

Court rules for pro-Seda group in civil rights case

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A Southern Oregon group has won a federal battle over its right to advocate for a now-defunct Ashland Al-Haramain chapter labeled a terrorist organization by the U.S. government.

The Multicultural Association of Southern Oregon was banned from speaking in favor of Ashland activist Pete Seda's Islamic charity after it was designated a supporter of terrorism in 2004.

On Friday, the 9th U.S. Circuit Court of Appeals deemed the association's First Amendment rights were violated because speaking in support of a federally listed terrorist organization is not the same as offering material support.

The decision was part of a ruling that the Al-Haramain Islamic Foundation was properly labeled but its assets were illegally seized by the government.

The Multicultural Association sued the Department of Treasury's Office of Foreign Asset Control in 2007 because the terrorist designation made it illegal to do any business or aid the chapter under federal statutes.

The group wanted to hold press conferences and issue press releases in support of the chapter and Seda and challenged the law as part of the same suit seeking to lift Al-Haramain's terrorist label and free its frozen assets.

The lower court ruled for OFAC in all areas, but the 9th Circuit deemed the association's First Amendment rights were violated.

"It's every exciting," said Jim Bauermeister, the association's former president. "We've been emotionally invested for many years and the court has ruled in favor of our constitutional rights.

"They were interfering with our right to associate with anybody we want," Bauermeister said.

Friday's ruling does not come with any financial reward nor even the opportunity to collect attorneys' fees.

"This will establish a precedent that in the future will tell these types of organizations that they don't have to be fearful of speech," said Tom Nelson, an Oregon attorney with federal permission to act on the Al-Haramain chapter's half.

"It's been a long struggle."

Friday's ruling has no effect on Seda's criminal conviction on money-laundering and tax-cheat charges for which he was scheduled to be sentenced this afternoon in U.S. District Court in Eugene.

Seda, 53, faces as many as eight years in prison if U.S. District Court Judge Michael Hogan rules that Seda falls under stiffer prison times for aiding terrorism, even though the crimes of conviction violate

financial laws.

Defense attorneys have argued that Seda should not be sentenced under terrorism enhancements and should get credit for time served in the Lane County Jail before and after his September 2010 conviction.

Seda has never been labeled by the government as a supporter of terrorism. However, his Al-Haramain chapter and a co-defendant in the case — a Saudi national named Soliman Al-Buthe — have been labeled supporters of terrorism.

Defense attorneys have said they will appeal Seda's convictions for helping Al-Buthe smuggle \$150,000 out of the country through the charity in 2000, then lying on the chapter's tax return to hike the transaction.

Al-Buthe, who lives in Saudi Arabia, where there is no extradition agreement with the United States, remains wanted here for his role in the money-laundering case.

In Friday's ruling, the three-judge appeals court panel ruled OFAC properly labeled the chapter as a specially designated global terrorist and that OFAC could rely on classified information in its designation.

The court also ruled that OFAC illegally seized Al-Haramain's assets in 2004 by issuing a "blocking notice" and not a warrant.

The assets included about \$20,000 from chapter bank accounts and \$443,000 from the sale of Seda's Siskiyou Boulevard house that was bought with Al-Haramain money and was the chapter's headquarters.

That property sold at auction in 2006.

In its ruling, the appeals panel ordered the U.S. District Court in Portland to determine what, if any, money would be made available to the defunct chapter.

Nelson said he has tried for years to determine how much frozen chapter money the government has, but that OFAC officials have never answered his requests.

Nelson said the current owners of the house own the title and "even if there was an Al-Haramain around, we wouldn't go after the property."

Nelson said he likely will ask that any profits left over from the sale should go to some organization involved in religious outreach.

This appeals case was separate from the criminal case as well as an illegal wiretapping case in which a federal judge in December ordered the U.S. government to pay more than \$2.5 million in fees and damages to attorneys representing Al-Haramain for illegal wiretaps. The attorneys waged a nearly five-year legal challenge to the Bush administration's so-called Terrorist Surveillance Program.

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