

RI to get \$230M from \$500M Google forfeiture

April 2 2012, By LAURA CRIMALDI , Associated Press

(AP) -- Rhode Island law enforcement agencies that participated in an investigation that resulted in Google Inc. forfeiting \$500 million last year will receive \$230 million of that money, federal officials said Monday.

Google forfeited the money last August to settle a U.S. government investigation into its distribution of online ads from Canadian pharmacies illegally selling [prescription drugs](#) to [American consumers](#). The investigation found that [Google](#) allowed Canadian pharmacies that illegally imported drugs into the United States to advertise on its AdWords platform.

The \$500 million sum represents the gross revenues Google collected in ad buys from hundreds of Canadian pharmacies, plus the earnings generated from the illegal drug sales to American consumers from 2003 to 2009, [federal officials](#) have said.

U.S. Attorney Peter F. Neronha said it may be the largest sum ever distributed among law enforcement groups under a program that allows forfeited funds to be shared with agencies that participate in federal probes.

"I am extremely pleased that of that \$500 million dollars forfeited by Google, \$230 million will be distributed to five state and local agencies that contributed investigators to the legal team headed by my office," Neronha said. "It is truly my hope and my expectation that these monies will be used for the benefit of all Rhode Islanders, by enhancing our

overall ability to fight crime and keeping all Rhode Islanders safe."

East Providence police, North Providence police and the attorney general's office will each receive \$60 million, Neronha said. State police will receive \$45 million and the Rhode Island National Guard will receive \$5 million. The shares are based on the time and resources each agency provided to the investigation, Neronha said.

And \$100 million will be shared by four federal agencies that participated in the probe, officials said. The U.S. Postal Service is receiving \$40 million and the U.S. Internal Revenue Service is getting \$35 million. The U.S. Secret Service is receiving \$15 million and U.S. Immigration and Customs Enforcement is getting \$10 million.

The remaining \$170 million is being deposited into the Department of Justice's Assets Forfeiture Fund, a national account used to pay expenses from forfeiture operations, including seizing property. The fund can also be used to pay for some general investigatory expenses.

The funds will be distributed to the local and state agencies after they submit spending plans, officials said. There are rules in place governing how the money can be used. Law enforcement investigations, training and equipment are among the items that can be paid for with the funds.

The money can't be used to replace funds that have already been set aside for [law enforcement](#) purposes, meaning a community can't draw from the forfeited money to cover the annual budget for its police force, Neronha said. For the most part, the funds also cannot be used to pay salaries, although there are exceptions, according to a government guide on the program. The funds are subject to auditing and other monitoring, officials said.

Representatives from the local and state agencies receiving the money

declined to detail how they plan to spend it, but they vowed to use it responsibly. The amounts coming into North Providence and East Providence represent windfalls. The annual police budget is \$12 million in East Providence and \$6 million in North Providence, according to their representatives.

Attorney General Peter F. Kilmartin said he wants to use the money to make it easier for his staffers to do their jobs. He gave the example of time cards, which Kilmartin said are still done on paper.

"Needless to say, the amount of money is absolutely staggering," he said.

In a statement, Google said: "We take responsibility for our actions. With hindsight, we shouldn't have allowed these ads on Google in the first place."

The Mountain View, Calif.-based company has said it is no longer letting Canadian online pharmacies advertise to U.S. consumers. Google has also said it has taken steps to prevent shady operators from advertising on the Internet search engine, including suing advertisers who were running scams and suing rogue pharmacies that were trying to circumvent company policies and verification procedures.

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