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Court Vacates Sex Trafficking Conviction Over Evidence Concerns

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Motion to Vacate Sex Trafficking Conspiracy Conviction Granted

In *United States v. Chen*, 22 CR 158 (EDNY, July 7, 2025), Judge Vitaliano granted defendant's Federal Rule of Criminal Procedure 29 motion to vacate his conviction for participating in a sex trafficking conspiracy in violation of 18 U.S.C. §1591(a).

The evidence demonstrated that Tei Fu Chen "was a leader in a nationwide commercial sex enterprise that brutally assaulted women employed by competing rings as a means of blocking the rival prostitution rings from encroaching on its territory."

Defendant pleaded guilty to ten counts, including charges for racketeering, prostitution, money laundering, and assault with a dangerous weapon in aid of racketeering.

Following a five-week jury trial, he was convicted of six more charges, including sex trafficking in violation of §1591(a), which makes it a crime to recruit, entice, harbor, transport, provide, obtain, advertise, maintain, patronize, or solicit by any means a person, "knowing or in reckless disregard of the fact that means of force, threats of force, fraud, coercion, or any combination of such means will be used to cause the person to engage in a commercial sex act." 18 U.S.C. §1591(a).

Defendant moved to vacate his conviction under §1591(a). To succeed on a Rule 29 motion to vacate a conviction, the defendant bears the heavy burden of showing that no rational trier of fact—even viewing the evidence in the light most favorable to the government—could have found the elements of the crime beyond a reasonable doubt. "Bluntly, the hill a

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defendant must climb to succeed on a Rule 29 motion is extraordinarily steep."

Under §1591(a), "causality is an essential element; the government must prove that some form of force or compulsion was used with knowledge or reckless disregard that it would be used to cause another to perform a commercial sex act." "In other words, the very language of the statute links the force, fraud, or coercion to causing an unwilling participant to engage in commercial sex—the causality element."

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No evidence showed that any victims of the organization's assaults and robberies felt compelled to continue working as a sex worker. And indeed, the testimony supported the idea that a woman who quit the sex industry had nothing to fear from the organization.

The government's "proof and argument convincingly established that the organization's sins were brutal antitrust tactics designed to drive rival sex workers out of competitive markets, and not to coerce anyone into performing commercial sex."

Further, the evidence showed that defendant's "conduct was cruel and despicable, and, as evidenced by the 15 counts of which he stands convicted, surely criminal and most violent … none of it was in furtherance of a conspiracy in violation of §1591."

Thus, the evidence could not support defendant's conviction for sex trafficking in violation of §1591.

Abstention Required On Application To Stay State Criminal Sentencing

In *Augustin v. Digirolamo*, 25 CV 3332 (EDNY, June 24, 2025), Judge Merle found that principles of federal abstention required denial of plaintiff's application for a stay of his state criminal sentencing.

Plaintiff pleaded guilty to weapons charges in state court. He had a prior conviction that caused him to be classified for sentencing as a "violent felon" under N.Y. Penal Law § 265.02 and §265.03.

In June 2025, plaintiff brought his federal case seeking declaratory and injunctive relief based on an argument that the state provisions violated the Second Amendment to the U.S. Constitution. Later in June 2025, he applied for a preliminary injunction and temporary restraining order staying his state sentencing, scheduled for Sept. 3, 2025.

To obtain a stay of the state sentencing, plaintiff was obliged to show: (1) irreparable harm if the relief were not granted, (2) a likelihood of success on the merits of his underlying claims, and (3) that a preliminary injunction is in the public interest. *Connecticut State Police Union v. Rovella*, 36 F.4th 54, 62 (2d Cir. 2022), cert. denied, 143 S. Ct. 215 (2022). Plaintiff could not show a likelihood of success in light of *Younger v.*

Harris, 401 U.S. 37, 40–41 (1971), which requires that "federal courts must abstain from enjoining ongoing state court criminal proceedings" unless plaintiff can show "special circumstances."

Plaintiff claimed to meet three of *Younger*'s special circumstances, arguing that the state criminal case was a bad faith prosecution, that the state court procedures did not afford him a meaningful opportunity to vindicate his constitutional rights, and that he faced irreparable harm from the impending sentencing. Merle rejected each of these contentions.

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As to bad faith, plaintiff offered no evidence of defendants' subjective motivations and, "'[t]o invoke the bad faith exception, the party bringing the state action must have no reasonable expectation of obtaining a favorable outcome… A state proceeding that is legitimate in its purposes, but unconstitutional in its execution—even when the violations of constitutional rights are egregious—will not warrant the application of the bad faith exception.'" *Diamond "D" Constr. Corp. v. McGowan*, 282 F.3d 191, 199 (2d Cir. 2002).

Plaintiff's conclusory argument that the state court procedures did not afford him a meaningful opportunity to vindicate his constitutional rights because "'[s]tate courts have shown themselves incapable or unwilling to conduct the required historical analysis'" (quoting plaintiff's motion) was insufficient.

"Pending state prosecutions 'ordinarily provide[] the accused a fair and sufficient opportunity for vindication of federal constitutional rights'", and plaintiff neither alleged that he had raised his constitutional claims in the state criminal proceeding, nor identified any bar to his doing so.

Irreparable harm was not established because "plaintiff fails to show how a sentencing hearing scheduled more than two months from the date plaintiff filed his Motion causes a harm sufficiently great and immediate to warrant this court's intervention."

Motion To Compel Arbitration Denied

In *Williams v. Revel Rideshare*, 24 CV 5701 (EDNY, June 11, 2025), Judge Donnelly denied defendant's motion to compel arbitration with leave to renew following limited discovery on the question of whether plaintiff belongs to a "class of workers engaged in foreign or interstate commerce."

Pro se plaintiff Williams brought suit against defendant, a rideshare company, alleging discrimination based on race, color and gender/sex due to defendant's termination of his employment, imposition of unequal terms and conditions of employment, and retaliation. Williams also alleged a breach of contract.

Defendant moved to compel arbitration and stay the action, arguing that "all of plaintiff's claims are covered by valid and enforceable arbitration agreements."

Although the Federal Arbitration Act (FAA) has been interpreted as a federal policy favoring arbitration and requiring courts to rigorously enforce agreements to arbitrate, the court's

authority to compel arbitration is subject to certain exceptions.

As relevant to defendant's motion, "Section 1 of the FAA warns that nothing in the Act shall apply to contracts of employment of … any other class of workers engaged in foreign or interstate commerce."

The Supreme Court has explained that the last clause of §1 — known as the "residual exemption" — exempts from the FAA "contracts of employment of transportation workers." (citing *Cir. City Stores, Inc. v. Adams*, 532 U.S. 105, 119 (2001)). Since there was no dispute that plaintiff signed valid arbitration agreements, the question before the court was whether plaintiff fell within the residual exemption.

To determine whether rideshare drivers fall under the residual exemption, the court considers whether rideshare drivers "are a 'class of workers engaged in… interstate commerce,' such that the Federal Arbitration Act cannot be the basis to compel plaintiff to arbitrate his claims."

The relevant "class of workers" is defined as rideshare drivers nationwide, rather than just the plaintiff or drivers in a specific area. The inquiry ultimately hinges on the factual record.

Based on such an inquiry, at least two district courts within the Circuit concluded that rideshare drivers in the United States are "engaged in… interstate commerce" because of the sheer number of interstate trips rideshare drivers make. A third, however, concluded the opposite because the vast majority of trips provided by Uber drivers (Uber was the defendant in that case) are purely intrastate.

The Second Circuit has not definitively ruled on whether rideshare drivers fall within the exemption but, in *Aleksanian v. Uber Techs. Inc.*, 2023 WL 7537627 (2d Cir. Nov. 14, 2023), the Second Circuit required discovery on the question of whether rideshare drivers were engaged in interstate commerce, and suggested information that might be relevant to the inquiry, including policies regarding interstate trips and the number of and revenue from interstate trips.

Donnelly concluded further information was necessary in this action. The complaint did not provide any information from which the court could evaluate the applicability of the residual exemption.

While defendant submitted exhibits that included some relevant information about a driver's ability to decline trips, the record was nevertheless "insufficient" for the court "to resolve the inquiry in this case." Accordingly, Donnelly denied the motion with leave to renew following limited discovery on the issue.