

Acting Attorney General John J. Hoffman
Law & Public Safety Budget Remarks
Senate Budget and Appropriations Committee
2 p.m. April 8, 2014
1st Floor, Committee Room 4
State House Annex, Trenton

Chairman Sarlo, Vice-Chairman Stack and members of the Senate Budget and Appropriations Committee, it is my pleasure to be here today, and to have the opportunity to address the Committee.

Accompanying me this afternoon are Executive Assistant Attorney General Lee Vartan, Counsel to the Attorney General Deborah Edwards, Administrator Jennifer Fradel, Budget Director William Cranford, Deputy Budget Director Rosanne Fairbanks, and Director of Personnel Nancy Fitterer.

Also with me are State Police Superintendent Colonel Rick Fuentes, Office of Homeland Security and Preparedness Director Ed Dickson, and other key members of the Law and Public Safety team.

As we all recognize, more than 8 million people call New Jersey home, and countless more people visit our State each day.

In one way or another, the Department of Law and Public Safety's work affects all of them, and that is a tremendously sobering responsibility.

Our Department is staffed by an incredibly dedicated work force – a work force made up of civilian personnel and sworn law enforcement members guided by the highest standards of integrity, performance and public service.

But no matter how dedicated our people, we cannot succeed in a vacuum. Today, I want to thank this Committee for its continuing support of the Department and for providing the annual funding that enables us to fulfill our mission.

At the Department of Law and Public Safety we understand that every agency has a duty to spend responsibly and realize cost-savings where possible.

I am pleased to note that our proposed budget for the coming year represents a 3.6 percent reduction in spending compared with last year.

However, I assure you that this reduction will in no way compromise the quality of our work.

Clearly, the most visible aspect of what we do involves fighting crime – especially violent crime.

However, we have many other critical responsibilities, ranging broadly from: protecting consumers to leading the State's emergency response efforts, and from preserving civil rights to ensuring the integrity of the casino gaming and racing industries.

Our Department also serves as New Jersey's largest law firm, providing legal advice and representation to State agencies and handling tens of thousands of civil litigation matters each year.

But again, our first priority must be the safety of New Jersey communities, and our proposed budget for the coming year supports that objective.

Among other things, the budget provides \$2.4 million in funding to support a new State Police Class – the 156th. Funding for a new State Police class is vital as we continue to bolster the organization's ranks, and as we further our commitment to creating a State Police force that mirrors the diverse population it serves.

And let me take a moment to congratulate Colonel Fuentes and the Division for making what can only be described as historic diversity gains within the State Police.

Last year, the State Police graduated the 152nd and 153rd State Police Classes, which included a combined 31 African-Americans (15% of the combined classes) and 56 Hispanics (27% of the combined classes).

By comparison, the eleven classes before that (the 141st through 151st State Police classes), combined, graduated fewer African-Americans (26). And the 141st through the 149th State Police classes, combined, graduated 55 Hispanics.

In keeping with our commitment to quell violent crime, the Department's proposed budget also includes \$2.2 million to support the deployment in Essex County of the successful, multi-disciplinary TIDE-TAG strategy that we rolled out last summer in Trenton to staunch the tragic spike in our capital city's murder rate.

The acronym TIDE stands for "Targeted Integrated Deployment Effort," while the acronym TAG stands for "Targeted Anti-Gun" initiative.

As part of TIDE-TAG, I approved the deployment of State Troopers to work hand-in-hand with the Trenton Police Department, and also issued a directive to the Mercer County Prosecutor's Office all but prohibiting cheap, one-year plea bargains for those carrying firearms out on the streets.

By employing this two-pronged strategy, we sent a clear message to criminals and gang members in Trenton and the rest of Mercer County: first, no longer would the streets of our state capital be a shooting gallery and, second, possession of a gun was a shortcut to serving at least three-and-a-half years in prison.

We know the message got through. In the roughly two months after TIDE/TAG was launched, shootings dropped by half and, while Trenton had experienced 29 murders before the program began in August, only eight additional homicides occurred during the remainder of 2013 – including a period between late August and mid-November when no gun homicides occurred.

Taking a longer view, in the six months after TIDE was launched in Trenton, both the number of shooting incidents and the number of homicide victims decreased by approximately one-third compared to the six-month period leading up to the program's launch.

TAG has also been highly successful. The Prosecutor's Office has utilized TAG aggressively, with 89 active cases, of which 39 have been indicted, including our first guilty plea – to a charge of 2nd degree unlawful possession of a weapon, resulting in a seven-year sentence, and a three-and-a-half year minimum before parole eligibility.

Simply, the Department's TIDE-TAG strategy worked, and I am committed to bringing that same strategy to Essex County, and Newark in particular, where violence last year also hit historic highs. I will be making an announcement about TIDE-TAG in Newark in the coming weeks.

But as Attorney General, I am committed to making all of our cities and towns safer, and we have done so through a variety of enforcement efforts – often carried out in collaboration with our local, county, state and federal partners.

For example, we obtained indictments last year against a total of 65 defendants for trafficking and/or possessing upwards of 100 illegal firearms. In one case, 11 people were charged with bringing, from out of state, illegal firearms – including assault rifles – for sale on the streets of Newark and Irvington.

We broke up a number of the most violent drug distribution networks operating in the City of Camden in November 2013, arresting or indicting a total of approximately 100 defendants – some with substantial ties to Mexican drug cartels.

In February of this year, we announced the arrest of 29 men charged with participating in a violent, international carjacking and stolen car trafficking ring that had been operating in northern New Jersey.

The 10-month investigation we dubbed “Operation Jacked” was led by our Division of Criminal Justice and State Police, but was a true partnership involving 14 additional local, county, state and federal agencies.

As a result of this investigation, we recovered approximately 160 stolen cars worth more than \$8 million. More importantly, we took 32 alleged criminals off the street who in many cases had been stealing people’s cars using violent means, like one case in which they gratuitously pistol whipped a woman after dragging her out of her car.

We also continue to maintain a strong law enforcement presence in Atlantic City, where our partnership with local and county agencies on the Clean and Safe Initiative has dramatically reduced crime – dropping the murder rate from 18 to 3 (the lowest number in 34 years).

But as Attorney General, I am committed to more than high-impact investigations and prosecutions. I have said before and will say again here today: we cannot arrest our way out of New Jersey’s crime problems.

That is why I have pledged to use my Office’s criminal forfeiture funds – the money seized from criminals – in ways designed to stop crimes from occurring and to guide our young people away from gangs, guns, and drugs, and toward family, education, and jobs.

Last year, using criminal forfeiture funds, we spearheaded 10 gun buybacks across New Jersey that, collectively, took 16,000 dangerous firearms out of circulation – including upwards of 2,000 illegal weapons.

However, we know that getting guns off the street is only part of the community safety solution. We need to reach those most at-risk of engaging in criminal behavior as well, and show them that there are alternatives to lives filled with violence and crime.

Here in Trenton, as the third prong in the TIDE-TAG strategy, we have committed more than \$1 million over three years in partnership with the Trenton Police Department, the College of New Jersey, and Rutgers University to an initiative known as the Trenton Violence Reduction Strategy or “TVRS.”

TVRS involves providing a broad spectrum of social services to a focused subset of young people who have been involved in the criminal justice system, but express a willingness and desire to get a fresh start.

TVRS means meeting the community where it lives – literally – by going into neighborhoods, engaging young people and their families directly, and offering the type of services that can lead to long-term success for both the at-risk youth and their families.

But again, our efforts are far from limited to Trenton. In the coming weeks, we plan to announce a new round of multi-year grants totaling \$1 million that will help fund community-based programs and provide social services to youth who live in high-crime areas or are otherwise at-risk throughout New Jersey.

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As everyone here recognizes, one of the major triggers for crime and violence in our State – as well as untold misery and tragedy – is heroin.

On a daily basis – and using a multi-faceted approach – we work closely with the 21 County Prosecutor’s Offices and local, state and federal law enforcement at every level to combat the spread of heroin and other opiates.

We wage the fight through education and awareness – that is, we seek to open people’s eyes to the insidious nature of recreational opiate abuse, and in particular, to the potentially deadly consequences of using heroin.

We wage the fight through vigilance – with tools such as our Prescription Drug Monitoring Program, a data collection and analysis program that is designed to monitor and “flag” the excessive and/or fraudulent prescription of opiates and other controlled drugs.

And we wage the fight through strong enforcement – by running undercover investigations, arresting street dealers, and prosecuting those engaged in the manufacture and distribution of heroin.

Just last week, our Division of Criminal Justice, working with the State Police, obtained indictments against 21 individuals who were charged with conspiring to operate a high-volume heroin distribution enterprise out of mills and stash houses in New Brunswick, Piscataway, and Edison.

We seized two kilograms of raw heroin, \$150,000 in cash, and six guns – including an assault rifle.

And two weeks ago, we raided two heroin mills in the City of Paterson, with the State Police arresting six people, seizing \$116,000 worth of illegal drugs, and confiscating numerous deadly firearms in the process.

But despite our best efforts, the simple fact is that law enforcement can't be everywhere, all of the time.

And the very nature of addiction is such that neither the prospect of being arrested nor horror stories about lives being destroyed is enough to stop addicts from caving into that deadly temptation.

These lives can be salvaged, however. And that is why we must – and do – complement our law enforcement efforts with a direct attack on the root causes of this problem.

We fully support a number of programs aimed at keeping at-risk young people from embracing the dead-end trinity of drug use, gun violence, and crime.

We fully support the use of drug courts in adjudicating the cases of eligible narcotics offenders.

And we support other means of aiding those afflicted by the heroin epidemic, such as the Narcan pilot program Governor Christie and I announced last week.

This program involves training and equipping police officers and EMTs in Ocean and Monmouth Counties to administer a life-saving dose of the drug Narcan to persons suffering from an overdose of heroin or other opiates.

My office worked closely with the State Department of Health, the Department of Human Services, and the Prosecutor's Offices in Ocean and Monmouth Counties to establish a model Narcan program.

If successful, it is our expectation that the program will soon be thriving in all 21 New Jersey counties.

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Attacking crime in New Jersey takes more than merely targeting gangs, guns, and drugs; it also means rooting out public corruption.

At every level, we investigate and prosecute public employees who abuse their positions of trust, as well as private entities who seek to corrupt public processes.

In August of last year, the Birdsall Services Group of Monmouth County was ordered to pay the State \$1 million in criminal penalties for evading state pay-to-play laws by masking corporate political contributions as the individual contributions of its employees.

Our Division of Criminal Justice spearheaded the Birdsall investigation and prosecution, which resulted in Birdsall also paying \$2.6 million to the State to settle a related civil forfeiture action.

Indictments against Birdsall's CEO and six other executives remain pending, and we have every intention of holding these individual defendants accountable for their conduct.

We also obtained a guilty plea and nine-year prison sentence in 2013 against former Middlesex County Sheriff Joseph Spicuzzo, who sold public jobs for cash.

Other corruption defendants we prosecuted in 2013 included: two assemblyman, two mayors, a municipal clerk, a municipal taxicab licensing inspector, a fire department treasurer, a municipal public works supervisor, five State Troopers and a civilian State Police employee, a school board member, a school board attorney, and a school district transportation manager, to name a few.

In short, the Division of Criminal Justice brought, on a relative basis, more corruption indictments in 2013 than in any year since 2001, when we were first able to access these records.

But the Department's work is not limited to investigations, prosecutions, and crime suppression. Our mission is vast, and our results in all areas are impressive.

The Division of Law's affirmative litigation efforts bring in important revenue for the State, and 2013 certainly proves the point. For the year, DOL obtained approximately \$304 million in settlements and judgments on behalf of the State through its litigation efforts – the highest amount on record.

The dollar amount obtained by DOL represented a \$104 million increase – or about 52 percent – over 2012.

Among other cases, a DOL lawsuit against several primary defendants responsible for polluting the Passaic River resulted in a \$130 million settlement. Factoring in separately-reached agreements with third-party, “non-discharging” defendants, our Passaic River litigation efforts yielded settlements totaling \$165.4 million in 2013.

Our Divisions of Law and Consumer Affairs collaborated to sue businesses that price-gouged after a State of Emergency was declared during Superstorm Sandy in 2012. Through settlements reached with 22 of those businesses, we obtained over \$900,000 in civil penalties, consumer restitution, and other costs.

The Division of Highway Traffic Safety continued to make driving safer in 2013, both through its own efforts and through grant funding to local agencies. Traffic deaths in New Jersey decreased 8 percent last year, and in fact reached an all-time low of 548.

Our Division of Alcoholic Beverage Control conducted an extensive investigation into the illegal substitution of premium alcohol served by restaurants and taverns. “Operation Swill” caught 39 licensed establishments serving cheap liquor to patrons who paid for top-shelf brands. Bars and restaurants caught cheating paid a total of more than \$550,000 in fines and penalties.

The Division of Gaming Enforcement was central to the on-time launch of legalized Internet gambling in 2013, taking the lead role in the creation of regulations and the testing of critical features of Internet gaming systems – including all-important fraud and money-laundering detection systems. Presently, the Division is exploring the possibility of expanding Internet gaming in New Jersey by entering into compacts with other states where Internet gaming is legal.

The Division on Civil Rights initiated more than 700 new discrimination investigations, and worked with the NJSIAA (New Jersey State Interscholastic Athletic Association) to rid high school sports of taunting and harassment based on race, religion, and other “protected” characteristics.

The Juvenile Justice Commission continued to serve as a model for the nation through its work with the courts and the community on JDAI or the “Juvenile Detention Alternatives Initiative.”

As you know, JDAI has allowed for the placement of thousands of juvenile offenders – young people who otherwise would be inappropriately incarcerated – in alternate settings while maintaining community safety and saving taxpayer dollars (so far, approximately \$16 million has been saved just in facility consolidation alone).

The Racing Commission approved a fifth Off-Track Wagering Facility in New Jersey, located in Camden County, and is considering the application of a sixth.

I’m also proud to note that we worked around-the-clock earlier this year to ensure the safety and security of the Super Bowl in East Rutherford.

Of course, safeguarding the Super Bowl was a team effort involving the NFL and numerous other partners at every level.

However, the fact that the “big game” went off without a significant public safety incident is unquestionably a testament to the hard work and dedication of many people within the Department of Law and Public Safety – with special kudos to Colonel Fuentes, Lieutenant Colonel Ed Cetnar, the Super Bowl Incident Commander, and the New Jersey State Police.

While discussing the Super Bowl, I should note that the State Police not only safeguarded the game and all those who attended, but also taxpayer dollars.

Security costs for the Super Bowl totaled \$5.3 million, but the total expense to New Jersey taxpayers was a fraction of that – about \$1.34 million – because the Department and the State Police were able to creatively leverage grant and other dollars to cover the difference. In the same vein, the Department was careful to purchase equipment and technology that law enforcement will be able to use well beyond the game.

I also would be remiss if I didn't mention another team effort that put New Jersey on the map in 2013 – our Fugitive Safe Surrender initiative staged in Jersey City. Through this partnership effort, which included the courts, police, civic leaders, clergy, and community volunteers, nearly 5,000 fugitives safely turned themselves in, and more than 10,000 non-violent arrest warrants were resolved. Nationally, Jersey City represented the third largest turnout ever for a Fugitive Safe Surrender event.

Looking to the coming year, the Department will continue to provide the level of protection and public service you have come to expect from us – particularly with regard to some of New Jersey's most vulnerable populations.

For example, we have ratcheted up our enforcement efforts targeting those engaged in child exploitation – specifically child pornography and human trafficking.

In 2013, our Division of Criminal Justice worked on many anti-child-pornography cases, including Operation Predator Alert – done in cooperation with federal law enforcement agents – that resulted in the arrest of 14 defendants accused of distributing and possessing child pornography via Internet file-sharing programs.

We also have beefed up our anti-trafficking efforts, assigning experienced investigators and prosecutors to our Human Trafficking Task Force, issuing a statewide directive for law enforcement on trafficking, and bringing a number of successful human trafficking prosecutions, including that of Percival Williams, who was sentenced yesterday to ten years in jail for using violence and threats of violence to lure and enslave women in a high priced prostitution ring.

Likewise, our efforts to protect another vulnerable population, the elderly, are a continuing priority.

As you may be aware, we recently announced the arrest of four individuals in Atlantic County – including a social worker and a well-regarded “elder law” attorney – who were charged with callously gaining the trust of senior citizens, then draining millions of dollars from their life savings.

Given the rapid evolution of technology, protecting people’s “cyber-privacy” and investigating cyber-crime are two of the new frontiers for law enforcement and regulatory agencies.

In the coming months, we expect to ratchet up our already-strong cyber protection efforts by forming a blended, first-of-its kind Cyber Safety Enforcement Unit, which will include personnel from our Divisions of Criminal Justice, Consumer Affairs, Law, and State Police, as well as Homeland Security and Preparedness.

We also will be continuing our drive to bolster the ranks of the New Jersey State Police, and to increase diversity within those ranks.

The 154th State Police Class began its Academy training on March 18, and the 155th Class is set to begin its training this coming September. We anticipate that both of these State Police classes will graduate several hundred additional troopers, including a number of female and minority troopers. In fact, the 154th State Police Class began the Academy with more than two times the number of women than began the 152nd and 153rd Classes.

As I mentioned earlier, our proposed budget contains funding for a 156th State Police Class, and we have just launched a new, statewide advertising campaign in partnership with the NAACP, the National Action Network, and several other groups to further bolster diversity within the ranks of the State Police.

In closing, I want to thank you, members of the Committee, for your attention here today, and for your continued support of our Department.

We consider it a privilege to be entrusted with protecting New Jersey citizens, and with handling the many other vital responsibilities that are assigned to us.

I will now be happy to answer any questions you may have.

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