



Judicial Council of California

520 Capitol Mall, Suite 600 · Sacramento, California 95814-4717

Telephone 916-323-3121 · Fax 916-323-4347

PATRICIA GUERRERO

*Chief Justice of California
Chair of the Judicial Council*

MICHELLE CURRAN

Administrative Director

SENATE FLOOR ALERT

Senate Bill 1208 (Grayson), as amended, August 20, 2026

Money laundering: digital assets – Oppose unless amended File Item # 34

The Judicial Council opposes SB 1208 (Grayson), unless it is amended to address the issues below. The council takes no position on the underlying policy objectives of the bill, instead we urge your attention to provisions that contradict basic jurisdictional principles, pose conflicts with existing law, and leave unanswered necessary questions, that in total make it avoidably impracticable to implement.

SB 1208 contains provisions regarding probable cause determinations for search warrants that pose an undue obstacle for magistrates attempting to reconcile it with existing legal limits. The Fourth Amendment balances the need for effective law enforcement against privacy rights by requiring, "...inferences be drawn by a neutral and detached magistrate instead of being judged by the officer engaged in the often competitive enterprise of ferreting out crime." While the bill's intent is to address fungibility and tracing issues, by severing traceability requirements and establishing a framework within which magistrates must operate that may be less stringent than what is constitutionally required, it creates an untenable position of magistrates being statutorily encouraged to find probable cause where probable cause may not exist.

In addition, SB 1208 still contains one remaining provision that contradicts basic jurisdictional principle, leaves unclear whether a constitutional analysis would find it to be a criminal or civil proceeding, and contains ambiguous language regarding court procedure. For further explanation, please see our [position letter](#).

The Judicial Council urges your "no" vote on Senate Bill 1208.

Contact: Mureed Rasool (916) 323-3121

August 27, 2026