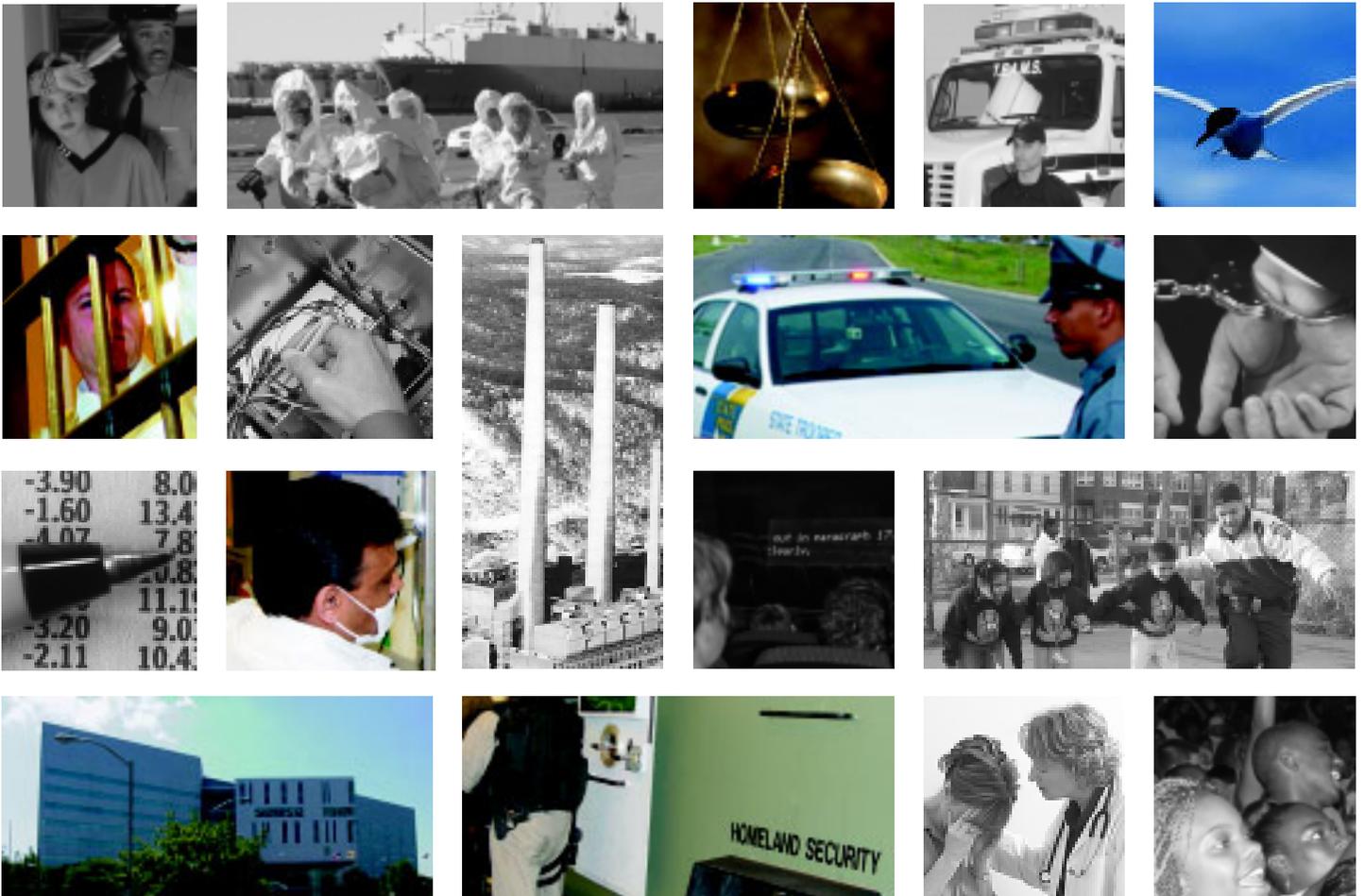
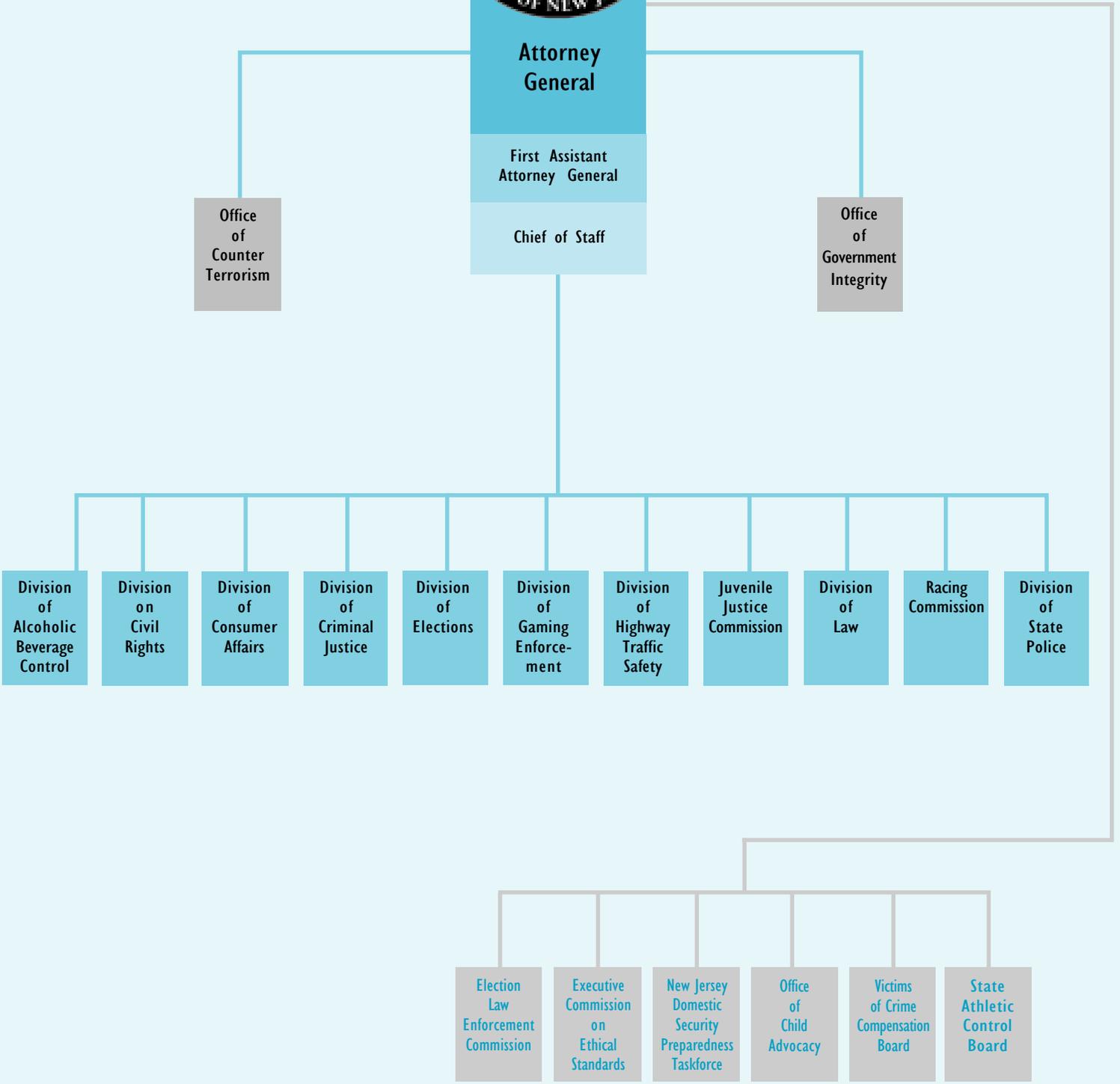




ANNUAL REPORT 2003/2004



Peter C. Harvey, Attorney General of New Jersey



Greetings from the Attorney General



Dear Acting Governor Codey, members of the State Legislature and citizens of New Jersey:

It has been my privilege to serve as Attorney General for more than two years. Our office has broad responsibilities that impact virtually every aspect of life in New Jersey, and we take those responsibilities quite seriously. This report outlines our efforts in 2003 and 2004.

Here is a fact that probably is not known to most: The New Jersey Attorney General's Office has the broadest jurisdiction of any Attorney General's Office in the nation. We have approximately 9,600 employees spread across 11 agencies, including State Police, Criminal Justice, Alcoholic Beverage Control, Gaming Enforcement, Law, Juvenile Justice Commission, Elections, Highway Traffic Safety, Civil Rights, Consumer Affairs and the Racing Commission. We also have principal authority over New Jersey's homeland security strategy through the Office of Counter-Terrorism and my chairmanship of the Domestic Security Preparedness Task Force. Our state-appropriated budget exceeds \$530 million, and, with federal grants, approximates \$1 billion.

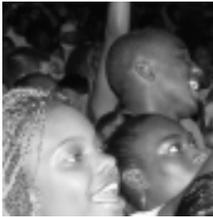
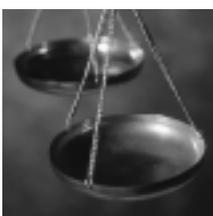
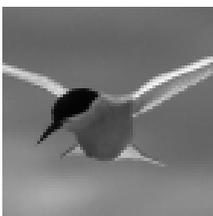
Our agenda is one of action and innovation. We have brought substantial cases and system reforms that better protect the public and ensure equal justice. Some of our initiatives are the first of their kind in the nation. Examples include our statewide SART/SANE teams for survivors of sexual assault, movie theater accommodation for the deaf and hard of hearing, environmental enforcement actions that prosecute polluters of our cities and suburban neighborhoods, an insurance fraud prosecutor's office that leads the nation in fraud cases, and celebrity voter education public service announcements. Our work has established new benchmarks of achievement in the Department of Law and Public Safety. For example, our efforts have resulted in the largest securities fraud payment penalty in State history, the largest natural resource damage recovery in State history, a record number of criminal defendants charged and convicted, prosecution of 90 public officials, the establishment of a state-of-the-art forensic and DNA laboratory that is one of only four regional mitochondrial DNA labs designated by the Federal Bureau of Investigation (FBI), the implementation of a regional computer forensic laboratory in partnership with the FBI, and representation of the State in more than 17,000 civil actions and appeals.

We pride ourselves on being creative and non-partisan. The pages ahead will give you an overview of our enormous responsibility on behalf of the people of New Jersey. After reading it, I invite you to learn more about our work by visiting the Web sites of our divisions. See the upper left corner of each page for divisional Web addresses. Through the tireless efforts of our lawyers, investigators and administrative personnel, and through collaborative working relationships with other state departments, local governments, federal agencies and the private sector, we continue to strive to improve the quality of life in our state.

Peter C. Harvey,
Attorney General



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Office of the Attorney General



Attorney General Peter C. Harvey flanked by First Assistant Attorney General Mariellen Dugan and Chief of Staff, Markus Green.

The Office of the Attorney General (OAG), formally known as the Department of Law and Public Safety, is dedicated to making New Jersey safe and secure for all its residents. Under the direction of the Attorney General, the Department handles diverse and complex responsibilities focused on protecting the lives, property and rights of New Jersey's citizens.

No Attorney General could be successful without expert administrative personnel. Managing approximately 9,600 employees and a nearly \$1 billion budget requires a team of talented and organized administrators. Specialized administrative, legal and communications personnel assist the Attorney General in creating and implementing policy, and generating public awareness of OAG initiatives. The OAG provides direct legal services to State agencies, and promulgates rules and regulations governing law enforcement operations. Among the units under the auspices of the OAG are Administration, Equal Employment Opportunity and Affirmative Action, the Office of Government Integrity, the Office of Counter Terrorism, the Domestic Security Preparedness Task Force, the Office of State Police Affairs, the New Jersey State Athletic Control Board, and the HAVA Implementation Team.

A. From left to right: James Nestor, Director/Office of Employee & Organization Development; Catherine Farley, Director/Human Resource Management; Robert J. Caccese, Director/Operations Audit; Maria Cardellos, Chief Information Officer/Information Technology Services; Thomas J. O'Reilly, Administrator; Raymond J. Hayling II, Chief/Public Safety Communications; Carl Wyhopen, Director and DAG/Internal Controls; Daniel Foster, Director/Finance and Facilities Management; Carl H. Ruopp, Assistant Director/CAO-Administration.

B. From left to right: Paul Loriquet, Director of Communications; B. Stephan Finkel AAG and Director/Legislative Affairs; William C. Brown, Counsel to the Attorney General; Peter Wint, AAG and Deputy Chief of Staff; June Forrest, AAG; Regina Garb, Director/Citizens Services and Relations; Paul Kraml, Chief Graphic Designer and Creative Director, Leland Moore, Deputy Director/Communications, Lawrence M. O'Reilly, AAG.



Coordinating Statewide Homeland Security Policy & Procedures

Priorities Included Urban Centers, Liberty Airport, Creation of State Police Homeland Security Branch

The highest priority for the Attorney General's Office in a post-September-11 world remains protecting New Jerseyans from terrorism via strong homeland security efforts.

Through the Domestic Security Preparedness Task Force, chaired by the Attorney General, and the Office of Counter-Terrorism within the Attorney General's Office, New Jersey has developed an effective homeland security effort.

Testimony to the strength of New Jersey's homeland protection efforts was provided in October 2004 when the non-profit organization Quality New Jersey named the Attorney General's Northeastern New Jersey Urban Area Security Initiative (UASI) a "best practice" among New Jersey state government programs.

The UASI is a program designed to enhance homeland security and domestic

preparedness in the state's most densely populated region. It was funded with \$43.9 million in federal homeland security grant funds over the past two fiscal years, and is focused on addressing potential, and actual, incidents of terrorism in a six-county area made up of Bergen, Essex, Hudson, Morris, Passaic and Union counties, as well as the cities of Newark and Jersey City. The Northeastern New Jersey UASI program was the only homeland security initiative listed among a dozen state government initiatives highlighted by Quality New Jersey.

The UASI program is focused on developing a first responder force that is capable of responding anywhere in the region to a terrorist incident. Additionally, the initiative has provided resources to "harden" critical facilities that might be attractive terrorism

targets. The six-county UASI area accounts for 44 percent of the state's 8.6 million people, and contains more than one-third of the state's most critical infrastructure sites as identified by the Domestic Security Preparedness Task Force. The UASI puts New Jersey well on its way to creating a truly integrated, and regionalized, program that connects all levels of government in the service of better protecting the public against potential terrorist attacks.

Other highlights included:

- ❖ **Preparation, and implementation, of a plan for Newark Liberty International Airport** to help protect aircraft from the threat of surface-to-air missiles.
- ❖ **Activation of an Office of Counter-Terrorism toll-free tip line, at 1-866-4-SAFE-NJ** (1-866-472-3365).

This highway billboard (near right) along with the bus placard (far right) have been posted throughout New Jersey to promote the statewide hotline number for reporting suspicious activity, as well as New Jersey's comprehensive Homeland Security Web site. The Web site is designed and regularly updated by the communications staff of the Attorney General's Office.



Call: 1-866-4-SAFE-NJ
to report suspicious activity.



Attorney General Peter C. Harvey confers with a member of the New Jersey State Police during the 2004 roll-out of the new State Police Homeland Security Branch (HSB) at Mercer County Airport. The Homeland Security Branch placed the State Police Emergency Management Section and the newly-created Special Operations Section under one command, thereby enhancing New Jersey's ability to respond to a terrorist attack or other domestic security incident. Newly-acquired equipment unveiled during the HSB roll-out included the armored truck pictured here.



❖ **Distribution of a total of \$87.4 million in Fiscal Year 2004 federal homeland security grant monies** to buy equipment for first responders, police, and civilian volunteers in municipalities and counties throughout the State, as well as to fund components of the Northeastern Urban Areas Security Initiative.

❖ **Implementation of a Statewide Information Management System (SIMS)** by the Division of State Police to enable county and local police to more effectively report and catalogue leads on potential terrorist activities. SIMS allows for consistent tracking and documentation of leads, and streamlines reporting to the Office of Counter-Terrorism, as well as the FBI's Joint Terrorism Task Forces. SIMS also serves as a repository and analytical tool for intelligence data.

❖ **www.NJHomelandSecurity.gov** — is the official State Web site for dissemination of bulletins and other public information related to domestic preparedness. Created and constantly updated by staff within the Attorney General's public affairs unit, the Web site provides a wealth of useful information on everything from current threat levels to preparing a disaster-related "emergency kit" to where to report suspicious activity.

Emergency response personnel in action during a full-scale domestic preparedness exercise in 2003. Staged at the Port of Newark and Elizabeth, the drill tested New Jersey's response capabilities with a simulated chemical and radiological explosion.



Call: 1-866-4-SAFE-NJ
to report suspicious activity.

To learn more:
njhomelandsecurity.gov

NEW JERSEY DOMESTIC SECURITY PREPAREDNESS TASK FORCE
New Jersey Office of the Attorney General

Combating Gangs, Building Hope

PROJECT VISION and Other Programs Offered Positive Alternatives; Tough Enforcement Actions Took Violent Gang Members Off the Streets

Conditions outside were blustery and cold, but the optimism inside New Brunswick's Lincoln Avenue School Annex provided a warm counterpoint. The date was December 20, 2004, and Attorney General Peter C. Harvey was gathered with students, parents, educators, members of law enforcement and others at the city's Lincoln Avenue School to announce a new anti-gang and violence prevention initiative — PROJECT VISION.

A partnership combining the energy and resources of the New Jersey Attorney General's Office, participating county prosecutors and a host of community stakeholders, PROJECT VISION is designed to give thousands of New Jersey youngsters a safe place to go after school, and a range of positive, informative, and, most of all, fun activities to engage them.

In New Brunswick, nearly 100 students had signed up for the PROJECT VISION program as of its December 2004 kick-off. Even as the new program was being rolled out for the first time in Middlesex County, similar PROJECT VISION programs were be-



A Perth Amboy Police Officer plays kickball with children during a typical day in the life of the city's OAG-funded Police/Community Partnership program. The program offers young people an after-school "safe haven" in which to work, play, and interact with adult role models.

ing finalized for launch in 2005 in Glassboro (Gloucester county), Bridgeton (Cumberland county), Asbury Park (Ocean county), and Irvington, (Essex county). In each case, the programs were made possible by grants provided to county prosecutors' offices by the Division of Criminal Justice within the Attorney General's Office.

"PROJECT VISION offers young people a nurturing after-school environment, as well as positive alternatives to 'hanging out on the streets,'" said Attorney General Harvey during the New Brunswick launch. "It can help us turn young people away from the false glamour of gang life... it can help us win the battle for our children."

With the successful roll-out of PROJECT VISION, New Jersey strengthened an already-effective campaign to make neighborhoods safer through a combination of innovative prevention strategies and tough enforcement actions.

In addition to Project Vision, a number of programs aimed at giving young people positive alternatives to the street continued

to thrive in 2003 and 2004.

In Perth Amboy, parents and civic leaders continued to laud a Police/Community Partnership Program — funded with a grant from the Division of Criminal Justice — that blended enhanced neighborhood police protection with the availability of an after-school "safe haven" site where young people can play and do homework.

In Newark, the Attorney General's Office continued working with local and county-level law enforcement, the faith-based community, non-profit agencies and others to create after school programs that gave young people a place to go, and a diversity of activities to engage them. Known as Newark Partners Against Crime, the effort expanded in 2004 to feature three individual "safe havens" within Newark's South Ward section. Each of these three safe havens offer participating youngsters cultural and social activities, educational programs, and athletic and recreational opportunities.

Gangs, Guns and Drugs Video

Attorney General Harvey, who served as Chairman of the Gang Violence Subcommittee of the National Association of Attorneys General, also commissioned an effective public awareness video on gangs in 2004 for distribution to parents, educators, community groups and other stakeholders in the effort to combat gang activity. The gritty video demonstrates through compelling interviews and disturbing photographs that gang life is not glamorous — it is a road to prison, violent death and disfiguring or disabling injury. The video, which was quickly incorporated by other states (for example, Virginia, West Virginia and Wisconsin) into their law enforcement training initiatives, can be viewed on-line at www.njgangfree.org.

AG Chaired Philadelphia/Camden HIDTA

Attorney General Harvey served as Chairman of the Philadelphia-Camden High Intensity Drug Trafficking Area (HIDTA) Task Force. The HIDTA Task Force is a cooperative state and federal initiative which targets heroin trafficking and its corresponding money-laundering activities in the Philadelphia-Camden metropolitan region. The HIDTA Task Force receives funding from the Office of National Drug Control Policy, and is staffed by personnel from various federal, state, county, and local law enforcement agencies.

Gang Prosecutions

As part of the Attorney General's Gangs, Guns and Drugs initiative in 2003-2004, the State Police Gang Unit and the Division of Criminal Justice spearheaded major investigations that resulted in the arrest and prosecution of over 150 street gang members on a range of charges from conspiracy and criminal racketeering to drug trafficking, illegal weapons possession and money laundering.

Among the investigations were:

❖ Operation Golden Triangle —

Done in conjunction with Trenton police and the Mercer County Prosecutors Office, Operation Golden Triangle led to the arrest of 17 people involved with the alleged sale of heroin and other narcotics in the City of Trenton, surrounding Mercer county area, and throughout Essex county. Authorities confiscated 300 bricks of

heroin and several illegal weapons — including an Uzi submachine gun.

❖ Operation Lord Stanley —

As a result of the efforts of State, local and county law enforcement, 10 suspected members of a "crack" cocaine and marijuana dealing network based at a public housing complex in Atlantic City were arrested. More than four pounds of cocaine were seized, as well as more than two pounds of marijuana, approximately \$200,000 cash and a variety of firearms and automobiles.

❖ 18th Street Gang —

Coordinated by the State Police Street Gang Unit, this investigation led to the indictment, conviction and imprisonment of several members of the so-called 18th Street Gang operating in New Brunswick in connection with street violence in the city. Three gang members received stiff State Prison sentences (five, seven and 12 years respectively) for their part in the attempted murder, via drive-by shooting, of rival gang members.

❖ Champagne Posse/Irvington Initiative —

Indicted were 65 alleged members of the so-called "Champagne Posse" in connection with marijuana sales, weapons possession and other illegal activities in and around Irvington. In addition, as part of the ongoing Irvington Initiative, members of the Essex County Anti-Crime Partnership kept the pressure on illegal gang activity by conducting sweeps in the spring and fall of 2004 in which they painted over gang graffiti and arrested a number of alleged gang members and associates.

Talk to your kids about

GANGS



before WE have to.



New Jersey Office of the Attorney General

1-877-5GU-NJSP
NJGangFree.org

The Attorney General's Office has made combating gang activity a top priority. This public awareness poster (also printed in Spanish) offers an urgent message, as well as contact information for those who want to learn more.

PROJECT VISION is a new program aimed at reducing gang activity and violence by giving young people a range of positive, engaging alternatives to street life.

PROJECT VISION

New Jersey

Preparing Our Children Protecting Our Future



State Police — A Modern Force Handling Diverse Responsibilities



Monitors' Reports Praised Elimination of Profiling, Lauded Trooper Training; Agency Acquired Hundreds of New Patrol Cars, Opened New Facilities

Working cooperatively, the Attorney General, the Superintendent of State Police and the Office of State Police Affairs within the Attorney General's Office collaborated on a number of key policy actions, personnel-management-related decisions, and equipment acquisitions in 2003-2004 that continued to develop the State Police into one of the nation's finest statewide law enforcement agencies.

Through cutting-edge trooper training, enhanced management practices and an ongoing commitment to diversity and cultural sensitivity, the State Police continued its evolution into a stronger, more accountable organization — one that continues to move forward to meet the challenge of full compliance with the racial-profiling-related federal Consent Decree of 1999.

In December 2004, Attorney General

Harvey and the Office of State Police Affairs announced the filing of the 11th Independent Monitors' Report, which noted again (as in prior reports dating back to 2002) that no evidence of racial profiling by State Police had been found by the monitoring team during the most recent six-month review period. The Monitors praised the State Police for having made "remarkable progress" in such key areas as field operations, trooper training, and personnel supervision.

The 11th Independent Monitors Report demonstrated that — for the first time since monitoring of State Police began under the federal Consent Decree — the State Police had accomplished all field-operations-related tasks outlined in the Consent Decree.

The 11th Independent Monitors Report reflected information compiled during a six-

month period spanning April 1, 2004 through September 30, 2004 by Independent Monitors Dr. James Ginger and Albert Rivas, Esq., who, as part of their work, conducted a variety of on-site review activities.

In addition, the Monitors reported that State Police motor vehicle stops reviewed by the monitoring team were "remarkably trouble free," and that incidents in which troopers conducted consent searches, deployed drug-sniffing dogs or used force in dealing with suspects were found in each case to have been executed professionally, and for legitimate cause.

In announcing the results of the Monitors' Report, Attorney General Harvey described it as testimony to the "dedication, professionalism and commitment to excellence" of the State Police. Over time, each subsequent Independent Monitors report has verified the continuing compliance of State Police with the tasks of the federal Consent Decree. The 11th installment, however, painted the most positive picture yet of a quality law enforcement organization embracing historic change.



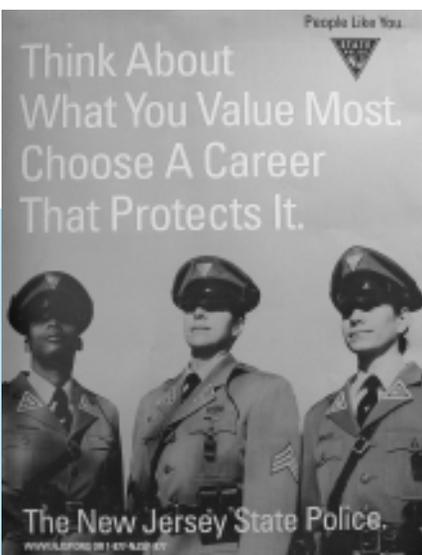


As part of a continuing effort to ensure the safety of both the public and New Jersey State Police personnel, the State Police continue to acquire new patrol cars to replace outdated, high mileage units. At left, a road trooper and a volunteer demonstrate one of the many vital functions provided by State Police assigned to marked patrol units — drunk driving enforcement.

In describing State Police field operations during the review period, the Monitors referred to evidence of “rapid, meaningful and focused improvements.” The Monitors referred to the Office of Professional Standards — the State Police internal affairs section — as a “shining star” in the agency’s ongoing effort to comply with all aspects of the federal Consent Decree. They also praised the State Police approach to preparing new recruits, which includes cutting edge cultural sensitivity training.

In addition to the stellar 11th Independent Monitors report, other important progress made in 2003-2004 included:

The Attorney General’s Office has been vigorously pursuing a multi-faceted trooper recruitment campaign under the slogan “People Like You.”



❖ **Recruiting Initiative** —

The Division undertook a new recruiting initiative designed to attract State Police candidates from as diverse and qualified a candidate pool as possible. Among other things, the campaign involves the use of female and minority command staff as recruiters. (Female and minority command staff — those at the rank of Captain or above — have increased roughly 24 percent under Attorney General Harvey). The recruiting campaign also involves the airing of public service announcements through media outlets that reach a multi-cultural audience. Those seeking additional information on State Police recruiting can visit a special State Police Web page dedicated to recruiting at www.NJSP.org/recruit.

❖ **Investing in the Safety of Citizens, Troopers** —

As part of a continuing effort to ensure the safety of the public, as well as the troopers who patrol New Jersey highways and protect its neighborhoods, State Police purchased nearly 200 new patrol vehicles in 2003 and acquired another 400 new cars in 2004 to replace outdated, high mileage vehicles.

❖ **Accountability Via Full MAPPs Implementation** —

In January 2004, the State Police Management Awareness Personnel Performance System (MAPPs) — the first law enforcement personnel management system of its kind in the nation — became fully operational. A state-of-the-art computer system, MAPPs is designed to allow for maintenance and retrieval of data required to

manage State Police personnel. MAPPs enhances the ability of State Police to monitor the performance of both troopers and supervisors. MAPPs is being used to manage State Police operations on a day-to-day basis, and has been cited by the Independent Monitors as an important management tool.

❖ **New Technology Center/ Troop C Headquarters** —

Now operational, the new Forensic Sciences Center and State Police Troop C Headquarters and Communications Center — located in Hamilton Township — are providing the State Police with important new facilities while also employing state-of-the-art forensic technology for evidence analysis — including DNA. New Jersey is now home to one of the finest evidence analysis facilities in the entire country.

❖ **Leaders Attend Executive Training at Rutgers Policing Institute**

As part of the Attorney General’s effort to ensure quality leadership throughout the State Police organization, members of the State Police who are promoted to the rank of captain, major or lieutenant colonel are required to undergo training at the Executive Development Center of the Policing Institute at Rutgers University-Newark. A collaborative effort of the Attorney General’s Office and Rutgers, the Executive Development Center is designed to broaden the skills of state and local police in top administrative positions, and prepare them to address, from a leadership perspective, the complex challenges that confront police organizations in the 21st century. Taught by preeminent scholars and law enforcement practitioners, the core instructional course stresses the conceptual over the technical, and addresses such broad issues as leadership, diversity, managing change, and effective planning. The critical thinking, research, and problem-solving skills of State Police managers are strengthened through class discussions, case studies, group exercises and reading assignments. The cornerstone philosophy behind the Policing Institute’s Executive Development Center is that today’s world — and tomorrow’s as well — calls for law enforcement leaders who can take a broad view of their discipline, and who can genuinely understand the larger social context in which they work.

Helping Survivors of Sexual Assault & Domestic Violence

SART/SANE Puts Sexual Assault Response Teams in all 21 Counties; Law Enforcement Training Focuses on Handling of Domestic Violence

Through the Attorney General's SART/SANE initiative, New Jersey became the first state in the nation to have specially-trained Sexual Assault Response Teams made up of rape care advocates, police officers, and registered professional nurses. There are now Sexual Assault Response Teams in all 21 counties, ensuring sensitive and compassionate care for rape victims. See list of participating hospitals on opposite page.



Sexual Assault

While the number of rapes and attempted rapes in New Jersey dropped by five percent in 2003, that trend probably did not offer much solace for the 1,300 persons who were victimized.

In the aftermath of being sexually assaulted, most survivors find themselves confronting a host of difficult — often overwhelming — legal, medical and psychological needs, and they require help.

Too often in the past, systems designed to help the survivors of rape have inadvertently created more stress in their lives by failing to achieve a needed balance between compassionate care and effective law enforcement follow-up.

All that changed in 2003-2004 with the announcement of New Jersey's first state-wide law enforcement initiative dedicated solely to ensuring compassionate, coordinated services for the survivors of sexual assault — the Attorney General's Sexual Assault Response Teams (SART) initiative.

Under the initiative, special Sexual Assault Response Teams are now stationed in all New Jersey counties. The teams are located within the 21 respective County Prosecutors Offices, and are made up of rape care advocates, law enforcement officers and registered professional nurses who serve as Sexual Assault Nurse Examiners (SANE).

The SART/SANE concept is founded entirely on a "team" approach, and one of its chief objectives is to ensure that every victim of sexual assault has access to quality health care treatment in a timely fashion. Victims no longer must wait hours for care in busy — often overcrowded — hospital emergency rooms. Instead, they are provided quick and thorough care in well equipped, specialized facilities.

Sexual Assault Nurse Examiners work

collaboratively with police officers and rape care advocates to provide the best services available. They are specially trained to provide comprehensive and sensitized care, while also ensuring that potential evidence is collected in a manner that is timely, precise, and in keeping with law enforcement protocols.

Rape Care Advocates are trained to provide support services for the victim through the medical and forensic examination, and beyond. Under the SART/SANE philosophy, the role of Rape Care Advocates is viewed as crucial to the post-victimization healing process. The job of a Rape Care Advocate is to focus solely on the needs of the sexual assault victim, whether those needs require crisis intervention services, counseling, referral to social service agencies or information on other available options.

An equally vital goal of SART/SANE is to enable law enforcement to obtain the evidence required to successfully investigate and prosecute sex offenders. Police assigned to Sexual Assault Response Teams receive specialized training in the area of investigating sex crimes. At the same time, the SART/SANE approach emphasizes the need to create an environment in which women can feel comfortable while taking part in the essential — but sometimes difficult and emotional — process of working with law enforcement investigators and prosecutors.

The guiding ethos is to try to eliminate any fears a rape survivor may harbor about being victimized a second time through interaction with police, prosecutors or others that is — or may seem to the survivor — insensitive, inappropriate, accusatory, or otherwise negative. The benefits are two-fold. First, it ensures that survivors will receive the kind of compassionate treatment they have a right to expect. Second, it often helps increase the comfort level, and the resolve, of survivors, making them better able to assist law enforcement in prosecuting their attackers.

Since its inception, the Attorney General's Office of Victim Witness Advocacy has provided more than \$3 million statewide for SART/SANE programs. As of the end of 2004, there were upwards of 200 Sexual Assault Nurse Examiners working out of 46 New Jersey hospitals. Combining 2003 and 2004, the SART/SANE program has helped approximately

1,000 rape survivors deal with the aftermath of their victimization.

The New Jersey SART/SANE initiative began as a pilot program in Monmouth County in 1996. The Legislature subsequently required all counties to institute a SART/SANE program. The Division of Criminal Justice within the Attorney General's Office oversees SART/SANE on a statewide basis, but each County Prosecutors Office is ultimately responsible for maintaining its own SART/SANE program.

Domestic Violence

Consistent with its commitment to addressing all forms of violence against women, the Attorney General's Office also provides specialized training sessions for law enforcement personnel in dealing with domestic violence and related issues.

Twice a year, through its Division of Criminal Justice, the Attorney General's Office provides advanced, three-day training courses that help give law enforcement personnel a deeper understanding of the dynamics of domestic violence, knowledge of related laws, and a thorough grasp of the elements required to effectively investigate and prosecute domestic violence cases.

As is the case with sexual assault, domestic violence is a major priority of the Attorney General. Domestic violence puts lives in danger, and tears at the inner-fabric of families by creating an atmosphere of fear and isolation. In New Jersey alone, acts of domestic violence impact on an estimated 80,000 people each year — most of them women, children, and the aged. In one year (2002), 52 people died in New Jersey as the result of domestic violence, a 30 percent increase over the prior year.

Employing actors and skilled instructors, the three-day training course explores the full scope of the domestic violence problem. Moreover, it provides specialized instruction to law enforcement personnel at every level in dealing with a domestic-violence-related incident — from the initial call to police and techniques for investigating the matter, to recognizing the legal issues involved and prosecuting formal charges.

Victims of domestic violence in New Jersey are encouraged to call the New Jersey Domestic Violence Hotline at 1-800-572-SAFE.

Statewide SART/ SANE Program — Participating Hospitals by County

Atlantic	<ul style="list-style-type: none"> Atlantic City Medical Ctr., Atlantic City Atlantic Kessler, Hammonton Atlantic Shore Memorial, Somers Point
Bergen	<ul style="list-style-type: none"> Englewood, Englewood Hackensack, Hackensack Holy Name, Teaneck Pascack Valley, Westwood Valley, Ridgewood
Burlington	<ul style="list-style-type: none"> Our Lady of Lourdes Medical Ctr., Willingboro Virtua Hospital, Marlton
Camden	<ul style="list-style-type: none"> Virtua Hospital, Mount Holly Cooper Health Systems, Camden Kennedy Health Systems, Stratford Our Lady of Lourdes Medical Ctr., Camden
Cape May	<ul style="list-style-type: none"> Burdette Tomlin, Cape May Court House
Cumberland	<ul style="list-style-type: none"> Regional Medical Ctr., Vineland
Essex	<ul style="list-style-type: none"> Clara Maass, Belleville Hospital of the University of Medicine & Dentistry, Newark Newark Beth Israel, Newark St. Barnabas, Livingston
Gloucester	<ul style="list-style-type: none"> Kennedy Memorial, Washington Twp. Underwood-Memorial, Woodbury
Hudson	<ul style="list-style-type: none"> Christ, Jersey City
Hunterdon	<ul style="list-style-type: none"> Hunterdon Medical Ctr., Flemington
Mercer	<ul style="list-style-type: none"> Capital Health System-Mercer Campus, Trenton Capital Health System-Helene Fuld, Trenton Princeton Medical Ctr., Princeton Robert Wood Johnson, Hamilton
Middlesex	<ul style="list-style-type: none"> Middlesex County Public Health Department, Edison Robert Wood Johnson, New Brunswick
Monmouth	<ul style="list-style-type: none"> Bayshore Community, Holmdel CentraState Medical Ctr., Freehold Jersey Shore Medical Ctr., Neptune Monmouth Medical Ctr., Long Branch Riverview Medical Ctr., Red Bank
Morris	<ul style="list-style-type: none"> Chilton Memorial, Pompton Plains Morristown Memorial, Morristown St. Claire's, Denville St. Claire's, Dover
Ocean	<ul style="list-style-type: none"> Community Medical Ctr., Toms River Kimball Medical Ctr., Lakewood Brick Hospital, Brick Southern Ocean Community, Manahawkin
Passaic	<ul style="list-style-type: none"> St. Joseph's Hospital, Paterson The General Hospital, Passaic
Salem	<ul style="list-style-type: none"> Regional Medical Ctr., Vineland
Somerset	<ul style="list-style-type: none"> Somerset Medical Ctr., Somerville Women's Health & Counseling Ctr., Somerville
Sussex	<ul style="list-style-type: none"> Newton Memorial Hospital, Newton Sussex Hospital, Sussex
Union	<ul style="list-style-type: none"> Muhlenberg Regional Medical Center, Plainfield Overlook Hospital, Summit Rahway Hospital, Rahway Trinitas Hospital, Elizabeth
Warren	<ul style="list-style-type: none"> Warren Hospital, Phillipsburg Hackettstown Community Hospital, Hackettstown



Fighting Public Corruption

Veteran N.J. Legislator Was Guilty of Misusing Campaign Funds; Other Probes Meant Jail Time for Hainesport Mayor, Motor Vehicle Commission Workers

On November 19, 2004, Assemblyman Anthony R. Imprieveduto pleaded guilty in New Jersey Superior Court to state criminal charges related to his misuse of campaign funds for personal expenses. The case was a milestone for the Attorney General's Office.

In successfully pursuing a criminal accusation that would ultimately force Imprieveduto from office, place the veteran lawmaker on probation for five years and require that he repay \$50,000 in illegally spent campaign funds, Attorney General Harvey made New Jersey history. No other Attorney General had ever successfully prosecuted a sitting member of the Legislature.

For taxpayers and public officials alike, the message was clear: the Attorney General's Office places a high priority on ensuring integrity at all levels of public service.

On April 8, 2004, former Hainesport, Burlington County, Mayor Ronald Corn was sentenced to five years in prison for setting up an unauthorized "Mayor's Fund" into which taxpayer dollars were channeled for personal use. As part of the same investigation by the Division of Criminal Justice within the Attorney General's Office, Hainesport's former municipal finance officer, Kristine Wisniewski, was sentenced to three years in prison. State investigation found that approximately \$339,000 in funds from municipal accounts was diverted to the secret "Mayor's Fund" and subsequently used by Wisniewski and Corn for personal expenses. Both defendants were ultimately granted early release from prison upon being accepted into the state's Intensive Supervision Program for certain eligible offenders, but their public reputations were tarnished, they were barred from future public employment, and they incurred fines and stiff restitution requirements imposed by the court (\$180,000 restitution for Wisniewski, nearly \$61,000 for Corn).

Highlights of other significant public corruption cases from 2003-2004 included:

❖ Commerce Commission Indictment —

As part of an ongoing investigation into the New Jersey Commerce and Economic Growth Commission, the Division of Criminal Justice's Special Prosecutions Bureau obtained a 16-count indictment in 2004 charging the Commission's former chief of staff and two family members hired as "consultants" with official misconduct, theft and tampering with public records to cover up their alleged illegal acts. The indictment charged that thousands of dollars in public money was paid to the family members of the Chief of Staff for "consulting" work that was either duplicative, or was never done at all.

❖ DRBA Official Guilty on Felony Charges —

The Attorney General's Office played a key role in developing the evidence that led to the 2004 conviction of Michael E. Harkins, former Executive Director of the bi-state Delaware River and Bay Authority, on

Official charged in theft of funds

Allegedly paid mom, sister for no work

By JEFF PILLETTS
TRENTON BUREAU

A top official of the state Commerce Commission gave no-bid, no-work "consulting" contracts to her mother and sister and fabricated memos to cover up the scheme, according to an indictment announced Monday by the Attorney General's Office.

Lesly Devereaux was charged with 16 counts of official misconduct, conspiracy and theft.

Painting firm admits fraud

Contractor lied to schools about wages

By KIBRET MARKOS
and BRIAN KLADKO
STAFF WRITERS

The co-owners of a painting company admitted in court Thursday that they netted \$1.5 million by deceiving three school districts, including Ridgewood and Paterson.

Jose LaGrecia, 53, and Charles Paraboschi, 65, told a Superior Court judge in Hack-



When the company sought to renew its status last year, state regulators discovered that New York State had blacklisted the company in 2002 for similar wage infractions. In October, New Jersey officially disqualified Paint Smart, making it one of 25 firms that are prohibited from bidding on school projects.

Plea deal is set in school

Windsor co-founders facing 7

...during sentencing June 16. Each also will be held accountable based on their roles, if the co-founders and the school corporations fail to repay the stolen funds.

Newark cops indicted

Pair netted in state corruption probe

BY BARRY CARTER
STAR-LEDGER STAFF

Two Newark cops were indicted yesterday on charges who know the city's police department.

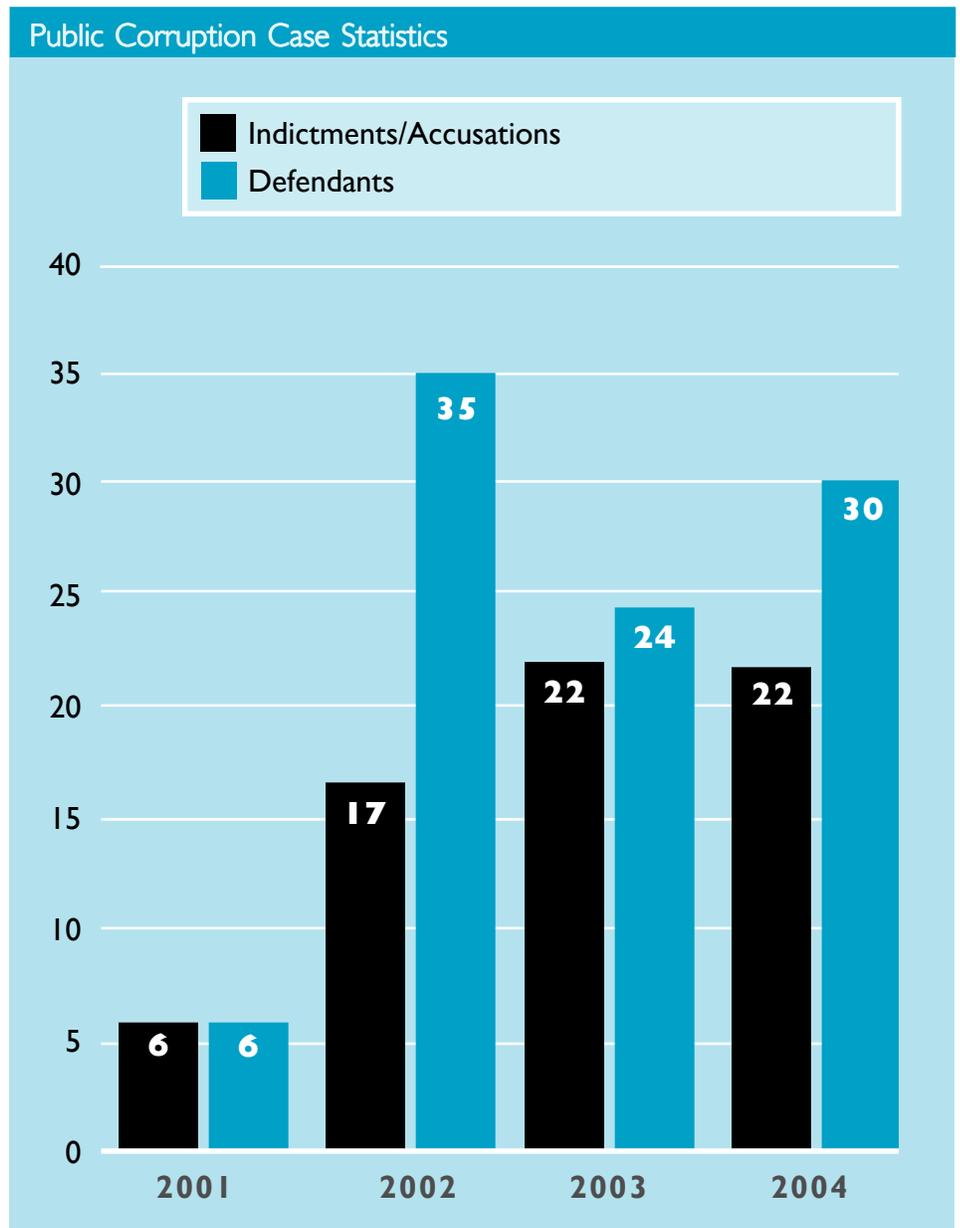
...thus "Reinvestigation & police dealers year perley ad down filed seuth, as

felony charges relating to corrupt conduct in office. Harkins used a plane piloted by a DRBA employee to attend sporting events and non-business-related social functions, and used DRBA funds to pay for private meals, hotel rooms and limousine costs.

❖ **Motor Vehicle Commission Document Fraud Cases** —

The Division of Criminal Justice successfully prosecuted more than 100 defendants — including 16 former New Jersey Motor Vehicle Commission employees — who were involved either in the theft of MVC customer payments while they were employees, or in selling and otherwise providing MVC documents to persons who did not meet the State's legal identification requirements. Sentences imposed by the courts ranged from 364 days in a county jail to 10 years in State Prison and, in some cases, hundreds of hours of community service. Convicted MVC employees were barred from holding future government employment.

Public Corruption Case Statistics



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Lawmaker pleads guilty and steps down
 Anthony Impreveduto, the Assembly's deputy speaker, ...
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 years in prison
 back in jail," said state Deputy Attorney General Andrew Picone.
 Bonetta told the defendants that he would "never" see them back in the prison, she said Monday.
 all of the state's former defendants ad-
 of the year of their respective schools.
 During surveillance in 1999, state investigators found that one purported director contacted regularly in a weekly bowling league, another spent her supposed workday shopping and golfing. During a school visit, investigators discovered that the "office" of one purported director was actually a judge's close-

The New York Times
 FRIDAY, SEPTEMBER 11, 2003

Former Officer In Newark Pleads Guilty To Corruption
 By RONALD SMOTHERS and JASON GEORGE

TRENTON, Sept. 10 — A former Newark police officer pleaded guilty in a Mercer County courtroom on Thursday to being part of a group of rogue officers who terrorized drug dealers and other criminal suspects over a two-year period, stealing their money, forging their IDs and then covering up their crimes by filing false reports.

The former officer, Tyrone M. Dudley, had served in the department for seven years, until last Aug. He pleaded guilty to one count of conspiracy as part of a plea agreement with the New Jersey Superior Court judge. Linda Dudley described how he and other officers had intended to steal from 2002 and last March, 1 had led in ...

Ex-mayor admits hefty slush fund
 Hainesport's Corn risks 10 years

BY JONATHAN SCHUPPE
 SEAR-LEADER STAFF

The former mayor of a small Burlington County town yesterday admitted embezzling more than \$330,000 from public accounts and using the money for golf outings, parties, meals and other personal expenses.

Ronald Corn told a Superior Court judge that he used his Hainesport Township finances to open secret bank accounts where he hid municipal money. The town's ...

Prosecuting Securities Fraud

New Jersey Played Key Role in Holding Investment Firms, Brokers Accountable; Fraud Investigations Led to Restitution, Significant Industry Reforms

In June 2004, Attorney General Harvey was invited to testify before the U.S. Senate Committee on Banking, Housing and Urban Affairs concerning the vital role of the states in regulating securities and protecting investors. The invitation was not a coincidence. In 2003-2004, the New Jersey Attorney General's Office made securities enforcement and investor protection a chief objective. Working through its New Jersey Bureau of Securities, the OAG posted an impressive record of accomplishment in investigating securities fraud, and in prompting corporate reforms that brought greater integrity to the industry.

Bolstered by an infusion of staff and other resources, the Bureau of Securities played a leadership role in an April 2003 settlement between securities regulators and 10 major Wall Street firms regarding stock analyst practices. New Jersey served as co-chair of the Steering Committee for the multi-state task force that investigated the Wall Street firms. New Jersey also led an investigation of Bear, Stearns & Co. that ultimately yielded important industry reforms. Those reforms were designed to ensure that stock analysts are not pressured by

firms who employ them to report favorably on stocks and bonds offered by the firms' investment banking clients.

In June 2004, the Attorney General's Office reached a major settlement with Allianz Dresdner Asset Management and two affiliated companies. The \$18 million settlement involved the largest penalty ever collected by the State in a securities case. The settlement resolved allegations that Allianz Dresdner and the other firms allowed a large investor to "market time" more than \$4 billion in transactions related to their mutual funds in violation of fund policies, and to the detriment of long-term investors.

The settlement also required defendants to make in-house changes to ensure that portfolio managers function independently of business managers, and that funds comply with their own policies barring market timing.

In addition to these milestones, New Jersey filed eight major securities fraud complaints involving more than \$160 million in investments, including:

❖ **A June 2003 lawsuit against more than a dozen North Jersey companies and their principals for allegedly stealing tens of millions of dollars from investors.** The scheme's principal architect was Thomas Giacomaro, who has pleaded guilty to charges of money laundering brought by the Division of Criminal Justice, as well as federal charges of mail fraud and tax evasion. Among the victims was best-selling author Mary Higgins Clark.

❖ **A December 2003 lawsuit against Michael R. Casey, of Upper Saddle River, seeking restitution for at least 195 investors** who allegedly were defrauded of up to \$15 million in a real estate investment scheme run by Casey. Casey is accused of setting up a complex network of business entities to front his scheme, and recruiting investors through his tax preparation business, as well as through a series of investment workshops.

❖ **A February 2004 suit against Brick resident George F. Gaffney, who allegedly stole in excess of \$350,000 from more than 200 people who invested in his patented invention,** a system of straps hitched to anchors in the ground designed to tie down portable structures and large personal items during storms.

❖ **A February 2004 suit against three men and their companies, including Clover Management Group of Fort Lee, for allegedly defrauding British investors of more than \$55 million.** The defendants claimed to offer defense industry investments that would provide strong returns while aiding the British and U.S. war effort in Iraq, and the war on terrorism. Seized defendant assets included a \$2 million yacht, bank accounts and luxury cars.

❖ **In April 2004, the Attorney General's Office and the Bureau of Securities obtained a court order freezing the assets of Richard Thomas Geck of Toms River, as well as his firm, Cobalt Investors Services Inc. of Manasquan,** after the filing of a State complaint alleging that Geck swindled at least seven elderly women out of more than \$360,000 in retirement savings.



The Attorney General's Office repeatedly made headlines during the past two years through its aggressive prosecution of unlawful and unethical conduct within the securities investment industry.

3 men invoked war on terror in \$55M scam, N.J. charges

By KEVIN G. DeMARRAIS
STAFF WRITER

Merrill Lynch paying fines to N.J., Conn.

\$13.5M settles market-timing charges lodged against Bergen County brokers

BY JOSEPH R. PERONE
STAR-LEDGER STAFF

Merrill Lynch agreed to pay \$13.5 million in fines for failing to supervise three Bergen County financial advisers who engaged in improper trading of mutual funds, officials announced yesterday.

The New York-based brokerage firm, which neither admitted nor denied the allegations, will pay a \$10 million civil

penalty to the New Jersey Bureau of Securities, the state of Connecticut and the New York Stock Exchange.

Merrill Lynch brokers engaged in market timing using accounts held for a single hedge fund client, identified as Millennium Partners, according to state Attorney General Peter Harvey.

In this case, the brokers bought and sold some funds up to 50 times a year, though mutual funds typically limit moves to a half-dozen a year, Harvey said.

"It hurts the long-term investor you or me to have market timers that, because it makes mutual funds volatile and increases the risk of

AG charges fraud was family affair

BY TOM JOHNSON
STAR-LEDGER STAFF

A New York City man, several members of his family and dozens

of other people in Bergen County include Joseph Greenblatt; his wife, Alexandra Horvath; his father, Max Greenblatt; the estate of Joseph Greenblatt's mother, Vera Greenblatt; and Michael Greenblatt.

The defendants placed new periods offering interests in "split mortgages in California, Florida, Massachusetts, New York and New Jersey," according to the securities

regulators. The defendants promised 14 percent interest plus additional profits when the build-

ing process was completed. The defendants also promised to provide the investors with a "safe" first mortgage.

THE WALL STREET

C4 WEDNESDAY, FEBRUARY 18, 2004

Pimco Advisers Charged With Fraud

New Jersey Claims Firm Allowed Improper Trading Of Bond and Stock Funds

are units of German insurer Allianz AG. In a statement yesterday, the independent trustees of the Pimco funds said New York-based PEA would repay the funds affected \$1.6 million for harm caused by the trading known as market timing.

But the complaint filed in New Jersey Superior Court yesterday goes beyond the activities acknowledged by Pimco Funds last week. In addition to the alleged market timing of stock funds, the suit contends that improper trading was allowed in a pair of bond funds run by Pimco.

Investigators for New Jersey Attorney General Peter C. Harvey also contend that Canary—the hedge fund that was the first to be charged in the fund-trading scandal that began in September—was allowed to market time between February 2002 and September 2003. Canary made more than 200 market-timing trades with a total value of over \$4 billion, the suit said.

In exchange, the New Jersey complaint said, Pimco Funds accepted tens of millions of dollars in so-called sticky commissions.

of providing nonpublic information about the holdings of its fund portfolios to a brokerage firm with close ties to Canary.

While PEA agreed to pay \$1.6 million to the Pimco funds, the investment advisory firm said it believed that in certain cases the market timing actually benefited long-term fund shareholders.

The complaint contends that the trading allowed by Pimco violated the prospectus language for both the firm's stock and bond funds. Pimco's prospectus said the firm could block market timers if the trading was detrimental or the timer made more than six in-and-out trades in any 12-month period.

Regulators also accused Pimco of providing nonpublic information about the firm's stock funds to Brean Murray Inc., a brokerage firm through which Canary was introduced to Pimco. Brean Murray wasn't charged in the New Jersey complaint. A representative of Brean Murray didn't return a call seeking comment.

State charges ex-lawyer with \$42M fraud

Lawsuit seeks restitution in alleged real estate scam

By KEVIN G. DeMARRAIS
STAFF WRITER

Joseph Greenblatt committed "massive fraud" while working out of his Paramus real estate office over the past decade, according to the lawsuit.



Journal Link: WSJ.com
subscribers can see a scorecard of our developments for the

Best in the Nation Prosecuting Insurance Fraud

OIFP Personnel, Public Awareness Efforts Garnered Industry Awards; Prosecutions Yielded Tough Jail Sentences, Orders for Restitution Payments

Through effective outreach, tireless investigative activity and a track record of successful prosecutions, the New Jersey Office of the Insurance Fraud Prosecutor (OIFP), part of the Division of Criminal Justice within the Attorney General's Office, continued to serve as a national model for combating insurance fraud. In 2004 the Coalition Against Insurance Fraud, an independent Washington D.C.-based insurance fraud monitor, ranked New Jersey's OIFP the top insurance fraud prosecuting office in the United States.

The OIFP and its staff also received awards in 2004 from the International Association of Arson Investigators, the International Association of Special Investigative Units, the United States Social Security Administration, and the New Jersey Vehicle Theft Investigators Association. In addition, OIFP's public awareness campaign garnered industry honors for its creativity and effectiveness, and officials from throughout

the international fraud-fighting community continued to call upon the OIFP for guidance and assistance.

But industry accolades are not as reliable a yardstick as successful prosecutions.

In 2004, the OIFP obtained 177 insurance fraud convictions, obtained sentences of jail or state prison for fraud defendants totaling 206 years, and obtained court orders for more than \$16 million in defendant restitution payments — more than double the amount of restitution payments ordered for fraud defendants in 2003. In addition, the total jail and prison sentences imposed against OIFP defendants in 2004 represented an increase of more than 70 percent compared to the prior year.

"The results are clear — the OIFP continues to have a significant impact on insurance cheats. Just as importantly, OIFP's fraud-fighting efforts have bolstered industry confidence," said Attorney General Harvey.

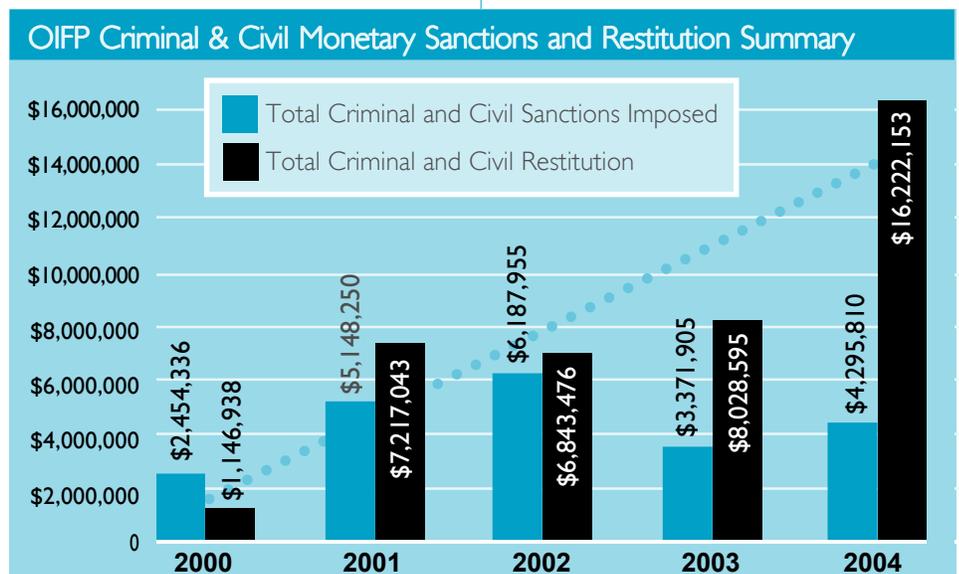
In 2004, the OIFP successfully infiltrated

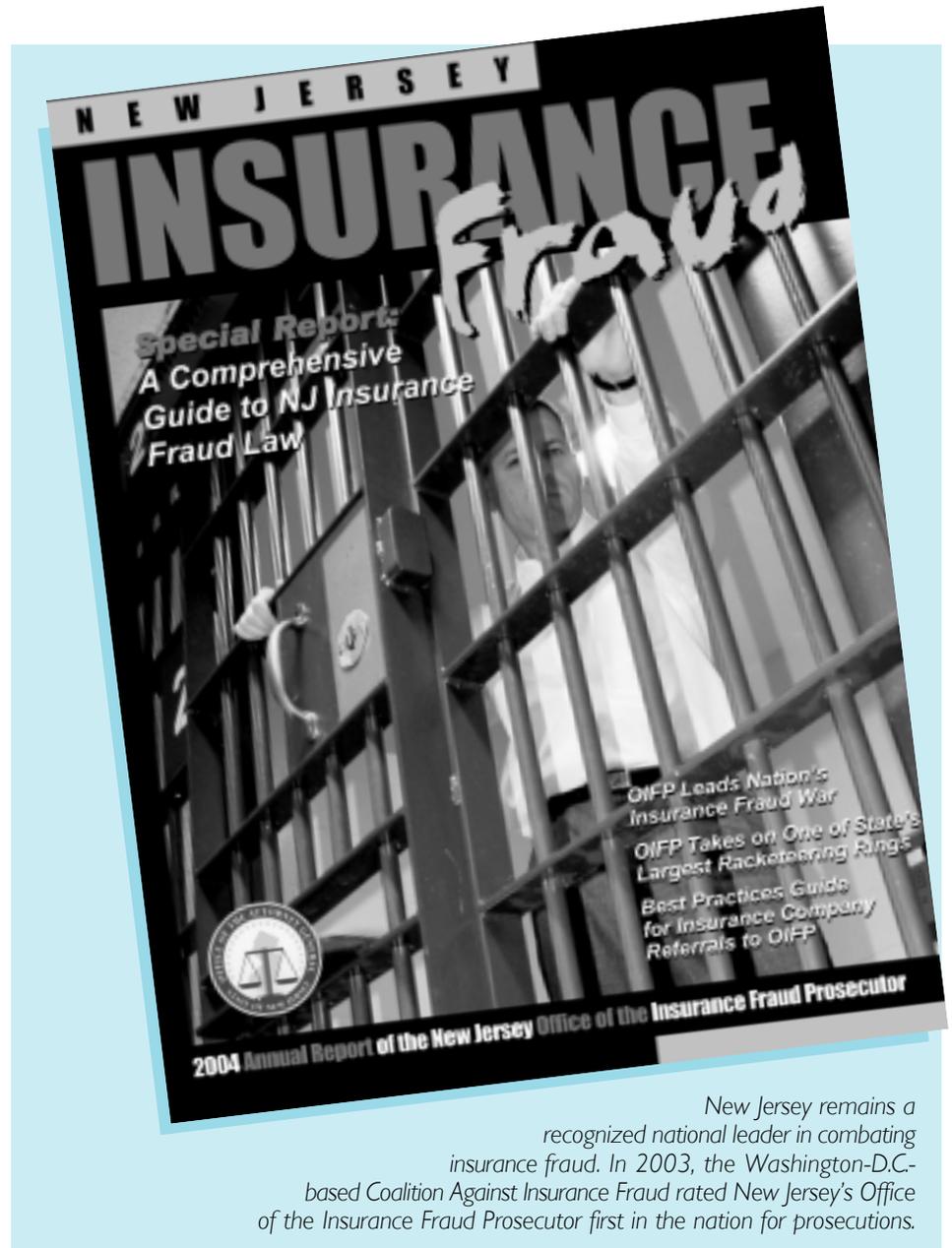
a "staged accident" insurance fraud ring headed by "kingpin" Anhuar Bandy, of New Brunswick, ultimately dismantling the ring and convicting Bandy. As a result, Bandy was sentenced to 29 years in State Prison. The case represented New Jersey's first-ever successful prosecution of a staged accident ring as a criminal racketeering enterprise.

The OIFP also obtained a guilty verdict in a case against Linda Clements-Wright, of Sicklerville, Camden County, an insurance company claims specialist who stole nearly \$600,000 in bogus claim settlement monies.

The agency also obtained a guilty verdict in its prosecution of Eliezer Martinez, a Medicaid provider who submitted nearly \$140,000 in fictitious counseling claims to the Medicaid program. Martinez submitted the bogus claims while acting in his capacity as owner and chief executive officer of Hispanic Counseling Center and Family Services of New Jersey, Inc., located in the City of Camden.

Statistical bar charts (at right and adjacent page) reflect the increasing effectiveness of the Office of Insurance Fraud Prosecutor. In 2000, state prosecutions for insurance fraud resulted in 17 defendants being sentenced to jail, and approximately \$1.1 million in court-ordered restitution. In 2004, prosecutions for insurance fraud sent 134 defendants to jail, while court-ordered restitution topped \$16 million.

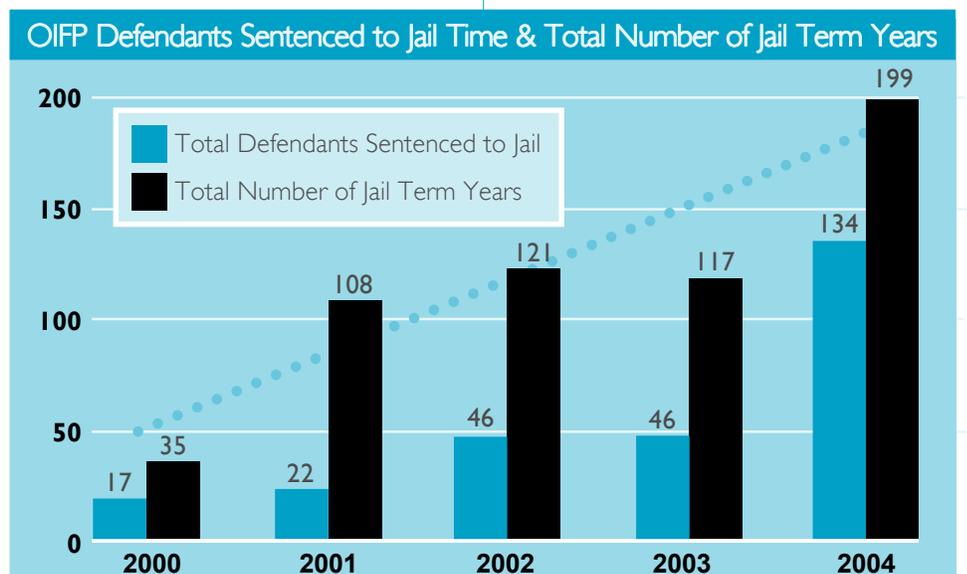




New Jersey remains a recognized national leader in combating insurance fraud. In 2003, the Washington-D.C.-based Coalition Against Insurance Fraud rated New Jersey's Office of the Insurance Fraud Prosecutor first in the nation for prosecutions.

Other OIFP case highlights included:

- ❖ **The June 2004 sentencing of a Burlington County husband and wife to jail and restitution** for over-billing the Medicaid program more than \$22,000 for services related to transporting Medicaid patients via their Camden-County-based medical transport business, H&B Medical Transportation Services, Inc. Harvey Lee Bellamy, Jr., 41, of Mt. Holly, was sentenced to three years in State Prison for his role in the fraudulent billing activity while Bellamy's wife, Bernice Bellamy, was sentenced to five years probation. Both defendants were ordered to pay restitution to be determined by the Court, and were barred from participating in the Medicaid Program for at least five years.
- ❖ **The sentencing, in March 2004, of a former law enforcement officer who masterminded an "arson for profit" insurance scheme** that involved at least 10 Mercer County arson fires and netted more than \$500,000 in settlement claims. OIFP defendant Marc Rossi, a former investigator for the Mercer County Prosecutors Office, was sentenced to eight years in State Prison after pleading guilty to charges of arson, conspiracy to commit arson, bribery, theft and theft by deception. The defendant was also ordered to pay a \$50,000 civil insurance fraud fine, and to pay \$537,673 in restitution to six different insurance providers.



Safeguarding Civil Rights

AG Targeted Discrimination in Housing, Employment, Public Facilities; Settlements Brought Deaf Captioning, DVS for the Blind to Movie Theaters;

Housing Discrimination Suits

In 2004 the Attorney General's Office, through its Division on Civil Rights (DCR), settled four separate "Section 8" housing discrimination cases involving New Jersey landlords and real estate professionals. The four Respondents who agreed to settle included: Atlantic Coast Realty of Brigantine, Clinton Manor Associates LLC, owner of Clinton Manor, Clinton, 599 Broadway Management, owner of Broadway Towers, Paterson, and Garden State Realty, East Orange.

Filed in 2003, the original complaints were the first brought under a new State law, drafted by the Attorney General's Office, that

prohibits housing discrimination by landlords on the basis of a tenant's source of lawful income, or rental subsidy. As a result of the four settlements, New Jersey was paid approximately \$80,000 that will be used to further the cause of civil rights. Just as importantly, the settlements required each Respondent to sponsor training on the New Jersey Law Against Discrimination (LAD) for employees, and to prominently display information on the use of federal Section 8 rental assistance vouchers.

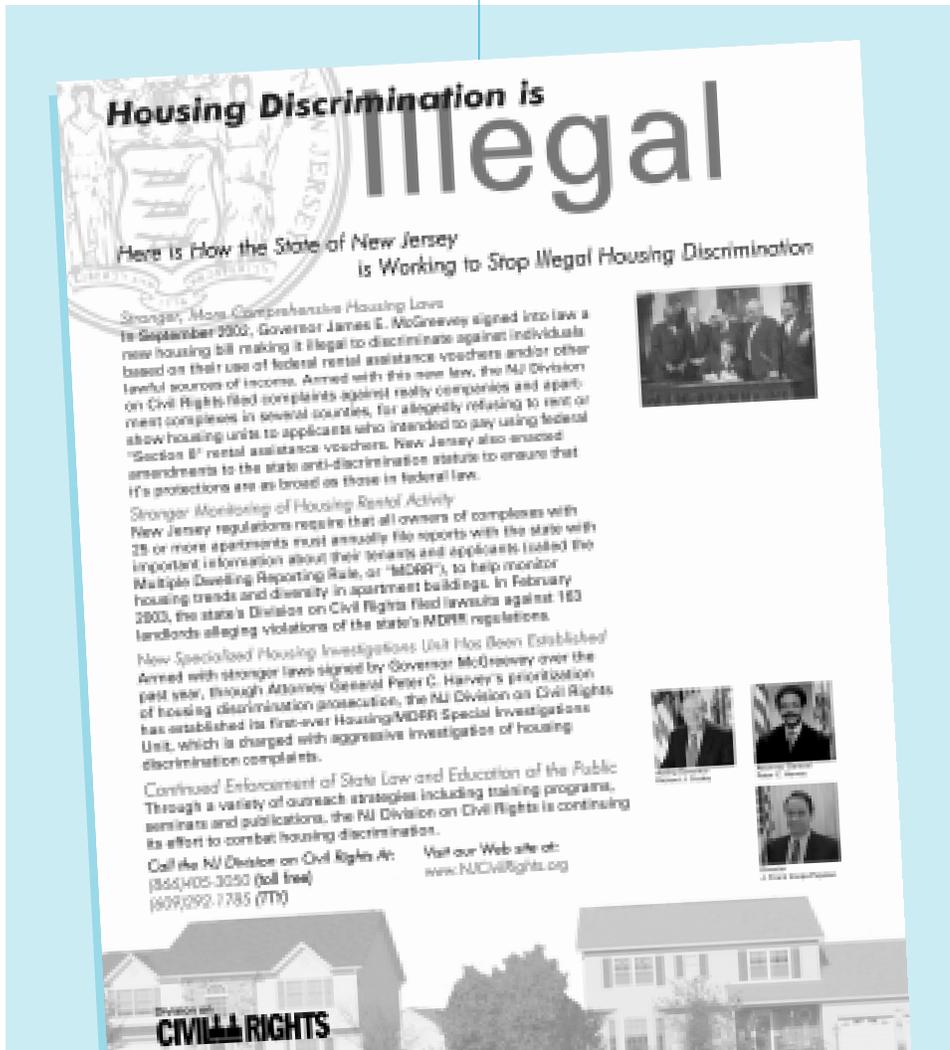
In another important housing case, DCR reached a settlement with the owners of the Highgate Apartments in Ewing, Mercer County. Originally prosecuted after white

and black "testers" from the Division on Civil Rights received allegedly disparate treatment when inquiring about available housing, owners Eastgate-Highgate Associates agreed to pay the State \$25,000 in investigative and monitoring costs, to submit to State monitoring of rental practices, and to sponsor training for employees on the LAD in general, and housing discrimination in particular.

Employment/Public Accommodation Suits

The Attorney General's Office and the Division on Civil Rights also took these actions regarding employment discrimination:

- ❖ Reached settlement with a Morris County car dealership, Route 23 Honda of Pompton Plains, concerning allegations that a Hispanic management employee was discriminated against because of his ethnicity. Under terms of the settlement, the dealership agreed to have management staff undergo anti-discrimination training.
- ❖ Civilly prosecuted the former Le Terrace Swim Club in Nutley, Essex County, for discriminating on the basis of race and/or ethnicity by advising members that it is a "Europeans only" club, and informing one member who wanted to invite certain children to her daughter's birthday party that those child guests would not be welcome at the club because of their race and/or ethnicity. The club denied all charges. However, the former owner entered into a settlement agreement requiring that the club pay the State \$15,000, provide the DCR with a list of all membership applications it received, report the final disposition of every application, provide an explanation for each rejection and have all paid and unpaid staff undergo annual training by the DCR. Following the settlement with DCR, LeTerrace closed down and the business was sold.



A movie-goer watches the hit film "The Incredibles" in a theater using Rear Window® Captioning technology. In Rear Window® Captioning, movie dialogue is projected from a location behind the audience, and can be read by individual viewers using a reflector device that fits into the cup holder of their seats.



❖ **Civilly prosecuted the owner-operator of the Off Shore Motel in Rio Grande, Cape May County, for discriminating against a legally blind traveler by refusing accommodations to him and his specially-trained and registered guide dog.**

DCR issued a Finding of Probable Cause in the case in October 2003. The case was ultimately resolved through the Conciliation process, with the blind individual receiving a \$5,000 settlement payment. DCR received \$2,000 as part of the settlement, which went to cover legal and administrative costs, as well as to fund training on the use of guide dogs.

❖ **Enhancing access to public facilities for persons with disabilities.** For example, working with the Attorney General's Division of Elections, the DCR launched an effort to inspect polling locations throughout the State to ensure they are 100 percent accessible to disabled voters. In addition, the DCR hosted two public forums in 2004 — one in Camden County, one in Essex County — dedicated to exploring the rights and the concerns of those who are deaf and hard of hearing.

Movie Theater Initiative

Chinatown. In the Heat of the Night. Spiderman. Lord of the Rings. Star Wars.

Throughout their history, first-run movies — and the excitement of seeing them in a theater setting — have remained a unique shared reference point in American culture.

According to the most recent United States census, there are about 243,000 visually impaired persons living in New Jersey and approximately 39,000 persons who are legally blind. About 9 percent of the State's 8-million-plus residents have some degree of hearing loss. However, these disabilities need not prevent anyone from enjoying a first-run movie in a neighborhood theater.

In 2004, the Attorney General's Office and the Division on Civil Rights spearheaded a legal initiative that helped ensure that persons

with disabilities would have the same opportunity to enjoy first-run movies as everyone else.

Through settlement agreements with four major theater chains — American Multi-Cinema (AMC), Loews Cineplex Theaters, Clearview Cinemas and National Amusements — the State brought cutting-edge deaf captioning technology to multiplex theater screens across New Jersey. In addition, AMC, Clearview and National Amusements agreed to install technology that enables the blind and visually impaired to better follow the action of a movie through special narration provided via audio headset.

As a result, New Jersey went from having three screens that offered new captioning technology for the deaf and hard of hearing to 38 screens — more than any other state.

At the same time, AMC, Clearview and National Amusements agreed to install a technology to accommodate the blind and visually-impaired known as DVS® (Descriptive Video Service) Technology.

Meanwhile, the Attorney General's Office filed suit against the Tennessee-based Regal Cinemas theater chain after Regal declined to install either deaf captioning technology or systems to accommodate the blind in its New Jersey multiplexes. The complaint charged Regal with violating the Law Against Discrimination. As of this writing, the Regal matter remains in mediation.

In each case, the four participating theater chains chose a form of closed captioning known as Rear Window® Captioning. However, the Attorney General's Office made plain that it viewed either Rear Window® Captioning or another approach, known as

Open Caption Projection, as "reasonable" accommodations for the deaf and hard of hearing, and had no preference.

Regal, meanwhile, declined to install DVS®. Regal also refused to install Rear Window® Captioning or Open Caption Projection to accommodate the deaf, apparently preferring a form of captioning known commonly as ordinary "open captioning."

"Despite the power of movies to entertain us, inspire us, and connect us as human beings, the movie-going experience has remained difficult to access for a significant population — millions of people in the United States who are deaf or hard of hearing, blind or visually impaired," said Attorney General Harvey. "In New Jersey, we are now changing that forever."

Getting Out the Vote

PSAs, Hip-Hop Summit Led Successful “Be Powerful, Be Heard” Campaign; NJ Added 463,000 New Voters; 73% Turn-Out for 2004 Election Best in Many Years

Attorney General Peter C. Harvey (above, second from left) responds to a student question during the live, interactive “Web cast” phase of the April 2004 kick-off event for New Jersey’s “Be Powerful, Be Heard” pro-voting campaign. With AG Harvey are actor William Baldwin (left), popular music impresario Russell Simmons (immediate right) and The Reverend Run, formerly “Run” of the hip-hop recording act Run-DMC (far right).

Held at the War Memorial in Trenton (opposite page), the September 2004 Hip-Hop Summit drew nearly a thousand voting-age young people from throughout the State, and was seen via Internet Web cast by thousands more. The Summit brought together top hip-hop recording artists and representatives of government, as well as voting-age and soon-to-be-voting age students for a candid discussion about democracy, governance and the electoral process.



The statewide awareness campaign that would mobilize New Jersey’s young people and spark the State’s largest General Election turn-out in more than a decade began on April 7, 2004.

On that day, a diverse collection of celebrities from the worlds of film, hip-hop music and television joined Attorney General at the New Jersey Performing Arts Center in Newark for the kick-off of the State’s “Be Powerful, Be Heard” voter awareness drive.

The impressive list of celebrities on hand to launch the “Be Powerful, Be Heard” campaign included hip-hop music impresario Russell Simmons, actor William “Billy” Baldwin, and The Reverend Run — formerly “Run” of the pioneering 1980s rap act Run-DMC. Also attending were comedian Joe Piscopo, star from NBC’S Saturday Night Live, and featured cast members from HBO’s runaway hit TV series “The Sopranos,” including actors Al Sapienza and Federico Castelluccio. The celebrities — virtually all of whom were either born in New Jersey or had some other connection to the state — offered formal remarks about the importance of voting, and took part in an interactive program that linked them for discussion with elementary, middle, high school and college students throughout the state via live Internet video stream.

Well-attended and packed with star

power, the “Be Powerful, Be Heard” kick-off was by any measure a success, but it was only the beginning.

Using funding obtained through the federal Help America Vote Act (HAVA), the Attorney General’s Office continued working throughout 2004 to spread awareness about the importance of voting, to disseminate useful information concerning how to register to vote, and to ensure that the voting process in New Jersey is as inclusive and user-friendly as possible.

Ultimately, the State registered 463,000 new voters in time for the 2004 General Election, pushing New Jersey’s total number of registered voters beyond the 5 million mark, and setting the stage for a Presidential Election Day turnout of 73 percent - the highest voter turn-out in the state since 1992.

Highlights from 2004 included:

❖ **Celebrity Public Service Announcement (PSA) Campaign** —

Through an ambitious campaign to recruit celebrity volunteers from the worlds of music, movies and sports, the Attorney General’s Office filled the airwaves, the Internet, and even first-run movie screens with compelling celebrity appeals to “Be Powerful, Be Heard” by voting in 2004. Actor and Newark native Jason Alexander, best known for his role

as “George Costanza” in the popular TV comedy “Seinfeld,” was among the first celebrities to donate his time to the cause. Amusing and informative, the Alexander PSA ran not only on television, but aired on 147 movie screens across New Jersey. A series of equally effective volunteer PSAs followed — produced in English and Spanish — featuring a cross-section of stars including hip-hop recording artist and actress Queen Latifah, actor Michael Douglas, rappers MC Lyte and Doug E. Fresh, NBA basketball star Kenny Anderson, and urban contemporary radio personality Angie Martinez. The PSA campaign continued into 2005, with the PSAs on a Web page devoted to HAVA, www.NJElections.org/hava_doe.html.

❖ **Hip-Hop Summit** —

In September, the Attorney General’s Office joined with Russell Simmons’ Hip-Hop Action Network to stage the first-ever New Jersey Hip-Hop Summit at the War Memorial in Trenton. The Hip-Hop

Summit was a major get-out-the-vote event that brought together top hip-hop recording artists and representatives of government, as well as voting age and soon-to-be voting-age young people for a candid discussion about democracy, governance, and the significance of every individual’s voting voice. The event packed the War Memorial’s main theater with cheering students, and was made available for Web cast viewing by thousands of students watching at high schools and colleges throughout New Jersey. As a result of the Hip-Hop Summit, an estimated 3,000 new voters were registered in time for the 2004 General Election.

❖ **Voting Technologies Forum** —

Also held at the War Memorial in Trenton, the “Beyond 2004: Exploring Voting Technologies” forum brought together a host of experts on voting systems from government and academia. The program was open to the public, and included a panel discussion focused on electronic vot-

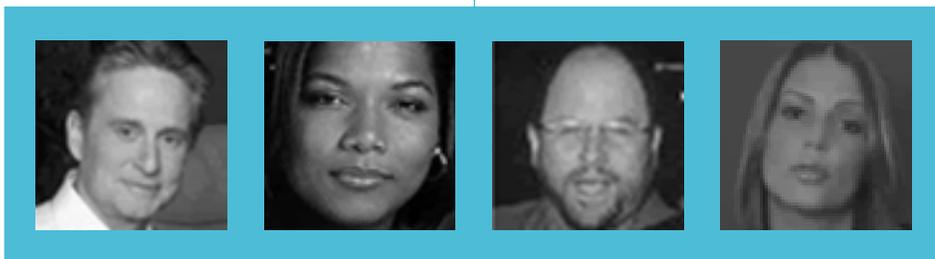
ing systems, including the pros and cons of voting machines equipped with “verified paper trail” capability. Held one week before the General Election, the Voting Technologies Forum provided the public with an opportunity to witness a demonstration of an electronic voting machine currently in use, and provided useful information on the capabilities of emerging voting system technologies. Well covered by local and regional media, the event enabled the Attorney General’s Office to keep voting-related information and issues in the public eye.

Register and Vote, New Jersey!



**be
Powerful.
be Heard.**

Shown here are some of the stars who have volunteered their time to film public service announcements. From left: Michael Douglas, Queen Latifah, Jason Alexander and Angie Martinez. Visit www.NJElections.org to see additional celebrity PSAs.





DNA — Convicting the Guilty, Exonerating the Innocent

Expanded Data Base a Tool for Solving Crime, Preserving Rights; New Lab in Hamilton Will Provide State-of-the-Art Forensic Analysis

In the waning days of 2004, residents of Camden city became concerned about an apparent serial rapist in their midst after three similar attacks occurred in the city's downtown and university sections.

Within weeks of the third attack, DNA testing had confirmed that all three sex crimes were in fact carried out by the same man. The man, however, was no longer a threat — he was dead.

The rapist had been shot to death by a Camden merchant during an attempted armed robbery. Posthumous testing of the man's DNA established him as the same attacker who'd committed the three rapes in downtown Camden. The minds of the public were put at ease and law enforcement was able to turn its attention to other criminal activity.

The future of criminal investigation is scientific evidence. DNA (Deoxyribonucleic acid) carries genetic information in cells and is the most reliable forensic evidence. It is the law enforcement tool for the 21st Century.

DNA science made a difference in New Jersey in 2004, and it will continue to do so in the future as law enforcement seeks more effective methods for solving crimes and ensuring public safety.

However, DNA is not only vital to solving crimes, it is also a critical tool in exonerating the innocent.

In 2003 and 2004, the Attorney General's Office made the expansion and strengthening of New Jersey's DNA capabilities a top priority — and the effort was a success.

The Attorney General's Office:

- ❖ **Worked with the State Legislature to enact a new law that expanded the pool of convicted offenders required to provide DNA samples.** Under the law, any person convicted of a first, second, third, or fourth degree offense (felonies) must now provide a DNA sample. In addition, convicted offenders who are already in custody, on probation or under parole supervision must also provide their DNA.
- ❖ **Trained more than 700 law enforcement officers throughout the State in DNA collection,** including members of the Department of Corrections, the Parole Board and Juvenile Justice Commission, as well as corrections personnel at each of the state's 21 county jails, and members of each county Sheriff's Department.

- ❖ **Formed a Combined DNA Indexing System Working Group and Compliance Unit** to oversee collection of DNA samples.

The continuing expansion of New Jersey's DNA data base gives police and prosecutors a powerful scientific tool to protect the public.

The greatest beneficiaries will be the victims of unsolved crimes — like the victims of the Camden rapist — in which a perpetrator is unidentified, but has left biological evidence at the crime scene. Not only survivors of sexual assault, but the families of murder victims and children who cannot identify their abusers will have their cold cases revived.

DNA technology has advanced to the point where minute amounts of biological material can yield a profile that is so unique to the individual that it is virtually unassailable. For offenders, the process of donating a biological sample is quick, simple and painless. Samples are obtained via a buccal swab — a swab of the inside of the cheek.

As a matter of crime-scene collection, law enforcement can obtain DNA from a broad array of items including cigarette butts, chewing gum, eyeglasses, telephone receivers, drinking glasses, kitchen utensils, and napkins. This capability is vital, because criminals often leave such DNA evidence at crime scenes.



As part of the Attorney General's expanded DNA database initiative, DNA samples have been collected from approximately 94,500 convicted offenders since September 2003. In conjunction with this effort, the State has also trained local, county and state level law enforcement officers in proper DNA collection.

Highly-trained personnel assigned to the new Forensic Science Laboratory at the State Police Technology Center in Hamilton Township (far left, immediate left and below) provide full-range forensic services in the inspection and analysis of DNA.

- ❖ **Opened a new, state-of-the-art Forensic Science Laboratory at the State Police Technology Center in Hamilton Township.** The new laboratory provides full-time forensic services in the inspection and analysis of DNA — and other crime-related evidence — not only from New Jersey, but from across the United States. As part of the Attorney General's expanded DNA database initiative, the State hired an additional 40 scientists with expertise in DNA analysis.
- ❖ **Established an internship program at The College of New Jersey designed to encourage college students to explore careers in forensic science.** As part of the initiative, the Attorney General's Office provides State Police Laboratory internships for qualified TCNJ science majors who seek to work in the area of DNA analysis.





Criminal Justice System Reforms

Revised ‘Brimage’ Guidelines Promote Fairness and Uniformity in Drug-Related Plea Agreements; New Policy Requires Electronic Recording of Statements by Homicide Suspects

By statute, the Attorney General has responsibility for even-handed treatment of the accused. In keeping with this commitment, the Attorney General’s Office led key reforms of the criminal justice system in 2004. The Office generated new plea agreement guidelines to ensure greater fairness and uniformity in the sentencing of certain drug offenders, and it issued a new Interim Policy requiring the electronic recording of final statements made by certain criminal suspects to police investigators in a “station house” custodial setting.

Modification of Mandatory Minimum Sentences

The Attorney General’s revised “Brimage Guidelines” were designed to address inequities related to plea negotiations and, ultimately, prison sentences involving certain drug offenders.

The Comprehensive Drug Reform Act of 1987 (CDRA) gave prosecutors discretion to expose certain drug offenders to stiff “mandatory minimum” prison sentences. Specifically, those accused of either distributing illegal drugs within 1,000 feet of a school, or possessing drugs with intent to distribute within 1,000 feet of a school, faced a mandatory sentence of three years in prison with no possibility of parole or early release.

In 1998, however, the New Jersey Supreme Court found in **State v. Brimage** that the statutory scheme of CDRA was unconstitutional. Specifically, the Court found that each County Prosecutor’s Office adopted its own plea offers and policies, resulting in a

lack of statewide uniformity and disparity in sentencing across the State.

As a result, the Court called on the Attorney General’s Office to promulgate uniform statewide guidelines to address its concerns. The guidelines were subsequently created, but a lack of proportionality remained.

For example, the 1998 guidelines did not address the reality that low-level “school zone” offenders — including those with no significant record of prior convictions — faced mandatory minimum prison terms, as well as a period of ineligibility for parole or early release.

The guidelines also failed to address inequities resulting from geography. For example, in most urban centers — because there are almost no areas outside of 1,000 feet of a school — drug offenders in the inner-city were more likely to be found operating in a school zone than their suburban counterparts. Thus, the same conduct resulted in different treatment based solely upon the geography of the offense.

Since significant minority populations tend to live in urban centers, a disproportionate number of minority persons ended up pleading guilty to “school zone” crimes and being sentenced to harsh, mandatory minimum prison terms while identical drug crimes committed in the suburbs were drawing more lenient sentences.

Developed by the Attorney General in consultation with the presiding judges of the Criminal Part of the Superior Court, defense lawyers, the New Jersey Public Defender’s



Office, and the 21 County Prosecutors, the revised Brimage Guidelines issued in 2004 seek to ensure greater proportionality, and to make certain that punishment genuinely fits the crime.

The guidelines exempt from the regular Brimage calculation certain school zone cases involving less egregious drug offenders. They also reflect the law enforcement community's support for New Jersey's Drug Court Program by allowing prosecutors to opt for drug treatment for certain offenders instead of mandatory imprisonment.

More egregious drug offenders will not fare as well under the new guidelines, as tougher punishment is required for certain defendants. Some examples: defendants proven to be engaged in street gang activity, those shown to have used a firearm or carried one, those who were involved in "commercial" drug sales, and those who returned to the scene of a prior drug crime in violation of a "Drug Offender Restraining Order" issued by a judge.

Electronic Recording of Statements by the Accused

Also in 2004, the Attorney General's Office and the 21 County Prosecutors promulgated an amended policy regarding the electronic recording of station house confessions.

This is the first time in the nation that electronic recording has been directed by an Attorney General, and New Jersey is only the fifth state to mandate electronic recording of statements.

The Amended Policy expands the requirements of an earlier-issued Interim Policy that called on police investigators to record — audiotape or videotape — the final statements of homicide suspects discussing their crimes with police in a station house custodial setting. The new, Amended Policy requires that, by September 1, 2005, police electronically record the final written statements — or acknowledgments of final statements — by all criminal suspects accused of first or second degree offenses. By January 1, 2006, that electronic recording requirement will be further expanded to cover all suspected third-degree offenders. Also, as of January 2006, police will be required to electronically record the same material for all juveniles suspected of committing any act that would constitute a crime under statute [NJSA 2A:4A-26a(2)(a)], thereby subjecting the juvenile to waiver to adult court on the prosecutor's motion.

The main purpose of the Attorney General's Amended Policy on electronic recording is to protect the rights of suspects — and the integrity of criminal investigations — by creating a permanent and objective record as a suspect provides his or her final statement.

The goal of the policy is to verify that the statement is voluntarily made, and that the text of the statement is accurate when presented in court.

Such an audio and/or video record can establish whether a suspect was properly advised of his or her Constitutional rights. It can also establish what the suspect actually said.

When a final statement is signed or acknowledged by a criminal suspect in custody and no electronic recording has been made, police are required under the new guidelines to document the reason why. "Excused" reasons might include that the recording equipment was not working or was unavailable, or that the suspect indicated a desire not to be electronically recorded.

The Attorney General's Amended Policy on electronic recording of suspects coincides, approximately, with similar recommendations by the New Jersey Supreme Court. In a report issued on April 15, 2005, the Supreme Court's Special Committee on Recordation of Custodial Interrogations recommended that the Supreme Court exercise its supervisory authority over the criminal justice system to encourage the recording of all custodial interrogations relating to first and second degree violent crimes, as well as a few other offenses.

The Special Committee's proposed rule applies to interrogations conducted in a place of detention at a point where Miranda warnings must be given. The Special Committee's recommended timetable to begin electronic recording of interrogations is as follows: January 1, 2006 for all homicides, and January 1, 2007 for all other eligible crimes. According to the Special Committee, the remedy for an "unexcused" failure by law enforcement to record eligible suspects is that the trial judge will consider the absence of a recording as a factor in its admissibility analysis, and the jury is to be instructed about the failure.

Prosecuting Bias Crime and Zero Tolerance for Bullying

Successful Prosecutions Targeted Hate-Related Criminal Activity; Outreach, Training Efforts Sought to Combat Bigotry, Bullying

Because bigotry and the anti-social behavior that can accompany it is a threat to all New Jerseyans, the Attorney General's Office has made combating bias crime a priority. Located within the Division of Criminal Justice, the Attorney General's Office of Bias Crimes and Community Relations is dedicated to the elimination of crimes motivated by animosity toward others because of race, color, religion, sexual orientation, ethnicity, gender or disability. The Office of Bias Crimes and Community Relations assists law enforcement agencies in investigating and prosecuting bias incidents, and facilitates training for police officers in bias crime investigation, cultural diversity awareness and conflict resolution. The Office also works with county and municipal Human Relations Commissions to coordinate efforts to promote understanding within diverse neighborhoods and communities. Victims of bias crime are encouraged to call the New Jersey Bias Crime Victim Support Services hotline at 1-800-277-BIAS.

Through collaborative effort involving Bias Crimes and Community Relations and other agencies within the Attorney General's Office — for example, the Division on Civil Rights — the State is also making a concerted effort to combat bullying. Although it is not limited exclusively to educational settings, bullying often takes place in schools, disrupting learning, impacting negatively on the self-confidence of young people, and acting as a catalyst to violence.

As a result, the Attorney General's Office has made it a point to not only address bullying incidents when they occur, but to liaison with the education community on a number of bullying prevention initiatives.

Bias Crime Prosecutions

❖ East Coast Hate Crew —

On March 26, 2004, six members of the East Coast Hate Crew were arrested and charged with attempted murder, as well as second and third degree offenses including conspiracy, bias intimidation, robbery and aggravated assault. The investigation revealed that the organization, which included juveniles and adults, had targeted members of the Hispanic community in Ocean County for assault and vandalism during a two-year period. The adult cases are still pending. Juveniles charged with offenses pleaded guilty and/or agreed to cooperate with the investigation.

❖ State v. Martin and Stickler —

In August 2002, defendants Larry Martin and Joshua Stickler, two white youths with ties to the National Alliance, attempted to assault a Hispanic male with a baseball bat and crowbar. Subsequent to their arrests, both defendants pleaded guilty to third degree crimes of making terroristic threats and possession of a weapon, and were sentenced to an 18-month probationary term.

❖ Gabriel Carafa Investigation —

On April 29, 2004, defendant Gabriel Carafa pleaded guilty to charges of second-degree bias intimidation and third-degree making terroristic threats, and was sentenced to three years in prison. Carafa had vandalized an Ocean County convenience store, operated by a family of Indian descent, and made threats and disparaging remarks directed at the employees. A co-defendant, Jonathan Teague, pleaded guilty to second-degree bias intimidation, aggravated assault, and other charges. He was sentenced to a five-year prison term. Teague attempted to run over a store employee with his car during the same incident. At the time, Carafa was reportedly a member of bias groups known as Church of the Creator and Aryan Renaissance Society. Upon his original indictment, Carafa jumped bail and fled to Florida, where he was apprehended and subsequently extradited back to Ocean County.

❖ State v. Castellano —

Defendant Ronald Castellano pleaded guilty in NJ Superior Court in Morris County to a third-degree charge of possessing steroids and a fourth-degree charge of possession of Viagra with intent to distribute. An investigation in 2003 and 2004 revealed that Castellano was distributing steroids and other controlled dangerous substances to members of the skinhead/white supremacist community. Castellano pleaded guilty in 2004, and received a three-year probation term.



This Logo is being used in an anti-bullying campaign to raise awareness regarding this important issue confronting New Jersey's children. The campaign also includes outreach by the Office of Bias Crimes and Community Relations to schools throughout the State.

❖ **State v. Piskorowski** —

In December 2004, an indictment was obtained in Bergen County against Adam Piskorowski, who is allegedly affiliated with an entity known as the Bergen County Hooligans, as well as several Eastern-European skinhead organizations. Piskorowski is suspected, along with others, of being involved in a bias-motivated assault in Garfield. The indictment charges Piskorowski with third-degree bias intimidation and fourth-degree theft. At present, he remains a fugitive.

❖ **Telephone Hotline, Public Service Announcements** —

The Attorney General's Office established in 2004 a 24-hour telephone hotline, 1-877-NO-BULLY, to assist the victims of bullying. In conjunction with this initiative, an anti-bullying Public Service Announcement (PSA) by the Attorney General began airing in late 2004. The PSA reminded listeners that bullying can be prosecuted as a bias crime — half of all bullying incidents are bias-related — urged listeners to talk to their children about bullying, and to ask about the mandatory "no bullying" policy at their children's schools.

Anti-Bullying Efforts

❖ **Division on Civil Rights Prosecution of Bias-Based Bullying/Harassment** —

Rejecting an earlier ruling by a State Administrative Law Judge, the Division on Civil Rights found in 2004 that the Toms River school district was liable for the consistent, bias-based harassment — and occasional physical assault — of a Toms River high school student by fellow students who perceived him to be homosexual. The mother of the ninth-grader elected to withdraw her son from the Toms River schools due to his victimization.

8 from Ocean County arrested in hate crimes

By KATHLEEN HOPKINS
TOMS RIVER BUREAU

TOMS RIVER — Authorities yesterday rounded up eight people they say targeted minorities in southern Ocean County for violence based on ethnicity or race.

The suspects, all from Ocean County, are a "loosely formed group of individuals" known as



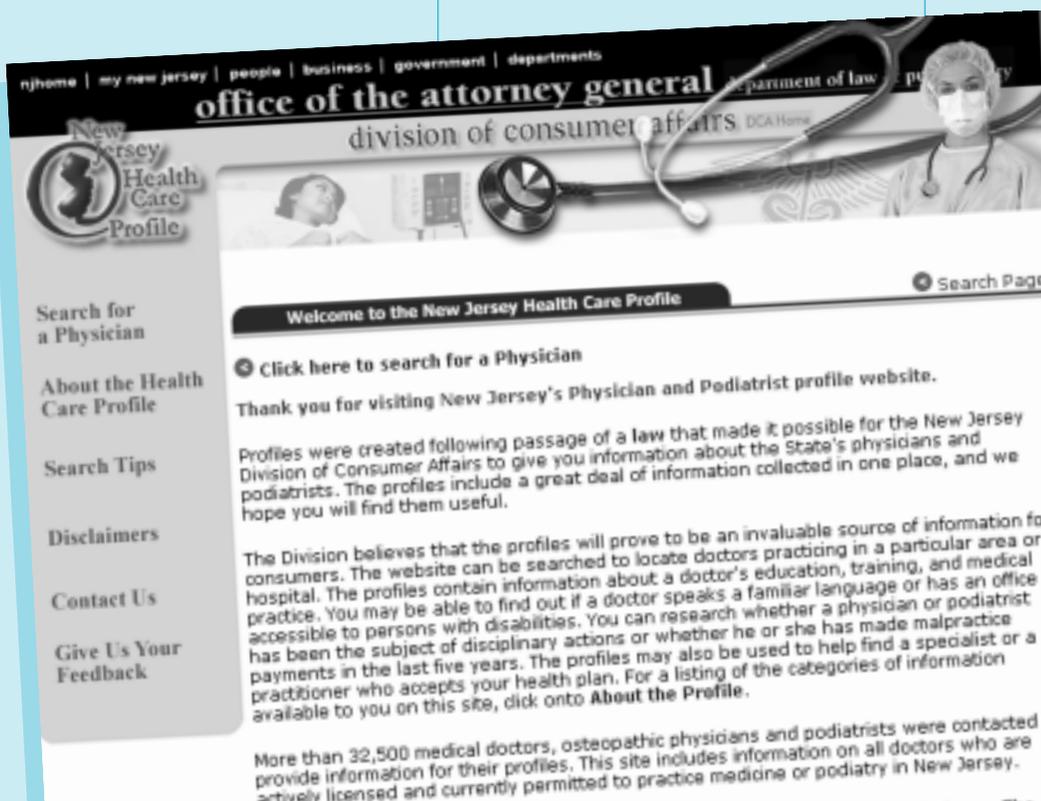
Protecting, Educating and Informing New Jersey's Consumers

“Do Not Call” Regulations Imposed Tough New Strictures on Telemarketing

The Attorney General's Office, through its Divisions of Consumers Affairs, Law, and Criminal Justice, remained aggressive in 2003-2004, filing complaints against those who failed to give customers their money's worth, monitoring to ensure that sellers and service-providers disclosed all terms and conditions to the public.

Among other actions, the Attorney General's Office:

- ❖ **Filed a criminal racketeering complaint against a Bayville, Ocean County man and the investment firms he controlled**, Global Trading Investment and Wyndham Group, alleging the sale to investors of more than \$4 million in fraudulent and un-registered securities. As part of the case, the State successfully petitioned the court to freeze the assets of the two investment companies.



Important information about physicians and podiatrists who hold active licenses in New Jersey is now available from one central source — the Physician Profile Web site developed by the Division of Consumer Affairs within the Attorney General's Office.

A link to the Physician Profile page can be found at www.NJConsumerAffairs.gov.

- ❖ Adopted regulations that implement New Jersey's Do Not Call law, which imposes tough restrictions on telemarketers and provides State residents with the nation's strongest level of protection from unsolicited and unwanted telemarketing calls.
- ❖ Developed a "Physician Profile" Web site where consumers can access from one central location important background information about physicians and podiatrists who hold active licenses in New Jersey, including how long a physician or podiatrist has been practicing, where he or she went to medical school and whether the physician or podiatrist has ever been the subject of disciplinary action or has made payments stemming from a medical malpractice case.

For additional detail about the actions of the Division of Consumer Affairs in 2003-2004, see page 44.

DO NOT CALL

New Jersey's "Do Not Call" law imposes tough restrictions on the telemarketing industry and provides privacy protections to New Jersey residents. The law prohibits telemarketers from making unsolicited sales calls to New Jersey residents who have placed their home and/or mobile phone numbers on the national "Do Not Call" registry, administered by the Federal Trade Commission.

Consumers who already have listed their phone numbers on the national registry are covered under New Jersey's law. You do not have to register separately with New Jersey.

New Jersey's law is separate from the federal law and is the strongest among other state "no call" laws. It allows the New Jersey Division of Consumer Affairs to keep tabs on the activities of telemarketers and arms the Division with strong enforcement powers.

For more information on New Jersey's law, or to file a complaint against a telemarketer who you believe may have violated the law, check our Web site at www.NJConsumerAffairs.gov or call the New Jersey "Do Not Call" Action Line at (888-NJ-NoCall) (888-656-8222).

If you have not already listed your phone numbers on the national registry and wish to do so, call 1-888-382-1222 or register online at www.donotcall.gov. Registration is free.

New Jersey Office of Consumer Affairs
New Jersey Division of Consumer Affairs
124 Halsey Street
Newark, NJ 07102
973-934-6250

The bold graphic used on the "DO NOT CALL" flier at right is symbolic of how aggressively the Division is working to stop telemarketers from engaging in this annoying practice.

Retailer settling allegations of fraud
Home Depot will pay \$510,000 to N.J.

By KEVIN G. DeMARRAIS
STAFF WRITER

Home Depot has agreed to pay \$510,000 to New Jersey to settle complaints that it defrauded consumers in its home improvement business.

BUSINESS

N.J. agencies to sue diet-pill maker
AG alleges Cytodyne Technologies' ads were deceptive

By SUSAN TODD

Settlement: Home Depot agrees to pay N.J. \$510,000

From Page B-1

■ Were deceptive in their descriptions and pricing of advertised items.

■ Incorrectly represented that their materials were of sufficient quality.

disappointed customers.

As part of the agreement, Consumer Affairs is forwarding copies of the complaints to Home Depot, Morris said, adding that the chain has 30 days to investigate them and an additional 60 days to respond to the complaints.

"Through this agreement, we have been given assurances that Home Depot will comply with New Jersey's consumer protection laws and treat consumers fairly and honestly," said acting Attorney General Peter C. Harvey.

Home Depot, which operates stores throughout the state, said it has "always strived to be in full compliance with all regulatory laws and is proud of its record of doing the right thing for its customers," and that the state's investigation "revealed that the majority of the complaints had been resolved directly between Home Depot stores and the customers."

In a statement, Home Depot said it has "always strived to be in full compliance with all regulatory laws and is proud of its record of doing the right thing for its customers," and that the state's investigation "revealed that the majority of the complaints had been resolved directly between Home Depot stores and the customers."

The charges come at a time when Home Depot is fighting increased competition from Lowe's Cos. Inc. and trying to improve its image among consumers.

Last week the chain reported a 1.5 percent increase in overall sales for the quarter ended May 4, up from 1.3 percent in the fourth quarter, and its stock has risen steadily up this year. Home Depot stock closed Tuesday at \$31.45, about 10 percent higher than its 52-week high of \$28.50.

Combating Cyber Crime and Identity Theft

AG's Office Drafted, and Legislature Passed, Tough New Identity-Theft Law; New Regional Computer Forensic Laboratory was Key Asset in Pursuing Sexual Predators and Other Cyber Criminals





As technology continued to evolve and permeate the mass market in 2003-2004, attempts to exploit that technology by sexual predators, con artists, identity thieves and other cyber-criminals presented an ongoing challenge. The Attorney General's Office countered that challenge through a vigorous, multi-faceted attack on cyber crime and identity theft that employed legislation, public awareness, civil litigation and, where appropriate, criminal prosecution.

The Attorney General's Office worked with the Legislature to develop a landmark bill – one that was ultimately approved and signed into law – designed to crack down on the crime of identity theft. The law eliminated, in cases of identity theft, the “presumption of non-incarceration” usually associated with third-degree crimes in New Jersey. Simply put, the new law meant that anyone convicted of a third-degree, identity-theft-related crime now faced the very real possibility of going to jail. In addition, the bill created a new, second-degree crime of using a false driver's license (or other phony government credential) to obtain a “legitimate” driver's license or other government document that could be used to verify identity. The law also gives victims a remedy unique to New Jersey. The law provides for the payment of restitution to identity theft victims and the removal — by order of the court — of all “bad credit” indicators resulting from identity theft.

Regional Computer Forensic Laboratory

An integral tool in the effort by the Attorney General's Office to fight cyber-crime is the Regional Computer Forensics Laboratory (RCFL). A world-class project that puts

New Jersey on the leading edge of forensic crime-solving technology, the RCFL is located in Hamilton Township, Mercer County. It is part of a sprawling, \$83.5 million complex that also houses the new State Police Troop “C” Headquarters, a communications center, and various other facilities used by State Police, the New Jersey Office of Counter-Terrorism within the Attorney General's Office, and the Office of Information Technology within the New Jersey Department of Treasury.

The RCFL involves a unique partnership combining the resources of the Attorney General's Office, the FBI and local law enforcement agencies. Under the RCFL program, highly trained and experienced personnel from the State Police and Division of Criminal Justice join members of the FBI and local law enforcement in working as computer forensic examiners. The RCFL examiners handle computer analysis exclusively for the purpose of supporting criminal investigations, including activity related to: terrorism, the accessing and/or circulation of child pornography, insurance fraud, identity theft, financial fraud, on-line luring by sexual predators, and such emerging criminal activity as theft or destruction of a data base via “hacking.”

One of the duties of RCFL examiners is to accompany criminal case investigators who are executing search warrants. When a computer believed to be related to criminal conduct is seized, it is the RCFL examiner who retrieves it. From there, the computer is transported to the RCFL facility and examined for evidence. Any evidence is then turned over to the case investigator and, if required, the RCFL examiner will provide expert testimony at related court proceedings.

Opened in 2004, the RCFL is a critical asset in the war on cyber-crime, which has been steadily on the rise. (In the year 2000, the Division of Criminal Justice's Computer

Analysis and Technology Unit (CATU) examined 37 computers for potential crimes. By 2003, that number had increased to 143, with a similar increase shown in the number of floppy disks searched.)

Case highlights include:

- ❖ **The obtaining of a guilty plea from a Monmouth County man on charges that he stole more than \$50,000** from persons who paid him for electronic merchandise they believed they'd purchased through Internet-based auction sites he operated. The scheme victimized 22 individuals in 17 states.
- ❖ **The obtaining of a five-year State Prison sentence against a Cape May County man who pleaded guilty to the possession and distribution of child pornography.** The defendant, Steven Allegretto, admitted uploading a child pornography image to an undercover Web site operated by State investigators assigned to the Division of Criminal Justice's Computer Analysis & Technology Unit.
- ❖ **The obtaining of a settlement agreement resolving allegations of fraud against Alyon Technologies, Inc., a North-Jersey-based Internet company accused of linking unwitting Internet users to pornographic “pop-up” images,** and billing them for Web-based services not requested by consumers. According to Attorney General Harvey, the State received more than 700 consumer complaints about Alyon — more than half of them from New Jersey residents, the remainder from consumers in states across the country. In most cases, consumers complained that they'd received bills from Alyon or its billing agent — often in the \$150 range — for access to on-line pornography they had not sought. The problem was, in part, traced to a proprietary computer program employed by Alyon.
- ❖ **The arrest of a Monmouth County man on charges of trying to engage a purported 14-year-old juvenile in a sexual encounter,** and transmitting images of sex acts via the Internet. The “juvenile” was actually a State Investigator assigned to the Division of Criminal Justice's CATU. At the time of this writing, charges were still pending against the defendant, who faced up to 25 years in State prison and a fine of up to \$325,000 if convicted on various felony counts.

Protecting Our Environment



Urban Environmental Initiative, Other Enforcement Efforts Targeted Waste Dumpers, Water Polluters; Litigation Yielded More than \$25 Million in Natural Resource Damage Compensation

Environmental protection is one of Attorney General Harvey's top law enforcement priorities. It is also a vital quality-of-life issue. The Attorney General's Office used both civil litigation and criminal prosecution in 2003-2004 to combat pollution and preserve important natural resources.

Criminal Enforcement

In 2004, the Environmental Crimes Bureau (ECB) within the Division of Criminal Justice obtained a total of 17 criminal indictments, guilty pleas and/or accusations related to unlawful pollution.

For the two-year period spanning 2003 and 2004, the ECB charged more than 50 individuals and corporations with such criminal offenses as criminal water pollution, unauthorized tire disposal in environmentally sensitive areas, and unlawful abandonment of potentially toxic solid wastes in residential areas, among other offenses. The Bureau also collected more than \$1 million in fines and restitution during the two-year period, and helped develop legislation — signed into law in 2004 — that significantly toughened criminal penalties for illegal dumpers.

Urban Environmental Initiative

Some unscrupulous individuals and corporations dump garbage, toxic wastes and other hazardous materials in New Jersey's cities. This waste is sometimes delivered to the poorest communities.

A major component of the Attorney General's effort to discourage polluters and enhance the quality of life of New Jerseyans remains the Urban Environmental Initiative. The Urban Environmental Initiative was established in 2002 by Attorney General Harvey, who at the time was serving as both First Assistant Attorney General and Director of the Division of Criminal Justice.

In creating the Initiative, Attorney General Harvey reasoned that urban landscapes marred by unlawful waste dumping and polluted, abandoned industrial sites provide a discouraging backdrop for revitalization, and an encouraging one for drugs, vandalism, street gang activity, and other crime.

As 2004 wound to a close, the State wrapped up a number of successful urban pollution investigations spearheaded by the Environmental Crimes Bureau, including Millville, Cumberland County, in which the operator of a now-defunct laundry business was indicted on charges of abandoning drums of hazardous dry cleaning solvents inside the facility. The defendant, W. Scott Sheppard, 36, of Millville, pleaded guilty and, in early 2005, was ordered to pay a \$25,000 criminal penalty to reimburse the New Jersey Department of Environmental Protection, and another \$9,000 to the New Jersey Spill Fund, to cover clean-up costs.

In an unrelated case, Morganville Properties of Edison, Middlesex County, pleaded guilty to unlawfully storing chemicals and other hazardous wastes for a period of at least two years at a truck yard at Raritan Center. During the period at issue, some chemicals leaked out of containers and onto the ground. As a result of its guilty plea, Morganville was required to pay \$50,000 in clean-up costs, a \$10,000 criminal fine, and \$6,700 to the New Jersey Spill Compensation Fund.

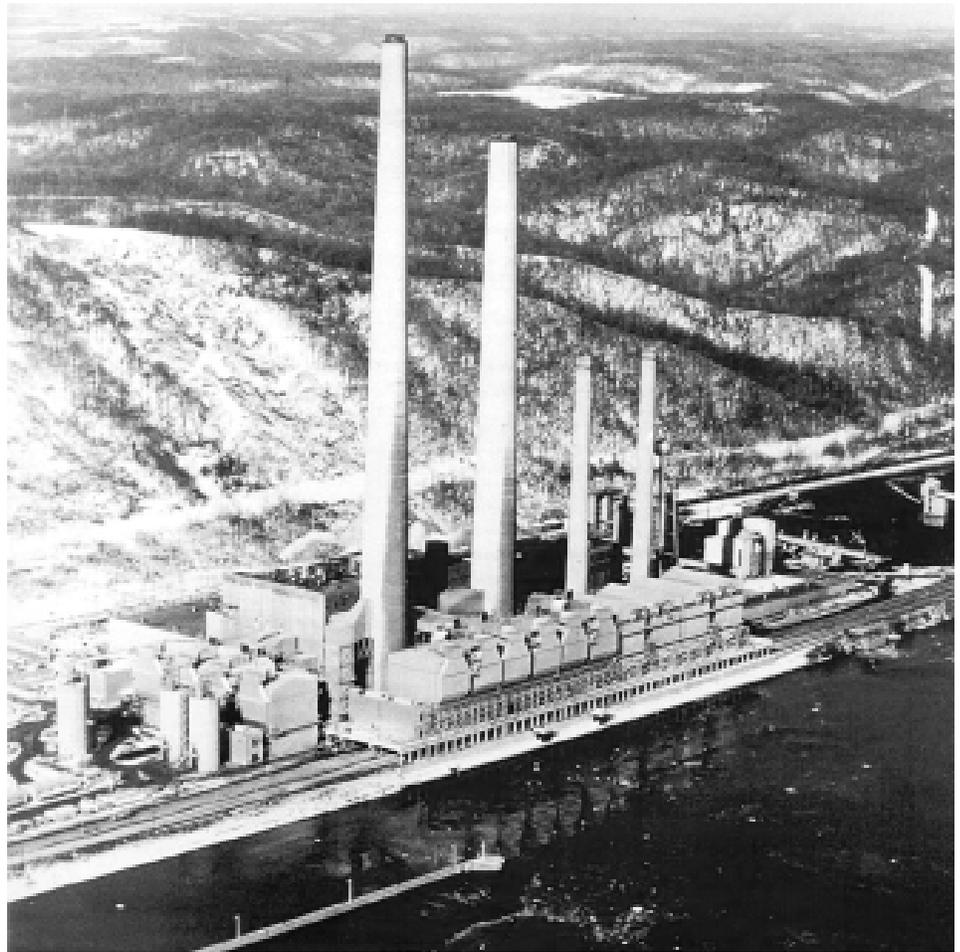
Among the ECB's other significant environmental prosecutions were:

- ❖ **The obtaining of a five-year State Prison sentence against a man who pleaded guilty to unlawfully disposing of solid waste and debris** at a privately-owned lot in the City of Trenton, as well as to charges of contempt for ignoring a Department of Environmental Protection order barring him from handling solid waste.

- ❖ **A six-month jail sentence and \$10,000 in fines against an Upper Saddle River businessman convicted of abandoning caustic photo processing chemicals** and other hazardous waste materials at a storage facility in Bergen County.
- ❖ **The obtaining of a guilty plea in state Superior Court, Essex County, by the president of a firm known as Precise Plating, to charges of negligent violation of the Water Pollution Control Act.** In pleading guilty, the official admitted that on March 4, 2004, the company intentionally discharged wastewater containing cyanide in excess of permit levels directly into the Newark municipal sewer system. The executive and Precise Plating were ordered by the court to pay a \$2,500 fine to the Passaic Valley Sewerage Commission.

On the civil litigation front, the Attorney General's Office has worked with DEP to secure more than \$25 million in Natural Resource Damage compensation from polluters — more than was obtained during the previous 10 years combined. The OAG has devoted considerable legal resources to target lawbreakers in the power industry who are polluting New Jersey's air. Coal-fired power plants in the Midwest and South produce roughly one-third of the air pollution in New Jersey, contributing to an epidemic of asthma.

Working with Attorneys General from other states, Attorney General Harvey challenged the U.S. Environmental Protection Agency six times in 2003 and 2004 over rule changes that put corporate profits ahead of the environment and public health. Through the Division of Law within the Attorney General's Office New Jersey:



As the result of federal litigation brought by the New Jersey Attorney General's Office, this coal-fired power plant owned by Ohio Edison will significantly reduce its air polluting emissions. Located along the Ohio River in Steubenville, Ohio the facility is known as the W.H. Sammis coal-fired plant. For years it has been sending massive amounts of sulfur dioxide and nitrogen oxides northeastward from Ohio via prevailing winds. Under terms of a settlement agreement announced in early 2005, Ohio Edison is to install new pollution controls that will reduce air pollution from the plant by between 70 and 80 percent. In addition, Ohio Edison will pay the State of New Jersey \$2.8 million to fund environmental projects.

- ❖ **Challenged the EPA's failure to set strict standards for six pesticides** widely used on children's food.
- ❖ **Sued the EPA for failing to regulate global warming pollution.**
- ❖ **Gained a major victory when a federal court granted the State's request to block a new EPA rule that would allow the dirtiest power plants to avoid long-standing Clean Air Act requirements** to install pollution controls when making plant upgrades.
- ❖ **Blocked an EPA attempt to lower air conditioner efficiency standards.**
- ❖ **Filed comments opposing the EPA's proposal that dangerous mercury emissions from coal-fired power plants** — which introduce mercury into the food chain and cause neurological damage in young children — be controlled under a trading scheme that would allow many plants to avoid installing pollution controls.
- ❖ **Filed suit challenging a new EPA rule that would make it easier for power plants to avoid installing technology to protect aquatic life from cooling water intakes**, which suck six billion gallons of water each day from New Jersey's bays and rivers, killing millions of fish.

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Domestic Security Preparedness Task Force

Chaired by the Attorney General, the Domestic Security Preparedness Task Force was created by the New Jersey Domestic Security Preparedness Act of 2001.

Historically, New Jersey has been home to a well-established cadre of "operational" agencies with expertise that contributes to a comprehensive, statewide homeland protection effort. However, there had never been a Cabinet-level entity dedicated to the overall planning, coordination and oversight of New Jersey's homeland security strategy until the creation of the Task Force. By establishing and helping to maintain a cooperative effort among government agencies at all levels — and by working closely with officials in private industry at the same time — the Task Force has fostered unity in coordinating New Jersey's homeland-security-related initiatives. The work of the Task Force is vital, because New Jersey is home to many major petrochemical, pharmaceutical, industrial and manufacturing facilities. The Port of New York/New Jersey is a hub of international commerce, and the Newark Liberty Airport is one of the East Coast's busiest. New Jersey also provides strategic links to New York and Philadelphia via bridges and tunnels. In short, New Jersey remains an attractive target for potential terrorist activity.

Threat Level Orange Periods

Consistent with its mission, the Task Force is responsible for developing response plans for various homeland security alert levels. In 2003, there were four Threat Level Orange periods in which the Task Force — working with agencies at all levels of government — put into action response plans to provide the state heightened protection. From August through November of 2004, finance centers in Newark and surrounding North Jersey counties were placed on Threat Level Orange alert after it was learned that al Qaeda operatives had been

conducting surveillance at Prudential in Newark. Threat Level Orange denotes a "high risk" of terrorist attack, as determined by the U.S. Department of Homeland Security. It requires that state and local government mobilize preparedness efforts that are both complex and labor-intensive — including activation of the State Police Emergency Operations Center, and assigning added security around critical facilities and infrastructure.

Infrastructure Advisory Committee

Statewide, approximately 85 to 90 percent of the New Jersey's most critical infrastructure is owned by private industry.

Recognizing this reality, the Task Force established an Infrastructure Advisory Committee (IAC) made up of senior managers from 20 industrial sectors. These 20 industrial sectors contribute significantly to the strength of New Jersey's economy and its quality of life.

Each of the 20 sectors has formed an industry subcommittee to develop and implement "Best Practices" for security. Each of these sectors is also paired with one or more Task Force agencies that serve as the state's liaison to the industry. Best Practices cover such issues as target hardening and vulnerability/mitigation measures, crisis response, contingency and continuity planning, protocols for communications, background checks and adjustments to security measures as required by changing realities.

A second generation of Best Practices for industry was completed in April 2004, and the Task Force's departmental liaisons continue to monitor compliance with those recommended practices.

Detect and Render Safe Task Force

New Jersey's Detect and Render Safe Task Force is a state, county and local collaboration. It involves the state's 10 bomb squads, as well as more than two-dozen newly purchased explosive-detecting dogs working together to detect and respond to potential bomb incidents. Supported by federal grant funds and coordinated by the State Police Bomb Squad, the Detect and Render Safe Task Force provides for a uniform and consistent response to the detection of explosives before they can be detonated, and for the rendering of those explosives harmless when they are found. The Detect and Render Safe Task Force has the ability to marshal all of the state's assets to one location, pursuant to a comprehensive Mutual Aid Agreement developed, negotiated and executed by the Domestic Security Preparedness Task Force.

General Aviation Security Order

The Task Force issued an Order to approximately 450 general aviation facilities requiring that those facilities post signs regarding the reporting of suspicious activity, and that aircraft which remain at the facility for more than 24-hours be double-locked. This Order was subsequently incorporated into regulations adopted by the New Jersey Department of Transportation.



Office of Counter-Terrorism

Established by Executive Order in 2002, the New Jersey Office of Counter-Terrorism (OCT) complements the Domestic Security Preparedness Task Force and provides the state with a centralized agency to administer and lead New Jersey's counter-terrorism efforts. The Executive Order defines the Office's mission as "identifying, detecting and deterring terrorist activity" by focusing on intelligence gathering and analysis, investigations, training and helping to protect critical infrastructure.

OCT is supervised by the Attorney General. Its staff is provided mainly by the Attorney General from the Division of State Police and the Division of Criminal Justice. These law enforcement powers derive from the fact that the OCT is within the Office of the Attorney General, the state's chief law enforcement officer. The Office of Counter-Terrorism's major accomplishments fall into four main categories: Information Sharing and Outreach; Training Initiatives; Investigative/Intelligence Operations; and Infrastructure Protection.

These accomplishments include:

Information Sharing/Outreach

- ❖ **Activated an Office of Counter-Terrorism toll-free tip line, 1-866-4-SAFE-NJ** (1-866-472-3365) to encourage the public to report suspicious activity that may be terrorist-related. During various elevations of the Homeland Security Alert System to Threat Level Orange, the Tip Line number is prominently displayed on major highways and roadways throughout the state on the Department of Transportation's various message boards.
- ❖ **Created six secure Web sites through the New Jersey State portal** site to provide information to (1) law enforcement, (2) the private sector/ owners and operators of critical facilities, (3) mayors and government representatives, (4) educators, (5) fire and emergency services personnel and (6) all sectors on Best Practices for security.
- ❖ **Implemented a Statewide Information Management System (SIMS)** to facilitate the process for county and local police to report leads regarding potential terrorist activities. The reporting process allows for consistent tracking and documentation of leads, streamlines the reporting of leads to the Office Counter-Terrorism and the FBI's



From left to right; Edwin Moore, Assistant Director; Anita Bogdan, Assistant Director; Sidney Caspersen, Director; Angela LaBelle, Chief of Staff; Edward Curran, Deputy Director and Stephen Serrao, Assistant Director. Not pictured: Caroline Barnes, Assistant Director and Cherrie Black, Assistant Director.

Joint Terrorism Task Forces. SIMS also serves as a repository and analytical tool for intelligence data.

- ❖ **Implemented the Critical Asset Tracking System (CATS)** database, a centralized electronic repository that tracks, maintains, collects and analyzes data relevant to sites within the state that have been identified as critical or significant for homeland security.

Training Initiatives

- ❖ **Designed and delivered Basic Counter-Terrorism Intelligence Awareness Training Courses for law enforcement personnel.** To date, a total of 1,658 law enforcement officers have been trained statewide. These courses meet the provisions of Attorney General Directive 2004-03 that requires all New Jersey police officers to be trained in counter-terrorism awareness and other related courses.
- ❖ **Designed and delivered seven Train-the-Trainer workshops for Law Enforcement Trainers** in which 222 instructors have been trained. In turn, 180 of these instructors had trained approximately 5,800 law enforcement personnel by the end of 2004.
- ❖ **Developed and presented two advanced one-day International Terrorism Symposiums**, each attended by more than 500 law enforcement and government officials.

Investigative/Intelligence Operations

- ❖ **Coordinated investigative efforts among federal, state, county and municipal law enforcement agencies.**
- ❖ **Reviewed and processed more than 3,000 investigative leads into the SIMS intelligence system** that

were provided by federal, state, county and municipal agencies, as well as the general public through the toll-free counter-terrorism tip line (866-4-SAFE-NJ).

Infrastructure Protection

- ❖ **Expanded and revised identification of critical infrastructure sites statewide**, using Department of Homeland Security guidelines, as well as information provided by municipal and county officials.
- ❖ **Completed Buffer Zone Protection Plans (BZPPs)**, in accordance with Homeland Security Presidential Directive-7 (Protection of Critical Infrastructure), for approximately 50 critical infrastructure sites, including chemical, petroleum, and water treatment facilities, commercial buildings and public gathering places.
- ❖ **Coordinated the development and drafting of Homeland Security Advisory System (HSAS) response measures** for all state departments and agencies. These measures indicate what steps and procedures each agency will take to correspond to changes in the HSAS threat matrix.
- ❖ **Prepared, coordinated and implemented procedures and equipment acquisition for county and municipal law enforcement** during the July/August 2004 Threat Level Orange alert indicated by the Department of Homeland Security for the Prudential Financial Center in Newark.



Office of Government Integrity

The Office of Government Integrity was created by Attorney General's Administrative Executive Directive 2002-2. OGI includes the Professional Responsibility Unit and the Fiscal Integrity in School Construction Unit. The Professional Responsibility Unit monitors compliance by the Attorney General's Office, and County Prosecutors' Offices, with the Attorney General's Internal Affairs Policy & Procedures Manual. OGI is authorized to conduct operations audits of internal affairs units in order to identify systemic problems, and find ways to eliminate actual or apparent conflicts of interest, and to assure the integrity of internal affairs investigations. The Fiscal Integrity in School Construction Unit is charged with ensuring integrity in the financing and construction of school facilities, and the implementation of the State's Educational Facilities Construction and Financing Act (EFCFA). Enacted in July 2000, the EFCFA is the largest public works program in New Jersey history, authorizing the expenditure of up to \$8.6 billion to build and renovate schools in every public school district. For additional information about the OGI, visit its Web site www.nj.gov/oaglogi.

Highlights

❖ **State v. Advanced Building Supplies, Inc. and Edwin Janka** — Edwin Janka, president of Advanced Building Supplies, Inc., altered an expired Division of Property Management and Construction (DPMC) Notice of Classification, so that it appeared to be valid. His company submitted the altered credential with its bid for renovation work to the Howell Township Board of Education. The falsification was detected by DPMC, which referred the matter to OGI. In May 2003, the OGI obtained a three-count indictment against Advanced Building Supplies and Janka for forgery, falsification of records and false swearing. In September 2003, Janka was admitted to Pre-Trial Inter-

vention. The corporation was convicted of falsifying records, fined \$5,000, and placed on probation. Both were debarred from public works contracting for two years.

❖ **Thomas Construction Settlement** —

As a result of action by OGI, this construction firm was ultimately dissolved, and its vice-president agreed to not participate in public works projects for three years. OGI sought to revoke the firm's state-issued authorization to handle EFCFA school construction projects after it displayed serious, potentially life-threatening performance failures on a middle-school construction project in Warren County, and admitted falsifying certified invoices so as to improve the company's cash flow.

❖ **Best Roofing** —

This New Jersey roofing firm was denied pre-qualification to do school construction project work after OGI determined that Roger Martin, a key employee of the company, had been convicted of conspiracy to bribe public officials and labor leaders in order to obtain public contracts while he was CEO of another roofing firm. William Scrivens, the Chief Executive Officer of Best Roofing, testified in a public corruption trial that he participated in Martin's criminal acts. Scrivens also admitted, in unrelated sworn testimony, that he sought to defraud the Ridgewood school district by substituting inferior roofing materials for those called for by the contractor.



From left to right: John Kennedy, Director; Tracy M. Thompson, Deputy Director; William Newsome, Chief Investigator.

❖ **State v. Maureen A. Milan** —

Maureen A. Milan, former Vice-President and General Manager of New Jersey Transit (NJT), was sentenced to three years in State Prison for soliciting and receiving benefits from a vendor which had a contract with NJT. The case was prosecuted by OGI, which ultimately obtained an indictment charging Milan with official misconduct and 13 other crimes. Specifically, Milan was charged with having accepted numerous and expensive benefits from NJT vendors over a course of several years including \$17,000 in free hotel charges, meals at top restaurants, spa visits, World Series box seats, concerts and shows. Milan ultimately pleaded guilty to one count of second-degree Unlawful Benefits for Official Behavior. Milan and two other employees were fired. Twenty-four employees received discipline ranging from a verbal reprimand to loss of pay and suspension.



Division of State Police

The Division conducts criminal investigations, enforces traffic laws on New Jersey toll roads and interstate highways, provides forensic science laboratory services to local law enforcement agencies, maintains criminal records and identification systems, and protects life and property on coastal and inland waterways. The State Police also provides protection and comprehensive police services in municipalities throughout the State where there is no local police department. The Division also coordinates emergency response services, including statewide response to natural disasters and terrorist incidents. For additional information, visit the State Police Web site www.njsp.org.

Highlights

- ❖ **New Homeland Security Branch** — Created in February 2004, this reorganization is the largest for the State Police in years. This new unit brought both the Emergency Management Section and the newly established Special Operations Section under one command. The move enhanced New Jersey's ability to respond to an elevated threat level, or any event requiring the concerted efforts of law enforcement, intelligence and emergency response workers. The Homeland Security Branch is comprised of nine bureaus incorporating the most highly-trained and specialized units. There are approximately 1,100 personnel, including 550 State Troopers, assigned to the branch.
- ❖ **New Motorcycle Patrol Unit** — In March 2004, the State Police launched a new motorcycle patrol unit for duty along the Garden State Parkway. The unit has four troopers assigned out of the Holmdel State Police Station. Holmdel Station patrols 42 miles of the Garden State Parkway from Woodbridge, Middlesex County to Brick Township in Ocean County. The unit is equipped with four Harley Davidson Electra Glide motorcycles.
- ❖ **Camden County Anti-Crime Partnership** — The anti-crime partnership is a collaborative effort focused principally on improving the quality of life for law-abiding residents of Camden and the surrounding area by cracking down on drug traffic, gang activity



Col. Joseph R. Fuentes,
Superintendent

and violent crime, while addressing such related public safety issues as abandoned vehicles. Led by the State Police – approximately 80 percent of the personnel assigned to the effort are State Police members – the partnership also involves resources from the Camden County Prosecutor's Office, Camden County Sheriff's Department, Camden Police and the Delaware River Port Authority (DRPA) Police. In 2004 alone, the anti-crime partnership resulted in more than 2,000 total arrests, more than 600 vehicles towed, 43 firearms recovered, more than \$250,000 worth of illegal narcotics confiscated, and more than \$154,000 in currency seized. As of 2004, the partnership had resulted in the removal of more than 2,000 vehicles in two years, the recovery of more than 100 firearms, and the seizure of at least \$1.5 million worth of illegal drugs.

- ❖ **Anti-Crime Partnership Success in Irvington** — In May 2004, Attorney General Harvey and members of the Essex County Anti-Crime Partnership, which includes the State Police, painted over gang graffiti on the corner of Springfield Avenue and 21st Street in Irvington, one of the city's most notorious locations for drug and gang activity. The May 2004 graffiti paint-over followed several police raids in the area, signaling the end of gang rule. Through arrests, the issuing of summonses, and the seizure of guns, drugs and vehicles, the Essex Anti-Crime Partnership has made a tremendous impact on crime and the quality of life in Irvington. The Partnership consists of the State Police, the Irvington Police Department, Essex County Sheriff's

Department, Essex County Prosecutor's Office, New Jersey Department of Corrections, Juvenile Justice Commission, Air National Guard, Division of Criminal Justice, U.S. Drug Enforcement Agency and Rutgers University Institute for Police Studies.

- ❖ **Aggressive/Impaired Driver Crackdown** — Through a \$2.4 million dollar Department of Transportation grant, the State Police strengthened its "aggressive driver" enforcement program in 2004. Fourteen existing State Police vehicles were retrofitted with upgraded emergency lighting for use as unmarked troop cars to assist with enforcement efforts. As part of the effort, State Troopers targeted critical areas on heavily-traveled state roads including Rt. 78, Rt. 287, Rt. 80, Rt. 195, Rt. 295, and Rt. 55.
- ❖ **Trooper Graduations** — Four new State Police classes graduated in 2003-2004, bringing a total of 195 new Troopers into the ranks of the State Police.
- ❖ **New Crisis Management Software** — State Police have begun utilizing a new, state-of-the-art crisis management software system that expands emergency preparedness and response capabilities. The new software enables agencies to share on-line information instantaneously, and is therefore conducive to a more effective response, particularly when multiple agencies are involved. Initially deployed in the State's Emergency Operations Center, the system was activated during the Republican National Convention in New York in 2004, and during the flooding that ravaged parts of Warren, Sussex, Hunterdon, and Mercer counties.



Honor
Duty
Fidelity



Honor
Duty
Fidelity



Office of State Police Affairs

Located within the Attorney General's Office, the Office of State Police Affairs (OSPA) was created to ensure implementation of reform recommendations made by a specially-appointed State Police Review Team, and to ensure full compliance with the terms of a federal Consent Decree pertaining to the prevention of racial profiling. The essential mission of the Office of State Police Affairs is to ensure that the New Jersey State Police is, and remains, a premier law enforcement agency committed to the most effective and constitutionally sound police practices.

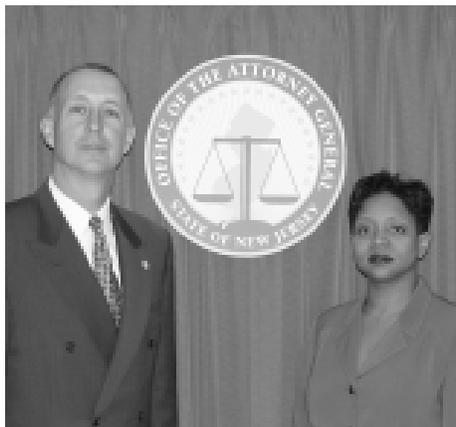
On a regular basis, the OSPA oversees the training of troopers and trooper candidates on cultural awareness, law enforcement ethics and leadership, constitutional law pertaining to search and seizure and equal protection, and other key issues.

The Office also provides Consent-Decree-related technical assistance to State Police decision makers, and monitors and reviews State Police internal investigative processes to ensure they are being carried out both properly and effectively.

The OSPA also prosecutes non-criminal discipline cases brought against Troopers accused of misconduct and — when a potential conflict-of-interest or other special circumstance requires it — conducts internal affairs investigations in place of the State Police's own internal affairs unit, the Office of Professional Standards.

The OSPA is directed by an experienced prosecutor, and staffed by a deputy director, four deputy attorneys general, and six full-time investigators, including a chief investigator and deputy chief investigator, as well as a contingent of State Police personnel commanded by a captain. The office is also staffed by a social scientist/statistical analyst, and various clerical and support personnel.

Through collaborative effort involving the Attorney General, State Police leadership and enlisted members, the State Police Academy, the court-appointed Independent Monitoring Team, and the U.S. Department of Justice, the OSPA has moved the New Jersey State Police into full compliance with requirements of the federal Consent Decree of 1999.



*From left to right: Daniel G. Giaquinto, Director/State Police Affairs, AAG
Desha Jackson, Deputy Director/State Police Affairs, DAG*

In December 2004, the Attorney General and the OSPA issued the 11th Independent Monitors' Report, which found that no evidence of racial profiling by State Police had been identified by the monitoring team during the prior six-month review period. That same report also lauded State Police for "remarkable" gains made in such areas as Trooper training, field operations and personnel supervision.

Significantly, the 11th Monitors' Report found that State Police had, for the first time since monitoring began, accomplished all field-operations-related tasks required by the Consent Decree. Previously, the 10th Independent Monitors' Report had been nearly as glowing, with the monitors praising evidence of "substantial compliance" in virtually every area.

The high marks from the Independent Monitoring Team are no accident.

On a regular basis, the OSPA has been working on many fronts to help make the New Jersey State Police become the strongest and most diverse statewide law enforcement agency in the nation.

OSPA personnel audit tapes of calls placed to the State Police citizen "hotline" to ensure that information — particularly specific caller complaints — is properly reported and handled.

OSPA also reviews 100 percent of State Police internal affairs investigations into "critical incidents" — those that involve allegations of racial profiling, excessive use of force, violation of constitutional rights, discriminatory treatment, and domestic violence allegedly perpetrated by troopers.

In reviewing these cases, OSPA staffers are principally concerned with ensuring that the Office of Professional Standards has conducted its investigations thoroughly and in ac-

cordance with its own Standard Operating Procedures, and that the outcomes — favorable or unfavorable — are supported by the evidence.

The OSPA is now the only entity that monitors investigations conducted by the State Police Office of Professional Standards. In April 2004, the court terminated oversight of that unit by federal monitors, which had been ordered under the Consent Decree, in response to a joint motion by the State and the Department of Justice. The Office of Professional Standards was lauded by the Independent Monitoring Team as a "shining star" for its work in conducting internal affairs probes.

In addition to its direct monitoring work, the OSPA also functions as an important liaison between the State Police, the Independent Monitoring Team and the Department of Justice's Civil Rights Division.

It was OSPA personnel who partnered with State Police supervisors more than a year ago to ensure supervisory review of all videotapes of reportable car stops conducted by road Troopers, as opposed to review of only the "paper" reports filed by troopers regarding those car stops. (A trooper is required to file a stop report on any car stop in which he or she takes action requiring a driver and/or occupant to get out of the vehicle — including arrest, frisk, car search, deployment of a drug-sniffing dog, etc.)

Today, members of the OSPA describe those regular videotape reviews by supervisors as vital, because they enable supervisors to identify and correct — via follow-up discussion, training, and/or other interventions — errors by road troopers.



From left to right: Burt Liebman, Director/Legislative & Regulatory Affairs; Anthony Miragliotta, Deputy Director; Louis Greenleaf, Superintendent/Office of Weights & Measures; June Levy, Assistant Director; Jeffrey Burstein, Acting Director; Margaret Anastos, Chief of Staff/EEO; Robert Campanelli, Director/Consumer Services; James Carter, Assistant Director/Investigations; Edward Tumminello, Chief/Enforcement Bureau; Robert Russo, Director/Mediation & Adjudication; Stanley Fischer, Executive Director/Office of Consumer Protection.

Division of Consumer Affairs

The Division of Consumer Affairs is responsible for administering and enforcing the laws intended to make New Jersey's commercial marketplace a fair and safe place to do business. Through the Division's investigative, prosecutorial and public awareness efforts, as well as through the work of its professional and occupational review boards, the Division carries out its mission of protecting consumers against illegal and/or unscrupulous business practices, prosecuting those who commit fraud, and keeping the public aware with regard to fraud prevention and other significant consumer issues. The Office of Consumer Protection, the Enforcement Bureau, the Bureau of Securities, the Office of Weights and Measures, the Charitable Registration Unit and the Legalized Games of Chance Control Commission all fall under the purview of the Division of Consumer Affairs. For further information on the Division, its mission, its accomplishments and initiatives, visit the Consumer Affairs Web site www.NJConsumerAffairs.gov.

Highlights:

- ❖ **The Division took a leadership role, through its Bureau of Securities, in a landmark, multi-state investigation of Wall Street investment firms**, resulting in payments of more than \$400 million in civil penalties to the states involved in the investigation.
- ❖ **A lawsuit filed against Nissan North America, Inc.**, alleged that the automobile manufacturer knew headlights on

2002 and 2003 Nissan Maxima models were being targeted by thieves, but failed to promptly warn consumers about the problem or notify owners and lessees about the availability of devices to prevent the thefts.

- ❖ **The Division filed suit against the manufacturers of ephedra-based supplements** for allegedly making false claims regarding the efficacy of the supplements, while also failing to warn consumers about potential dangers associated with the products.
- ❖ **A settlement agreement negotiated by the Division with Sears Roebuck and Co.** required that Sears pay more than \$625,000 — including approximately \$125,000 in restitution to thousands of New Jersey consumers — to settle allegations by the State that Sears auto centers defrauded customers by charging for four-wheel alignment services on vehicles not equipped to even receive such services.
- ❖ **The Division helped negotiate a monumental, multi-state, multi-million-dollar agreement with Household International**, providing for more than \$17 million in restitution for allegedly misleading consumers concerning household loans.
- ❖ **The Division filed suit against EON Institute, Neighborhood Properties Group, LLC and Barry C. Fauntleroy**, among others, alleging that they carried out a massive predatory lending scheme that

defrauded low-income, minority consumers and left them with broken promises and overwhelming debt.

- ❖ **Regulations were adopted implementing New Jersey's Do Not Call law**, which imposes tough restrictions on telemarketers and provides State residents with a strong level of protection from unsolicited telemarketing calls.
- ❖ **The Division developed a "Physician Profile" Web site** where consumers can access, from one central location, important background information about physicians and podiatrists who hold active licenses in New Jersey. The information includes how long a physician or podiatrist has been practicing, where he or she attended medical school, and whether the physician or podiatrist has ever been the subject of disciplinary action or has made payments stemming from a medical malpractice case.
- ❖ **As part of the Contractors' Registration Act, the Division developed a registration scheme for home improvement contractors.** To date, the Division has received more than 13,500 applications from contractors seeking to become registered. The Act will go into effect December 31, 2005.



Division of Criminal Justice

Staffed by more than 150 attorneys and more than 350 investigators, the Division of Criminal Justice works to protect the rights and safety of the public. The Division accomplishes its core mission in a variety of ways including the development of standards for the enforcement and prosecution of criminal laws, and the investigation and prosecution of unlawful activity including, but not limited to, public corruption, drug and weapons trafficking, street gang activity, bias crime, insurance fraud and environmental crime. Forty-one attorneys and 81 criminal investigators are assigned to combating insurance fraud, seven attorneys and 29 criminal investigators are dedicated to the Narcotics Bureau, 10 attorneys and 32 criminal investigators are assigned to the Organized Crime Bureau, and seven attorneys and five criminal investigators are assigned to the Casino Prosecutions Bureau.

Other sections to which attorneys and investigators are assigned include computer crime, special prosecutions, major financial crime, environmental crime, bias crime, labor prosecutions, law enforcement services, grand jury review, victim/witness coordination and prosecutor supervision and coordination.

The Division takes a lead role in promul-

gating policies related to all aspects of law enforcement. The Division also provides leadership to the 21 county prosecutors and other law enforcement agencies to ensure uniformity. For more information about the Division, visit its Web site www.njdcj.org.

Highlights

❖ Prosecution of Serial Killer Cullen —

The Division of Criminal Justice took a lead role in the multi-state investigation and plea negotiations that resulted in a global plea agreement with accused mass murderer Charles Cullen. A male nurse, Cullen has confessed to murdering 16 hospital patients in New Jersey – 13 in Somerset county and three in Warren county. At the time his plea deal was struck in 2004, Cullen had also admitted to killing a patient at a hospital in Northampton County, Pa. By virtue of the plea agreement, Cullen avoided the death penalty, but will spend the rest of his life in prison. He also agreed to provide full disclosure regarding murders and attempted murders he may have committed while employed as a student nurse or licensed nurse at 10 medical facilities located in five northern New Jersey counties and two eastern Pennsylvania counties between 1984 and 2003. The plea agreement also calls for Cullen to provide information that will assist health care facilities in improving security

and operating procedures – particularly involving patient access and medications.

❖ Public Corruption Cases —

The Division of Criminal Justice charged or convicted a total of 90 defendants for public-corruption-related offenses during the past three years, a milestone achievement. This significant number of cases does not include 23 Motor Vehicle Commission employees prosecuted for selling driving credentials and other document fraud. The prosecutions included:

❖ Assemblyman Pleads Guilty —

A 17-year veteran of the Legislature, Assemblyman Anthony Impreveduto pleaded guilty in late 2004 to misappropriating campaign funds for personal use. As part of a plea agreement, Impreveduto resigned his Assembly seat, was sentenced to five years probation, and was ordered to repay \$50,000 in illegally spent campaign funds.

❖ Law Enforcement Corruption —

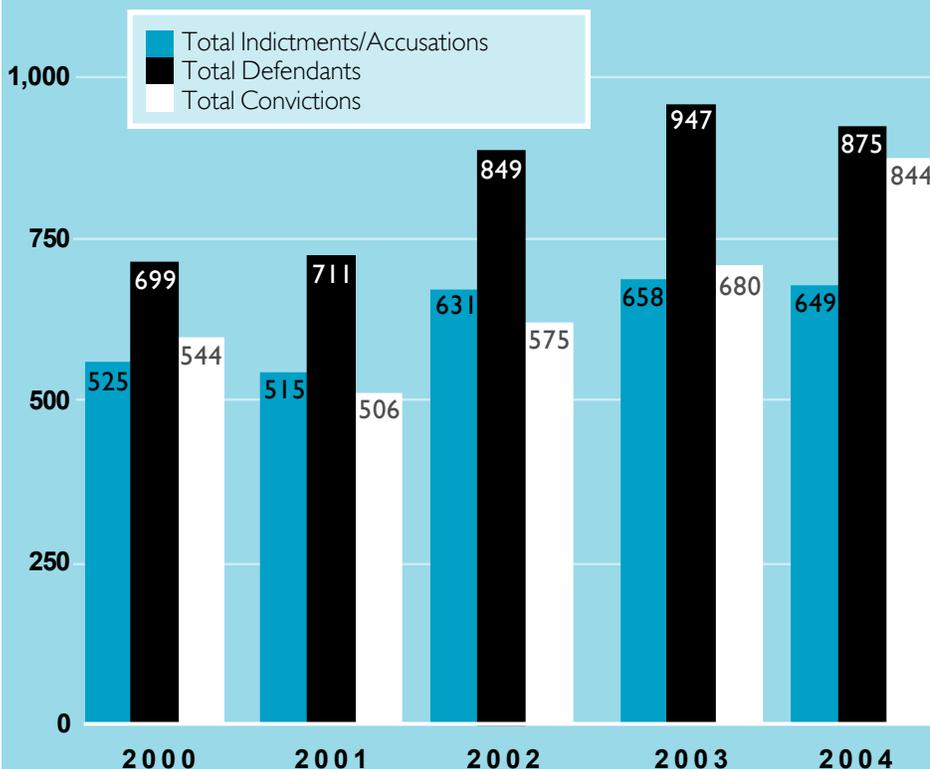
In Fall 2004, the Division obtained an indictment charging two Newark police officers with stealing cash and other items from purported drug dealers, and with “planting” drugs on individuals to cover their alleged actions. Also in 2004, the Division obtained an indictment charging a female Newark police officer with trafficking in illegal drugs, and a guilty plea from another Newark police officer to charges of “shaking down” alleged drug dealers by stealing their cash. In 2003, the Division obtained an indictment against a former Jersey City police officer for trying to use stolen credit cards to obtain merchandise.

❖ State v.

Daniel Wilson —

Former treasurer of the West Deptford Democratic Campaign Committee and former Director of the Department of Public Works in West Deptford, Wilson was sentenced to four years probation, barred from all future government employment, and ordered to pay a \$2,500 fine and court costs. Wilson was convicted, in a non-jury trial, of 11 counts of criminal activity related to an investigation focused on illegal campaign contributions by JCA Associates, a politically-active South Jersey engineering consulting firm.

Division of Criminal Justice Statistics





From left to right: John R. Hagerty, Director of Communications; Anne Kriegner, Chief; Keith Poujol, Chief Administrative Officer; Vaughn L. McKoy, Director; Greta Gooden Brown, Insurance Fraud Prosecutor; Ron Susswein, Deputy Director; Patricia Prezioso, AAG, Chief of Law Enforcement Services; E. Robbie Miller, DAG, Chief of Policy and Legislation.

❖ **Combating Drug Gang Activity —**

● Operation Golden Triangle —

Operation Golden Triangle led to the arrest of 17 people involved with the alleged sale of heroin and other narcotics. A collaborative effort of the Division, Trenton Police and the Mercer County Prosecutors Office, the operation focused on drug dealing in the City of Trenton, the surrounding Mercer county area and throughout Essex County. In addition to the 17 arrests, the operation resulted in seizure of several illegal weapons and 300 bricks of heroin.

● Operation Lord Stanley —

Ten suspected members of a “crack” cocaine and marijuana dealing network were arrested as a result of Operation Lord Stanley. As a result of cooperative effort by State, local and county law enforcement, authorities seized more than two pounds of marijuana, approximately \$200,000 cash and a variety of firearms and automobiles. The investigation targeted a narcotics trafficking network based at a public housing complex in Atlantic City.

● Champagne Posse/ Irvington Initiative —

Sixty-five alleged members of the so-called “Champagne Posse” were indicted on charges of selling marijuana, illegal weapons possession and other unlawful activities in and around Irvington. In addition, as part of the ongoing Irvington Initiative, members of the Essex County Anti-Crime Partnership kept the pressure on illegal gang activity by conducting sweeps in the

spring and fall of 2004 in which they painted over gang graffiti and arrested a number of alleged gang members and associates.

❖ **Sexual Predator Sentenced —**

A Burlington County man was sentenced to seven years incarceration after he pleaded guilty to trying to arrange a sexual encounter involving a 14-year-old via the Internet. Wayne Kell, 48, of Mount Holly, was sentenced to the New Jersey Adult Diagnostic and Treatment Center at Avenel. He was arrested in August 2003 after arriving for a meeting in Mercer County with whom he believed would be two willing sexual partners – a woman and her 14-year-old daughter. In fact, Kell had requested the illegal sexual encounter through repeated on-line dealings with an undercover investigator for the Division’s Computer Analysis and Technology Unit. While using the Internet, Kell blatantly solicited an adult woman who would have sex with him and also allow him to have sex with her juvenile daughter.

❖ **Insurance Fraud —**

In 2004, the Division’s Office of the Insurance Fraud Prosecutor obtained 177 insurance fraud convictions, obtained sentences of jail or state prison for fraud defendants totaling 206 years, and obtained court orders for more than \$16 million in defendant restitution payments. For additional details see page 16.

❖ **Casino Prosecutions —**

❖ Money Laundering Conspiracy —

On November 9, 2003, defendant Anastasios Samaras was indicted on money laundering and theft charges fol-

lowing an investigation involving the Division of Gaming Enforcement and the Casino Prosecutions Bureau within the Division of Criminal Justice. Samaras was charged with repeatedly passing fraudulent \$1 million Interbank of New York “official checks” at the Hilton Casino in Atlantic City over a five-month period, and utilizing the funds for gambling purposes. The scheme went undetected for several months because two Interbank employees allegedly verified the checks as valid despite knowing they were fraudulent. The two employees subsequently pleaded guilty to conspiracy charges and agreed to cooperate in the State’s investigation of Samaras. On the eve of his trial in June 2004, Samaras entered a guilty plea to a charge of theft by deception. He was sentenced to six years in State Prison.

❖ **Environmental Crime —**

In 2003-2004, the Division’s Environmental Crimes Bureau charged more than 50 individuals and corporations with criminal offenses related to illegal dumping, water pollution, etc. For more details see page 32.



Division on Civil Rights

The Division on Civil Rights is responsible for enforcing the New Jersey Law Against Discrimination (LAD) and the Family Leave Act (FLA). The two laws were enacted to discourage discrimination in the workplace, in housing, and in public accommodations. The Division investigates allegations of discrimination, and serves as a fair and impartial forum for the airing of formal complaints. In a broader sense, the Division's mission is to foster sensitivity, acceptance and respect among all individuals. For additional information visit the Division Web site www.NJCivilRights.org.

Highlights

❖ **New Disability/Public Accommodations Unit —**

In September 2003, the Division on Civil Rights created a new Disabilities/Public Accommodations Special Investigations Unit. More than 1.3 million people with disabilities reside in New Jersey. Ensuring that they have unfettered access to public accommodations is the chief focus of the new unit.

❖ **Expanded Housing Initiatives —**

In an effort to more effectively identify and prosecute patterns and practices of housing discrimination, the Division established its Housing/Multiple Dwelling Reporting Rule (MDRR) Special Investigations Unit. The unit is staffed by specially trained housing investigators and attorneys, and conducts large-scale, aggressive initiatives involving the use of housing testers.

❖ **Movie Theater Initiative —**

In September 2004, the Division on Civil Rights joined with Attorney General Harvey in suing Tennessee-based Regal Cinemas for failing to reasonably accommodate the deaf and hard of hearing by installing new "closed" captioning equipment at its multiplex theaters in New Jersey. The Division reached settlement with four other theater chains in New Jersey — American Multi-Cinema, Loew's Cineplex Theaters, Clearview Cinemas and National Amusements — whereby each agreed to install new Rear Window® Captioning technology to enhance the movie-watching experience for those with hearing loss. AMC, Clearview and National Amusement also committed to installing new technology to better accommodate movie-goers who are blind or experience some degree of vision loss.



❖ **Outreach to Minorities, the Disabled —**

In October 2003, the Division and the Somerset County Cultural Diversity Coalition hosted a workshop attended by more than 45 leaders representing Sikhs, Hindus, Arabs, Chinese, Filipinos, Koreans and other Asian and Pacific-American groups. As a result, the Division has been working more closely with the Asian-American community to publicize civil rights cases involving Asians, and produce informational materials explaining laws against discrimination available in various languages.

In March 2004, the Division co-sponsored two public disability law forums — one in Camden County, one in Essex County — focused on the rights and concerns of those with hearing loss. The forums led directly to the deaf captioning Movie Theater Initiative.

In June 2004, the Division brought together attorneys, union representatives, civil rights advocates and local community leaders for a Hispanic Civil Rights Summit. The forum highlighted ways of raising awareness among the State's 1.1 million Hispanic residents.



From left to right: Phillip E. Freeman, Assistant Director; Aney K. Chandy, AAG, Division of Law; J. Frank Vespa-Papaleo, Director; Bear Atwood, Special Assistant to the Director; Gary LoCassio, Deputy Director.

Significant Cases

❖ **Section 8 Housing Discrimination** —

In 2004, the DCR settled “Section 8” housing discrimination cases filed against four New Jersey apartment owners and real estate agencies including: Atlantic Coast Realty, Garden State Realty, 599 Broadway Management and Clinton Manor Associates. The complaints were the first filed under a new State law that prohibits housing discrimination by landlords on the basis of a tenant’s source of lawful income, or rental subsidy. The first case to settle involved Atlantic Coast Realty, of Brigantine. The settlement called for Atlantic to fund a DCR-led training session on the LAD for approximately 1,000 realtors from three South Jersey counties, monitoring of Atlantic’s rental practices, and the prominent display of information on the use of federal Section 8 rental vouchers. The DCR subsequently announced settlements in the remaining three cases. Each settlement included an agreement by the Respondent to increase training and awareness. As a result of the four settlements, the Division was paid a total of \$80,000 in compensatory damages.

❖ **Caesars Atlantic City** —

The Division reached settlement in 2004 with Caesars regarding a Director’s complaint alleging that a hostile work environment existed at the casino-hotel. At issue were allegations that security personnel had, among other things, misused casino surveillance equipment to examine the anatomy of female patrons and casino workers. As part of the settlement, Caesars agreed to enhance its discrimination-related awareness and training efforts, implement a process to audit videotaping by surveillance personnel, and pay the Division \$95,000 in administrative costs.

❖ **Bias-Based Student Harassment** —

The Division’s Director found the Toms River school district liable in 2004 for the consistent bias-based harassment — and occasional physical assault — of a Toms River high school student by fellow students who perceived him to be homosexual.

Division of Law

Staffed by approximately 600 Deputy Attorneys General and 18 State Investigators, the Division of Law has broad civil powers and a broad-based mission. Through the Division, the Attorney General performs the majority of the duties relating to his statutory role as chief legal counsel for the State. The Division is charged with protecting the public interest by acting as sole legal counsel to State agencies, and by conducting all civil legal matters to which the State is party. The Division's workload is driven by its role as provider of legal counsel to client agencies on an as-needed basis, by the amount and nature of litigation brought against the State, and by the amount and nature of litigation pursued by various departments of State government. At any given time, the Division's caseload stands at approximately 36,000 pending legal matters. For more information visit the Division Web site www.nj.gov/oag/law.



Highlights

❖ **Household Finance Settlement** —

The Division of Law, working with the Division of Consumer Affairs, negotiated a settlement in a landmark, multi-state action against Household International related to the alleged misleading of borrowers. As a result, checks totaling nearly \$17.9 million were mailed out in late 2003 to thousands of New Jerseyans who had obtained loans from Household between January 1999 and September 2002. The average amount of an individual borrower's settlement check in New Jersey was \$1,123. In addition to compensating borrowers, Household agreed to improve its disclosure practices regarding loan terms and eliminate so-called "piggy back" second mortgages.

❖ **Court Victory Staying New EPA Regs** —

The Division won a major victory on behalf of all New Jerseyans — and the environment — in late 2003 when a federal appeals court granted the State's request to stay implementation of new Environmental Protection Agency regulations that would significantly weaken federal pollution control requirements. The regulations at issue would dilute the federal New

Source Review (NSR) program by allowing most major sources of pollution — including power plants, utilities and refineries — to avoid long-standing NSR requirements to install new pollution controls when making any physical or operational changes that result in a significant increase in emissions. As of this writing, the stay imposed by the U.S. Court of Appeals for the District of Columbia Circuit remains in effect.

❖ **Protection of Children** —

The Division of Law greatly expanded its operations in 2003-2004 pertaining to legal representation for the Division of Youth and Family Services. Because of new initiatives such as the New Beginnings Program, additional attorneys have been hired in order to handle increased caseloads. In 2004, 1,147 children under state supervision became eligible for adoption through the efforts of the Division and DYFS. Also, 1,383 adoptions were finalized — a 36 percent increase over 2003.

❖ **U.S. Sportsmen's Alliance** —

The Sportsmen's Alliance challenged the Department of Environmental Protection Commissioner's decision to withhold black bear hunting permits. The Superior

Court Appellate Division heard this appeal on an emergent basis, and in a decision issued November 16, 2004, found that the Commissioner did not have the authority to withhold black bear hunting permits. On behalf of the DEP, the Division petitioned the New Jersey Supreme Court for certification on an emergent basis. The Supreme Court granted the petition, heard oral argument on November 29, 2004, and issued an order on December 2, 2004, reversing the Appellate Division and canceling the 2004 black bear hunt. The Court issued its formal opinion on February 28, 2005, holding that the State Fish and Game Council must develop a comprehensive policy regarding the management of the bear population, subject to the approval of the DEP Commissioner.

❖ **NUI Corp./Elizabethtown Gas Company** —

The Division worked closely with the Board of Public Utilities to address the significant financial difficulties of NUI Corporation, the parent of the corporation of which Elizabethtown Gas Company is a division. This work began with retention of



From left to right, front row: Sharon Joyce, AAG; Aney K. Chandy, AAG; Andrea Silkowitz, AAG; Lewis Scheindlin, AAG; Nancy Kaplen, AAG & Acting Director; Susan Roop, AAG; Stefanie Brand, AAG; Patrick DeAlmeida, AAG; Joshua Lichtblau, AAG. In back row, left to right: Michael Shipp, AAG; Howard McCoach, AAG; John Bender, AAG; Robert Stoloff, AAG; Larry Stanley, AAG; Michael Haas, AAG; James H. Martin, AAG; Robert Romano, AAG; Gerard Burke, AAG; Peter Traum, Chief of Staff.

a forensic auditing firm for a special audit when NUI stock fell below investment grade in 2003. As the audit revealed significant problems, the Division of Law worked with the BPU to implement safeguards so that service to Elizabethtown Gas ratepayers remained constant. The audit resulted in a settlement which required \$28 million in ratepayer refunds, payment of \$2 million in penalties, and implementation of financial safeguards.

- ❖ **Same Sex Marriage Litigation —**
The Division of Law argued, and the Superior Court agreed, in November 2003 that New Jersey's existing marriage statutes do not provide for the legal marriage of same-sex couples. Seven same sex couples who had been denied marriage licenses challenged New Jersey law. In court the Division argued that the New Jersey Constitution does not guarantee same sex couples the right to marry and, as a result, the proper forum for addressing the same sex marriage issue was not a courtroom, but the New Jersey Legislature. The seven couples appealed the Superior Court's decision. The Superior Court's Appellate Division also adopted the argument advanced by the Division of Law in affirming the dismissal of the suit.

- ❖ **Saving Millions through Effective Litigation —**

- ❖ As a result of the Division's aggressive litigation stance on behalf of the Department of Corrections, the DOC's total "pay-out" to settle civil lawsuits in 2004 was reduced by about \$1.4 million compared to the previous year.
- ❖ The Division worked during the past two years with the Department of Environmental Protection to secure more than \$29 million in Natural Resource Damage (NRD) compensation from polluters. That figure represents more than was obtained by the State during the entire previous decade.
- ❖ The Division continues to vigorously litigate lawsuits it has filed on behalf of the State to protect New Jersey's Pension Fund investments against alleged corporate misconduct. One corporate defendant, Gemstar-TV Guide International, Inc., has settled and paid the State \$5 million. Among the defendant corporations named in the 12 Pension Fund lawsuits still actively in litigation are Sears Roebuck, Motorola, Tyco and AOL Time Warner.

- ❖ **Various Actions Targeting Securities Fraud —**

The Division of Law worked with the New Jersey Bureau of Securities in 2003-2004 to negotiate settlements that resolved State allegations of investment-related fraud against major companies. Allianz Dresdner Asset Management and two affiliated companies agreed to pay the State \$18 million — the largest civil recovery ever paid to the State in a securities case. In addition, the Division filed eight other securities-fraud-related lawsuits involving more than \$160 million in investments. For additional details, see the section on Prosecuting Securities Fraud on page 14.

Division of Elections

The Division of Elections is dedicated to ensuring the integrity of the electoral process in New Jersey, and to making certain that voter registration — as well as the actual voting process — is as accessible and inclusive as possible. Under the direct supervision of Attorney General Peter C. Harvey and Chief of Staff Markus Green, the Division assures compliance with the federal National Voter Registration Act (NVRA), and the Help America Vote Act (HAVA), which includes all reporting requirements to the Federal Election Commission and Election Assistance Commission. Additional responsibilities include certification of voting machines, serving as filing officer for all federal and state public elective offices, ensuring compliance with polling place accessibility for the elderly and disabled, regulatory authority for voter registration, political party declarations, absentee voting, election district requirements and polling place accessibility. The Attorney General is New Jersey's Chief Election Official, and serves as chairman of the Board of Canvassers. The Board of Canvassers certifies results for federal and state office elections and public questions. For more information, visit the Division Web site www.njelections.org.

Highlights

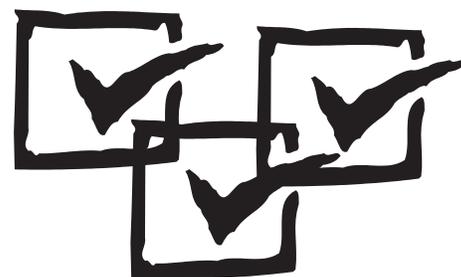
❖ **Chronological Elections Guide** — The Division annually issues its New Jersey Chronological Elections Guide, a vital voter resource, and makes it available for download via the Division Web site. The Chronological Elections Guide sets forth important deadlines for major local, state and federal elections held in New Jersey each year. The guide also includes Congressional and Legislative district maps, a glossary of election terms, and other useful information. The Guide includes sections regarding the school board and non-partisan municipal elections, and an outline of the specific duties of New Jersey's various election officials.



Left to right: SDAG Mamta Patel, Deputy Director; Donna Barber, Senior Management Assistant; Ramón de la Cruz Esq., Director; Gloria Jean Berry, Supervisor of Elections; Coreen Grooms, Administrative Assistant.

- ❖ **Polling Place Accessibility Workshops/Resource Guide** — Consistent with its goal of inclusiveness, the Division of Elections annually sponsors Polling Place Accessibility Workshops that bring together hundreds of election officials from every level of government, as well as advocates for the disabled and other interested parties. The sessions provide a forum for learning about, and discussing issues related to, voting access for the disabled. In conjunction with the workshops, the Division publishes a comprehensive Polling Place Accessibility Workshop Resource Guide, and makes it available online. The Division Web site also provides an on-line form that enables New Jerseyans to supply the State with information about problems concerning polling place accessibility. The form can be filled out on-line and submitted electronically.
- ❖ **Relocation to More Convenient Headquarters** — To provide candidates and members of the public greater convenience, and to provide the Division with greater space in which to perform its work, the Division relocated in 2004 from its former headquarters at Hughes Justice Complex to new office facilities on South Clinton Avenue in downtown Trenton. The Division offices are now located at Station Plaza, 7th Floor, 44 South Clinton Avenue. The building is a half-block from the Trenton Train Station, a local landmark. It is easily reached via public transportation, and provides more available on-street parking.

- ❖ **Mock Election** — On October 28, 2004, the Division of Elections served as host for National Student-Parent Mock Election Day, an international voter awareness event designed to spark heightened interest in the democratic process among students in grades Kindergarten through 12. The National Mock Election Day event is held throughout the United States once every two years. In 2002, New Jersey led the nation with more than 100,000 students casting ballots, a turnout that resulted in the State being cited by the National Association of State Boards of Education for "Outstanding Contribution to Voter Education." As host for Mock Election Day voting in 2004, the Division collected vote tallies from all 50 states, Washington, D.C. and participating American schools located around the world.



HAVA Implementation Team

Staffed by attorneys and other professionals with expertise in election systems and procedures, the HAVA Implementation Team within the Attorney General's Office has primary responsibility for ensuring that New Jersey achieves — and maintains — full compliance with the mandates of the federal Help America Vote Act (HAVA).

In a broader sense, the HAVA Implementation Team's mission is to spread awareness about the importance of voting, to disseminate useful information to New Jerseyans concerning how and where to register to vote, and to ensure that the voting process in New Jersey is as inclusive and user-friendly as possible.

Largely through the efforts of the HAVA Implementation Team, New Jersey registered 463,000 new voters in time for the 2004 General Election, pushing the State's total number of registered voters beyond the 5 million mark.

Simultaneously, the Implementation Team worked throughout 2004 to put in place a Statewide Voter Registration System (SVRS) to help New Jersey's 21 counties meet the mandates set forth under HAVA.

Enacted in 2002, HAVA requires that all states implement by January 1, 2006 a centralized and interactive statewide voter registration list that will be defined, maintained and administered at the state level. After a formal procurement process, New Jersey awarded the contract for development of the statewide system to Covansys Corporation, a global consulting and technology services company.

As of this writing, voter registration information in New Jersey is maintained at the County level. The Attorney General's Office and Covansys are working with Superintendents of Elections, Boards of Elections, County Clerks, Municipal Clerks and other agencies that share data to complete implementation of the Statewide Voter Registration System by the end of 2005. The system is scheduled for implementation on a "pilot" basis in six counties in September 2005. The pilot counties will be monitored for a four-to-five-week period, and adjustments will be made as needed. The remaining 15 counties are expected to convert to the statewide system beginning in late November, with full implementation expected by mid-December 2005.

The HAVA Implementation Team also worked with several New Jersey counties



Left to right, front row: George Nyktas, HAVA Project Manager; Tracy Munford, Director/Public Affairs & Community Outreach; Valerie Holman, Special Assistant to the Attorney General; Celeste Bainbridge, Paralegal; June Forrest, AAG; Mamta Patel, Deputy Director. In back row, left to right: William Cronin, Intern; Donna Kelly, AAG; Bryan Rusciano, HAVA Project Manager; Kathleen Brannigan, Special Assistant to the Attorney General; Markus Green, Chief of Staff. Not pictured: Mike Gallagher, HAVA Administrator; Carol Gaskill, HAVA Project Manager.

throughout 2004 to ensure that their efforts to acquire new electronic voting machines to replace outdated mechanical voting machines — a HAVA requirement — were moving forward smoothly, and in a timely fashion.

Meanwhile, the Implementation Team continued throughout 2004 to conduct a variety of public service initiatives under the banner of the Attorney General's "Be Powerful, Be Heard" voter awareness and voter registration campaign.

Highlights included a kick-off event for the "Be Powerful, Be Heard" awareness campaign at the New Jersey Performing Arts Center in Newark, a series of compelling celebrity Public Service Announcements that aired on TV and radio, and an information-packed "Hip Hop Summit" event held at the War Memorial in Trenton that attracted major hip-hop recording artists for a panel discussion on democracy and voting. The Hip-Hop Summit was experienced live — and via streaming Internet video — by thousands of voting-eligible young people from throughout New Jersey, and resulted in an estimated 3,000 new voter registrations. Also held at the War Memorial in Trenton was a voting systems forum entitled "Beyond 2004: Exploring Voting Technologies." The event brought together a host of experts on voting systems from government and academia. The program was open to the public, and included a panel discussion focused on electronic voting systems, as well as the pros and cons of voting machines equipped with so-called "verifiable paper trail" or "black box" capability. Held in November 2004, the Voting Technologies Forum provided the public with an opportunity to witness a demonstration of an electronic

voting machine currently in use, and provided useful information on the capabilities of emerging voting system technologies.

Working in concert with Rutgers University and the New Jersey Association of Election Officials, the HAVA Implementation Team has also launched a first-ever training program for county election officials.

Paid for with HAVA grant funding and held at the Center for Government Services at Rutgers-Newark, the inaugural, four-day training session was entitled "Basic County Elections Administration." It focused on the responsibilities that confront every county during every election, including: voter registration, write-in candidates, legal notices, proper handling of absentee and paper ballots, polling places, polling place challengers, training of election board workers, Election Day procedures, ensuring electoral integrity, and the Open Public Records Act (OPRA).

The basic elections administration course, which was also offered on other dates in New Brunswick and Hammonton, was consistent with one of the primary objectives of HAVA — to maintain the integrity of the electoral process. Additional training sessions — including separate courses on Voting Devices and Advanced County Elections Administration, are slated for the fall of 2005.

Register and Vote, New Jersey!



**be
powerful.
be Heard.**

Juvenile Justice Commission

The New Jersey Juvenile Justice Commission (JJC) is the state agency responsible for providing juvenile rehabilitation and parole services. Established in 1995, the JJC serves to coordinate services and policies affecting delinquent youth throughout the state. From prevention to parole, the JJC is a partner in the entire juvenile justice system. For more information, visit the JJC Web site www.njjc.org.

Highlights

❖ **Medical and Mental Health Reform** —

The Juvenile Justice Commission is now providing in-house medical care to approximately 650 youth in secure facilities. The JJC has also arranged, by contract, for the University of Medicine and Dentistry of New Jersey to provide youth in JJC custody with mental health services. The changes are part of an ongoing effort to streamline and enhance the delivery of health care and mental health services throughout the JJC system. Nearly 67 percent of juveniles committed to the JJC are diagnosed with at least one mental health problem including anxiety disorder, post traumatic stress syndrome, depression, and substance abuse.

❖ **The Serious and Violent Offenders Reentry Initiative** —

The JJC has been chosen to receive a "Going Home-The Serious and Violent Offenders Reentry Initiative" grant from the U.S. Department of Justice. The grant will enable the JJC to redesign the parole and transition process for juveniles who are serious and violent offenders. The grant also will allow JJC to give better care and closer attention to those at greatest risk of re-offending.

❖ **Uth Turn** —

Uth Turn provides educational services, vocational training and individual, family, and group counseling sessions. It also features workshops on anger management, social development, and career preparedness. Uth Turn is currently in place to assist young offenders housed at the JJC's Essex Residential Community Home. Uth Turn began in 1999. This is the first time the program has been offered in New Jersey. It was created as a program of the Fund for Community Leadership Development, based at New York Theological Seminary.

❖ **Hopeworks, Inc.** —

Hopeworks uses technology to reach at-risk juveniles or juveniles returning to the community from JJC programs. Through the program, youth learn sought-after career skills, including Web site design and Global Information System (GIS) mapping techniques. The participants receive state-of-the-art instruction, and at the same time develop improved self-respect, self-discipline and respect for others.

❖ **Respond Culinary Program** —

The first class of culinary students graduated in 2004 from Respond, a collaborative vocational program involving the JJC and Respond, Inc., as well as a restaurant trade union. The Respond Culinary Program is an innovative course that provides selected residents from two JJC residential community homes, both located in Camden County, with extensive culinary training. In addition to classroom and hands-on experience, the course includes field trips to major hotel kitchens, and the Sysco Food Show in Philadelphia.



❖ **Community Policing Partnerships** —

JJC's Juvenile Parole & Transitional Services has developed community-policing-related partnerships with six jurisdictions: Elizabeth, Asbury Park, Perth Amboy, New Brunswick, Plainfield, and the Middlesex County Prosecutor's Office. The improved communication allows local police to be aware of juveniles in their jurisdictions who are assigned to parole. In turn, police can advise parole officers of incidents or emerging trends that may involve a juvenile parolee, and which may require intervention.

❖ **Simulated College Environment** —

The JJC has formed educational partnerships with Burlington County College and Middlesex County College. The pilot program allows selected JJC youth to participate in a classroom environment much like that found on local county college campuses. The initiative prepares students for the rigors associated with pursuing an educational certification or degree beyond the high school level. Classes are held on-site at the JJC's Johnstone Campus, and at the New Jersey Training School.



From left to right: Rosanne Fairbanks, Director of Administration; John Amberg, Director of Education; Wimson Crespo, Director of Investigations; Howard L. Beyer, Executive Director; Thomas Flanagan, Deputy Director; William Curry, Director/Juvenile Parole & Transitional Services; Brigitte Mitchell-Morton, Director/Secure Care; Lisa Macaluso, Director/Local Programs & Services.

❖ **Gang Awareness and Prevention** —

The JJC's Juvenile Gang Prevention and Intervention Project addresses street gang activity at all levels by treating gang involvement as an addiction. With funding from the state Department of Education, the JJC has developed a cutting-edge gang awareness curriculum — entitled Phoenix — that corresponds with New Jersey Core Curriculum Standards. The workbook-based lessons provide structure and support, and clearly demonstrate the progress of participants. Experienced JJC staff members also conduct gang awareness workshops. In 2004, the JJC's Gang Management unit trained approximately 7,000 law enforcement members, service providers, JJC staff, teachers, parents and juveniles.

❖ **Mental Health Screenings** —

In 2004, the JJC continued phasing in the Massachusetts Youth Screening Instrument (MAYSI-2) at county detention centers statewide. Juveniles are screened for mental/emotional problems or distress within 72 hours of admission using the standardized MAYSI-2 screening tool. The MAYSI-2 has earned national and international recognition as an effective methodology, and is used in 32 states and seven countries. The use of MAYSI-2 is designed principally to ensure that detention center staff are made aware of, and can respond most effectively to, mental health issues that might impact on a youth in detention, or on those housed with him or her.

With support from the Governor's Juvenile Justice and Delinquency Prevention Committee, the JJC has implemented MAYSI-2 in seven counties, providing them with laptops, software, training, and technical assistance. By the end of 2005, MAYSI-2 will be in use in all 17 county detention centers.



Division of Alcoholic Beverage Control

The Division of Alcoholic Beverage Control's (ABC) mission is to protect the public health, safety and welfare by regulating how alcoholic beverages are sold, and by encouraging moderation and responsibility in the consumption of alcohol. Comprised of the Office of the Counsel to the Director, the Enforcement Bureau, the Investigative Bureau and the Licensing Bureau, the Division fulfills its mission by regulating and licensing the manufacture, distribution, sale and transportation of all alcoholic beverages in New Jersey. If a licensee violates any law or regulation, the Director may suspend or revoke the license or impose a fine and/or any other appropriate condition. For more information on the Division, visit its Web site www.nj.gov/oag/abc.

Highlights

- ❖ **Cops in Shops** — Undercover police officers and local retail outlets work in partnership to discourage the sale of alcohol to underage buyers, and to deter adults from buying alcohol for those under the legal age. Developed by the Century Council, a national nonprofit organization committed to fighting underage drinking, the program operates in selected towns, at cooperating liquor retail stores. To date, police in more than 200 towns have been trained to run Cops in Shops programs. During the Summer 2004 Cops in Shops effort, approximately 440 persons were arrested. Since the program's inception nine years ago, 4,450 individuals have been arrested.
- ❖ **Prosecutors' Initiative to Combat Underage Drinking** — During the Summer of 2004, the ABC worked with local law enforcement officials and county prosecutors in Monmouth, Ocean and Cape May Counties to identify underage drinkers and those who served them in bars and restaurants. Funded by grants provided by the Division of Highway Traffic Safety, the undercover initiatives resulted in a total of 87 arrests.



From left to right: David N. Bregenzer, Counsel to the Director; John Ernst, Deputy Director; Jerry Fischer, Director; Diane M. Weiss, Executive Assistant in Charge; John Wesley Geiselman, AAG.

- ❖ **Policing College Towns, Ensuring Responsible Promotions** —

ABC investigators have begun an intensive undercover effort in bars, restaurants, and nightclubs located in or near college communities. The initiative began in Fall 2004 and, in the first six months, resulted in the "carding" for proof of age of 700 individuals, and the arrest of 90 persons for underage drinking. Additionally, in New Brunswick, Middlesex County, the Division continues to pilot the Alcoholic Beverage Promotions Program, which is designed to ensure that promotions at bars and restaurants do not target the underage population, and do not encourage excessive drinking.

- ❖ **Local Police/New Store Owner Training** —

More than 300 local police officers, representing more than 200 municipalities throughout the State, attended training programs held by the Division in Spring 2004. The programs focused on alcoholic beverage laws, investigations, and a variety of related enforcement issues. The agency also provides training to all new package store owners at least twice a year, where licensees learn about alcoholic beverage laws, and among other things, how to spot fraudulent IDs. The Division has also produced a 20-minute training video that provides critical information to licensees and their employees about the consequences of serving alcohol to underage individuals.

- ❖ **Student "Dangers of Alcohol" Art Competition** —

A cooperative effort between the Division of Alcoholic Beverage Control and the Partnership for a Drug-Free New Jersey, this initiative encouraged middle school students and their parents to work together to create billboard and calendar messages with the theme "Dangers of Alcohol." The 2003 program produced more than 450 entries, while the 2004 program generated more than 1,000 entries. Winning messages were chosen from the contest submissions in each year, and were featured on a calendar that was distributed to all middle schools. The grand prize winning message was also reproduced on highway billboards throughout the State. The Jersey Shore Public Relations and Advertising Association recognized the calendar design and message with a Silver Award of Excellence.

- ❖ **Licensing & Investigation** —

The Investigative Bureau conducted 1,255 investigations and forwarded a total of 851 cases involving 2,755 license violations to the ABC Enforcement Bureau for review in 2004. In one case, ABC investigators confiscated more than 20,300 cases of untaxed alcohol and cigarettes from a liquor warehouse in Camden County. Two individuals were charged with the unlawful sale and distribution of alcoholic beverages.

Division of Highway Traffic Safety

The New Jersey Division of Highway Traffic Safety was established under the National Highway Safety Act of 1996. The Division's primary mission is to promote highway traffic safety through prevention, awareness and enforcement efforts. The Division procures and administers federal highway traffic safety grant funds, and coordinates the traffic-safety-related actions of State and local agencies. On an annual basis, the Division also develops a comprehensive, statewide highway traffic safety plan designed to protect motorists and pedestrians along the state's 33,000 miles of roads. For additional information on its mission, accomplishments and initiatives, visit the Division of Highway Traffic Safety Web site www.NJSafeRoads.com.

Highlights

- ❖ **Declining Road Fatalities** — For the second year in a row, New Jersey registered a decline in overall highway deaths in 2004 — from 733 fatalities in 2003 to 731. The number of alcohol-related fatalities also fell in 2004 — from 275 the prior year to 271. Pedestrian fatalities increased by 2.5 percent to 155, while motorcycle fatalities also climbed from 57 deaths in 2003 to 73 in 2004. Speeding-related fatalities showed a substantial decrease to 2004 with 64 speeding-related road deaths compared to 80 the previous year. The 2004 data continued a positive trend observed in 2003, when roadway deaths declined in several categories as well. The total number of motor vehicle fatalities in New Jersey in 2003 reflected a 5 percent drop from the prior year, while the number of pedestrian fatalities dropped by 22 percent. The number of alcohol-related fatalities also fell in 2003 — from 281 in 2002 to 275, — and motorcycle fatalities declined from 50 in 2002 to 34.
- ❖ **Click It or Ticket** — Statewide, an unprecedented 381 police agencies took part in the Division of Highway Traffic Safety's May 2004 "Click It or Ticket" seat belt awareness and enforcement drive, conducting spot enforcement of the State's Primary Seat Belt Law. In all, police issued more than 69,000 seat belt summonses to motorists and passengers who were not buckled up during the two-

week enforcement campaign period. In addition to the enforcement component, New Jersey used approximately \$500,000 in federal funding to conduct a "Click It or Ticket" paid advertising campaign. During a two-week period, the Division aired more than 2,000 one-minute radio spots on 67 stations in New Jersey, New York City and Philadelphia. Results from a seat belt utilization survey conducted in the immediate aftermath of "Click It or Ticket" showed seat belt usage at 82 percent — an all-time high.

- ❖ **Child Passenger Safety Partnership** — In 2004, the Division of Highway Traffic Safety worked with the New Jersey Department of Community Affairs' Center for Hispanic Policy, Research and Development on "Partnering for Traffic Safety" — a public awareness initiative aimed at increasing proper child safety seat usage within Hispanic communities. Through the program, the Center offered sub-grants to nine community-based organizations that serve Hispanic populations. Leaders from these community-based organizations were trained in child passenger safety, and in turn delivered information and materials to the populations with whom they work.
- ❖ **Public Awareness Radio Campaign** — Throughout 2003-2004, the Division continued its successful campaign of public service radio announcements through partnership with the New Jersey Broadcasters Association. Through this effort, Division messages were heard on every radio station in New Jersey, as well as throughout the metropolitan New York City and Philadelphia markets. The Division used radio public service announcements to increase awareness of new initiatives related to driver distraction and aggressive driving, as well as to remind listeners about such perennial highway safety issues as drinking and driving, pedestrian safety and seat belt usage.
- ❖ **Increased Funding Linked to .08 BAC** — Early in 2004, new legislation was signed into law lowering the legal threshold for being convicted of Driving Under the In-



From left to right: Roberto Rodriguez, Director, Gary Poedubicky, Deputy Director

fluence (DUI) from a Blood Alcohol Content of .10 to .08. Enactment of this legislation resulted in increased federal funding to the Division of Highway Traffic Safety for impaired driving enforcement programs, and for related education initiatives. With assistance from the additional funding, the Division undertook a statewide driving enforcement campaign during the summer of 2004 with the theme "You Drink and Drive ... You Lose."

- ❖ **Child Passenger Safety Conference** — The Division demonstrated its continuing commitment to child passenger safety by hosting a Child Passenger Safety Technical Conference in September 2003. The event brought together more than 400 child passenger safety advocates from New Jersey, New York, Puerto Rico, Pennsylvania, Delaware and Connecticut. Conference highlights included workshops and expert speakers on such issues as transporting children with special needs, enhancing child passenger safety within inner-city populations, and hosting a successful child safety seat check event.



Division of Gaming Enforcement

The Division of Gaming Enforcement was established in 1977 under the Casino Control Act to ensure the integrity of casino gaming in New Jersey. Its mission is to protect the public interest by maintaining a legitimate and viable industry, free from the influences of organized crime, and ensuring the honesty, good character and integrity of casino owners, operators, employees and vendors. The Division performs its mission through enforcement of the Casino Control Act and related regulations, which were designed to ensure a strictly regulated and economically sound casino gaming industry. Oversight by the Division includes investigations, inspection and audit, as well as criminal and regulatory prosecution. Criminal cases identified by the Division of Gaming Enforcement are prosecuted by the Division of Criminal Justice. For more information about the Division, visit its Web site www.njdge.org.

Highlights

❖ **Investigation Yields Arrest for Promoting Prostitution, Drug Sales** —

In June 2004, a waiter at Caesar's Hotel and Casino was indicted on charges of promoting prostitution and selling drugs. Christopher Chlan, who worked the Temple Bar and Grill within Caesar's, was accused of either arranging for the services of a prostitute or selling various quantities of cocaine to bar or casino patrons on several occasions between November 2003 and March 2004. The arrest was the result of an undercover investigation led by State Police detectives assigned to the Division of Gaming Enforcement. The investigation was coordinated by the Casino Prosecutions Bureau within the Division of Criminal Justice, and carried out with cooperation from Caesar's. Chlan, who was fired from his job, faces up to 20 years in prison if convicted on all counts.

❖ **Casino Robbery Suspects Plead Guilty** —

A cooperative effort by the Division of Gaming Enforcement, State Police and the



From left to right: Gary Ehrlich, AAG; Mitchell Schwefel, Deputy Director; Thomas Auriemma, Director; Anthony Restuccia, Chief State Investigator; George Rover, AAG.

Division of Criminal Justice resulted in the arrest and eventual guilty plea of three men who helped commit a July 2003 armed robbery at Bally's Park Place Casino. The three defendants – Eugene Wilder, Kenea Blann and Thomas Boyd – pleaded guilty to serving as lookouts and otherwise facilitating the \$6,000 robbery. Wilder, Blann and Boyd were each sentenced to five years in State Prison. A fourth defendant, Earl Dennis, who was suspected of being principal architect of the robbery plan, pleaded guilty and was sentenced to 23 years in prison.

❖ **Money Laundering Prosecution** —

An investigation involving the Division of Gaming Enforcement and the Casino Prosecutions Bureau within the Division of Criminal Justice resulted in the indictment of defendant Anastasios Samaras on money laundering and theft charges. Samaras was charged in November 2003 with repeatedly passing fraudulent \$1 million Interbank of New York "official checks" at the Hilton Casino in Atlantic City over a five-month period, and using the money for gambling purposes. The scheme went undetected for several months because two Interbank employees allegedly verified the checks as valid despite knowing they were fraudulent. The two employees pleaded guilty to conspiracy charges and agreed to cooperate in the State's investigation of Samaras. On the eve of his trial in June 2004, Samaras entered a guilty plea and was sentenced to six years in State Prison term. He also

made full financial restitution for the \$1 million in fraudulent Bank of New York checks he passed at the Hilton.

❖ **Investigations Designed to Preserve Industry Integrity** —

On an ongoing basis, the Division of Gaming Enforcement conducts investigations to ensure that suppliers and contractors who do business with the casino industry are in compliance with all State requirements, and have had no involvement in, or direct relationship to, illegal activity.

❖ **Director Named Head of International Gaming Association** —

Division Director Thomas Auriemma was elected Chairman in 2004 of the International Association of Gaming Regulators, a prestigious association of gaming regulators from 30 nations that meets annually to share information and discuss significant issues that affect the gaming industry. As chairman, Auriemma indicated he would focus his efforts on such vital issues as Internet gambling, and responsible gambling.



Racing Commission

The core mission of the New Jersey Racing Commission is to govern, direct and regulate horse racing and pari-mutuel wagering in New Jersey.

The Racing Commission conducts vigorous oversight of horse racing matters throughout the State to ensure that racing is conducted in a fair and responsible manner. Commission staff members also provide administrative support to encourage the growth of the horse racing industry through expansion of wagering opportunities. For more information, visit the Racing Commission Web site www.nj.gov/oag/racing.

Highlights

❖ Arrest/Suspension of Two for "Doping" Horses —

In 2004, two men were indicted in connection with an ongoing investigation into the doping or "drenching" of race horses at the Freehold Raceway. The doping investigation was a cooperative effort involving State Police and the Division of Criminal Justice. Defendant Daniel Sheddan, a self-employed horse trainer, was charged with the third-degree crime of possessing a controlled dangerous substance, and the fourth-degree offenses of conspiracy and rigging a publicly exhibited contest. Defendant Bruce Chiodo, a horse groom, was charged with conspiracy and rigging a publicly exhibited contest.

"Drenching" is a racing industry term that refers to the administering of a liquid or prohibited substance into a horse's stomach via a tube inserted through the nose. In this case, the substance was a "milkshake" of sodium bicarbonate and Levothyroxine, a prescription drug commonly used to enhance physical performance. Both substances are barred under Racing Commission rules. The investigation, which led to the discovery of substances used in doping and paraphernalia in a barn in Burlington County, led to the removal or "scratching" of three horses slated to run in separate races at Freehold Raceway on Feb. 21, 2004. Notwithstanding any potential criminal penalties, the Racing Commission suspended Sheddan from the industry for seven years, and suspended Chiodo for six years. Sheddan also was fined \$2,000 by the Commission, and Chiodo was fined \$1,000. The Racing Commission



From left to right: Anthony Socci, Assistant Director; Frank Zanzuccki, Director; Michael Vukcevich, Deputy Director.

and state law enforcement agencies continue to be aggressive in their effort to identify possible doping, to investigate and, where appropriate, take swift action.

❖ Account Wagering Becomes Operational —

Account wagering — a new form of betting that will expand New Jersey's wagering base by offering the convenience of placing bets on horse races by telephone or computer — became reality in 2004. The long-awaited new system became operational on October 27, 2004, when the New Jersey Sports and Exposition Authority accepted the first computer-generated bets. The last time there was an expansion of wagering opportunities in New Jersey was more than a decade ago, in 1993, when the State began permitting the placement of bets on horse racing simulcasts at the casinos in Atlantic City. Legislation passed in 2001 provided that the New Jersey Racing Commission review and approve an account wagering participation agreement, and a subsequent application to conduct account wagering via computer and telephone. The process required substantial input from the Attorney General's staff and the Racing Commission.

❖ Off-Track Wagering Agreement —

An off-track wagering participation agreement was reached in 2004 that provides the basis for establishment of up to 15 off-track wagering facilities throughout New Jersey. The Racing Commission expects to begin reviewing the first applica-

tions for development of off-track betting sites sometime in 2005.

❖ Gambling Addiction Prevention —

Mindful that the expansion of wagering opportunities could lead to heightened concerns about gambling addiction, the Racing Commission is requiring — through its rulemaking process — that racetrack permit-holders contribute an aggregate of \$200,000 annually to the fund established to treat gambling addiction. In addition, the Commission has adopted rules that establish a self-exclusion list. A self-exclusion list provides an opportunity for problem gamblers to voluntarily exclude themselves from entry to racetracks, from account wagering and, eventually, from off-track wagering facilities.

❖ Expansion of Thoroughbred Breeders Award Program —

In 2004, the Racing Commission adopted a rule that expands the Thoroughbred Breeders Award Program to enable horses sired by New Jersey stallions, regardless of where they are foaled, to be eligible for New Jersey breeder's awards. The change should attract more quality thoroughbred stallions to stand in New Jersey, and thus improve the quality of New Jersey-bred horses.



Also within the Department

The following agencies are, for administrative purposes, allocated to the Attorney General's Office. Each performs a vital function in relation to the core mission of the OAG and the Department of Law and Public Safety, which includes assisting crime victims, ensuring integrity in the electoral process, and making certain that state officers and employees in the executive branch conduct themselves ethically and avoid conflicts of interest:

Election Law Enforcement Commission

ELEC administers and enforces laws requiring disclosure of campaign contributions and expenditures made by candidates and organizations participating in state, county and local elections. The commission also regulates lobbyists, and may accept and institute complaints, issue subpoenas, conduct investigations, issue advisory opinions, levy civil penalties and forward to prosecuting authorities evidence of willful and knowing violations. For more information, visit www.elec.state.nj.us.

Executive Commission on Ethical Standards

The commission administers and enforces the New Jersey Conflict of Interest Law. The Commission has jurisdiction over state officers and employees in the executive branch. It is authorized to initiate, receive, hear and review complaints, as well as conduct investigations and hold hearings. For more information, visit www.nj.gov/oag/ethics.

Victims of Crime Compensation Board

The Board provides compensation to innocent victims of violent crime for some expenses they suffer as a result of the crime. In the case of the death of a crime victim, compensation may be paid for funeral expenses and loss of support to the victim's dependents. For more information, visit the VCCB at www.nj.gov/victims.

State Athletic Control Board

The State Athletic Control Board has offices in Trenton and Atlantic City. Formerly part of the Division of Gaming Enforcement, the SACB is now a self contained board that falls under the direction of the Attorney General's Office for the Department of Law & Public Safety. The State Athletic Control Board was established by the Legislature in 1985 (N.J.S.A. 5:2A et. seq.) to ensure that all public boxing and other combative sports exhibitions, events, performances and contests are subject to an effective and efficient system of strict control and regulation. The Board's main purpose is to protect the safety and well being of all participants and promote the public confidence and trust in the conduct of public boxing and other combative sports. For more information, visit www.nj.gov/oag/sacb.

Notes

Attorney General's Legislative Initiatives

Criminal Justice

Expansion of DNA Testing Requirement, P.L. 2003, c.183 This law expands the pool of criminal offenders who must submit to DNA testing. Specifically, the law requires any person convicted of a first, second, third, or fourth degree offense – as well as anyone found not guilty of a crime by reason of insanity — to submit a biological sample for inclusion in the State's DNA data base. In addition, convicted offenders who are already in custody, on probation or under parole supervision must provide DNA samples. The expanded DNA program is funded by the imposition of a \$2 surcharge on all motor vehicle and traffic violations.

Bail Source Rule, P.L. 2003, c.213 This law clarifies the authority of the Court to reject cash bail, or other security, that is acquired by means of criminal and unlawful conduct, or from an improper source, and specifies the factors that may be examined in making that determination.

Identity Theft, P.L. 2003, c.184 This law made New Jersey's anti-identity-theft law among the nation's toughest. Specifically, the law removed the "presumption of non-incarceration" typically associated with third-degree crimes where identity theft is involved, thereby exposing anyone convicted of even a third-degree, identity-theft-related offense to possible jail time. The law also created a new, second-degree crime of using a false driver's license or other phony government credential to obtain a "legitimate" license (or other government document) that could verify identity. The law provides for payment of restitution to victims of identify theft, and removal – by order of the court – of all "bad credit" indicators assigned to identity theft victims.

Counterfeit Goods, P.L. 2004, c.150 This act enhances the power of the Attorney General to enforce civil remedies related to trademark violations, including the authority to seize and destroy counterfeit or "knock-off" clothing and other goods, for the purpose of deterring criminal street gang activities.

State Police /Homeland Security

Marine Police/Coast Guard Enforcement, P.L. 2004, c.82 This law authorizes State Marine Police to assist the United States Coast Guard in the enforcement of federal laws, rules and regulations in the safety and security zones established by the Coast Guard. It also provides a mechanism for the State Police to work in partnership with the Coast Guard to more effectively monitor and regulate waterborne activity that poses a potential hazard to national security.

Consumer Protection

New Jersey Do Not Call Law, P.L.2003, c.76 This law regulates telemarketing practices by requiring the maintenance of a statewide "Do-Not-Call List," and prohibiting the making of unsolicited sales calls to any consumer whose name appears on the list. In addition, the law prohibits the making of any unsolicited telemarketing sales calls to any consumers between the hours of 9p.m. and 8 a.m., and prohibits telemarketers from employing any methods that would undermine a telephone caller identification service.

Home Improvement Contractor's Registration Act, P.L.2004, c. 16 This law requires home improvement contractors to register with the Division of Consumer Affairs, and maintain general liability insurance, before they perform improvements. These requirements strengthen the State's ability to provide consumer protection and enforcement. In 2003, complaints concerning home improvements made up 14 percent of the total complaints received by the Division. The law implements a recommendation of the Division of Consumer Affairs' Elder Fraud Task Force Report.

Elections

Implementation of the Help America Vote Act, P.L.2004, c.88 This law implements portions of the federal "Help America Vote Act (HAVA) of 2002." HAVA authorized millions of dollars in federal aid to every state to fund the purchase of up-to-date, electronic voting systems, train poll workers, combat voter fraud, generate greater public awareness about registering to vote and voting, and conduct federal elections in a manner that ensure access to the polls by voters with disabilities.

Civil Rights

Housing Discrimination Amendments to Law Against Discrimination, P.L.2003, c.180 The amendments resulted in changes to the New Jersey Law Against Discrimination (LAD) as it pertains to housing discrimination. Specifically, the amendments were designed to render the provisions of the LAD "substantially equivalent" to those under the federal Fair Housing Act (FHA). These changes allowed the Division on Civil Rights to enter an agreement with the United States Department of Housing and Urban Development (HUD) to handle complaints under the FHA. This arrangement has increased the number of housing cases the Division investigates, and provides for the Division to receive compensation from HUD for its investigations.

