. He is scheduled to be sentenced later this year.

Moore also said Newport News, Va., where the Peabodys' business was based, is a tougher port because of its proximity to the U.S. Navy base in Norfolk.

"When we have yachts going to Newport News, we ask them: 'Do you have to go there?'" Moore said. "We've had too many troubles there. I have spoken to no less than the head guy at Homeland Security, and at that location, they are taking no prisoners."

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