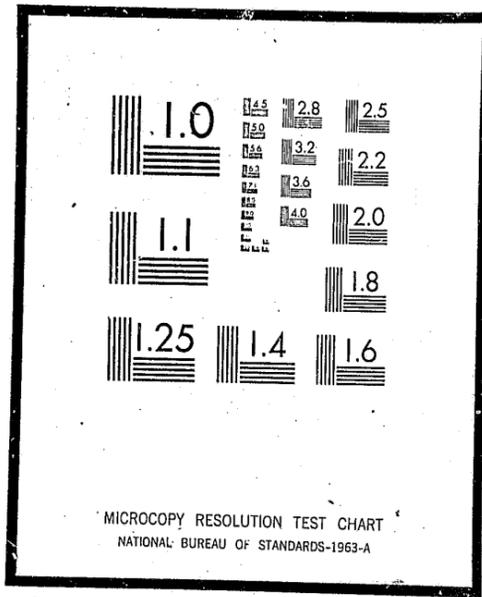


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U.S. DEPARTMENT OF JUSTICE
LAW ENFORCEMENT ASSISTANCE ADMINISTRATION
NATIONAL CRIMINAL JUSTICE REFERENCE SERVICE
WASHINGTON, D.C. 20531

5/5/76

Date filmed

U. S. DEPARTMENT OF JUSTICE LAW ENFORCEMENT ASSISTANCE ADMINISTRATION		DISCRETIONARY GRANT PROGRESS REPORT	
TEE New Mexico Governor's Council on Criminal Justice Planning	LEAA GRANT NO. 73-DF-06-0017	DATE OF REPORT 11-1-74	REPORT NO. 5
IMPLEMENTING SUBGRANTEE Governor's Organized Crime Prevention Commission	TYPE OF REPORT <input type="checkbox"/> REGULAR QUARTERLY <input type="checkbox"/> SPECIAL REQUEST <input checked="" type="checkbox"/> FINAL REPORT		
SHORT TITLE OF PROJECT NEW MEXICO - Organized Crime Intelligence Unit	GRANT AMOUNT \$104,748		
REPORT IS SUBMITTED FOR THE PERIOD June 29, 1973		THROUGH June 30, 1974	
SIGNATURE OF PROJECT DIRECTOR <i>William J. Tarangelo</i>	TYPED NAME & TITLE OF PROJECT DIRECTOR William J. Tarangelo Assistant Director, GOCPC		
COMMENCE REPORT HERE (Add continuation pages as required)			
<p>As stated in our original application, this project is to establish and operate a Statewide Organized Crime Intelligence Unit in the Governor's Organized Crime Prevention Commission. The project consisted of the selection, development and training of the personnel of a unit which will design and operate an organized crime intelligence system. This system will collect, collate, correlate, evaluate and analyze strategic and tactical intelligence data with the ultimate overall objectives of:</p> <ul style="list-style-type: none"> A. Determining the nature and extent of organized crime in New Mexico. B. Identifying major criminal organization and individual targets for determination of enforcement priorities and program and investigative planning. C. Exchange and disseminate information with local, other state, out-of-state and federal agencies to explore the possibility of developing a regional border state intelligence system. <p>The personnel have been selected, trained, and an intelligence system is in operation. As reflected in the following paragraphs, we are progressing toward fulfillment of the ultimate overall objectives, which are of a continuing character. The intermediate objectives established in our original grant were met as follows:</p> <ol style="list-style-type: none"> 1. <u>Develop and coordinate the capabilities of law enforcement and other intelligence gathering resources.</u> - Communication and exchange has been established with law enforcement agencies (federal, state, local, other states) and they are submitting intelligence to this Commission. Several intelligence collection operations involving joint participation have been conducted successfully. Significant major steps taken to foster coordination have been (a) the staging of an Organized Crime Conference involving participation by heads of all local, state and federal agencies in New Mexico; (b) as an outgrowth of the aforementioned conference, a permanent State Organized Crime Intelligence Committee was established and which meets periodically; (c) regular and continuing visits and involvement of intelligence unit personnel with law enforcement agencies; (d) conferences were held with law enforcement authorities in other states to bring about badly needed interstate coordination. 			
RECEIVED BY GRANTEE STATE PLANNING AGENCY (Official)			DATE

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As an example, preliminary steps have been taken to establish coordination between New Mexico and Arizona on the subject of Indian jewelry thefts, placing emphasis on organized activity of burglaries, robberies and fences. A possible outgrowth of this program may be the development of an interstate intelligence system.

2. Afford training in intelligence collection and analysis to unit personnel and to the personnel of local and other state agencies. - (a) Two investigators have completed the Intelligence Collector's Course and one the Intelligence Analyst Course held by the California Department of Justice. (b) Two investigators have completed the Drug Enforcement Administration Training Course for State Officers. (c) Four personnel have attended the various organized crime seminars held by the Arizona Department of Public Safety. (d) Two personnel have attended the advanced crime seminar conducted by LEAA. (e) Two personnel have attended a special seminar held by the Securities Exchange Commission. (f) Two personnel have attended an institute held by the International Narcotic Officers Association.

Unit personnel have lectured regarding intelligence collection before university law enforcement students and officers in police academies. As part of the activity of the Organized Crime Committee, we have included training in intelligence collection and analysis.

Staff personnel engage in on-the-job training when conducting liaison visits to law enforcement agencies.

3. Provide the data necessary to evaluate the effectiveness of priorities in the utilization of resources against organized crime. - Through the mechanism of the Organized Crime Committee mentioned above, we have developed (a) forms and procedures for the submission of data needed to evaluate drug enforcement activities and to provide intelligence regarding major traffickers and drug trends. (b) A study has been initiated of the records of the second largest city in the state to determine the nature and extent of the relationship between drug use and property crimes. (c) A program has been implemented with several major local and state law enforcement agencies to identify individuals suspected of being involved in organized crime with particular reference to individuals involved in hard drugs, burglaries, fencing, gambling, prostitution, liquor violations, and white-collar crime. (d) Requested and received compliance from New Mexico State Police to include in the newly established State Uniform Crime Reporting System expanded information relating to drug arrests and seizure data by drug and weight (New Mexico may be the first state to be collecting such data through the UCR System).

4. Provide the analysis necessary to evaluate the effectiveness of the enforcement of the laws relating to organized crime. - As the data being

provided through 3. is received, the Commission, in coordination with the Organized Crime Intelligence Committee, is conducting the necessary analysis.

5. Provide data for the assessment of the organized crime situation in the State in order to develop recommendations for the Governor and the State Legislature. - In 1973, the Commission published its first report to the Governor and Legislature containing a preliminary analysis of organized crime in New Mexico. This was the first comprehensive report on this subject ever presented to the public. During the course of the year, we have gathered intelligence and made assessments of significant developments for the benefit of the regulatory and law enforcement agencies. A major task performed by the Commission was a detailed examination of a racetrack operation to determine if organized crime elements were involved. The first comprehensive study of the ownership, finances, operation and security of all racetracks in the state is now in progress.

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The steps, methods and accomplishments effected in order to achieve the foregoing intermediate objectives and which will hopefully accomplish the ultimate objectives are listed below. For the sake of clarity and convenience, they have been divided into four areas: the development of the staff and establishment of the commission, the development of the intelligence capability, the establishment of contact, liaison and credibility with other agencies, and the specific investigative accomplishments.

A. Staff Establishment and Development

1. Numerous individuals were interviewed and ultimately three were selected and hired as civilian investigators for the Intelligence Unit. Each of these investigators has excellent qualifications, one being the former Chief of the New Mexico State Police, one a former FBI agent, and one a former Albuquerque Police Detective.
2. Arrangements were made with the New Mexico State Police to select and detail two agents with the most experience and knowledge in the organized crime field. One agent is assigned full time and one is assigned as needed.
3. Arrangements were also made with the Albuquerque Police Department to assign an organized crime specialist from the Intelligence Unit of its Detective Division.
4. Both of these police departments also loaned the Governor's Organized Crime Prevention Commission unmarked police vehicles for use by the assigned police personnel.
5. An organized crime intelligence analyst has been selected and hired. This individual has State Police, Office of Naval Intelligence, Florida Department of Law Enforcement and University Security experience.
6. Office space, furniture, telephone service and other support and logistic services have been obtained.
7. The Intelligence Units of the Colorado Bureau of Investigation, Denver Police Department, Los Angeles County Sheriff's Office, Arizona Department of Public Safety, Arizona Organized Crime Strike Force, Michigan State Police, and the New York State Intelligence and Identification System have been visited and their systems studied.
8. Two secretaries have been selected, hired and trained in the operation of the unit and the maintenance of files.
9. Two Commission investigators attended a three-day organized crime seminar on methods of surveillance conducted by the Arizona Department of Public Safety.

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10. On-the-job training of investigators and the analyst was continued.
11. Numerous attorney candidates were screened and one was selected and hired for the Commission. This attorney has over four years varied prosecutive background.
12. A formal weekly training program in investigation and law has been established for our own personnel.
13. A comprehensive fiscal and operational management system was created and developed by the Commission.
14. Two Commission investigators have attended the Drug Enforcement Administration two-week training school.
15. Two Commission investigators have attended an institute conducted by the International Narcotic Enforcement Officers Association.
16. One Commission investigator is studying accounting in his off-duty time to become skilled in financial investigation.
17. Specialized investigators and consultants, mainly retired law enforcement personnel, have been utilized to supplement full-time employees in such areas as drugs, accounting and financial investigation.

B. Intelligence Capability Development

1. A plan of methodology for the operation of the unit has been developed together with a system of indices and files, and methods for the gathering and dissemination of information. In this connection, it should be noted that we are not only using the traditional method of indexing, filing and case assignment by name, but we have also utilized the system of assigning particular types of crimes to each of the investigators, e.g., pornography, drugs, gambling, etc. We hope this system will ultimately give the unit an in-house expertise in each of the criminal activities normally associated with organized crime. This expertise will then be available to all components of government in New Mexico. (Copy of Intelligence Plan is attached.) Since the inception of the Unit, over 315 investigative files have been opened and approximately 9,800 index cards to these files have been developed.
2. The Project Director and one investigator attended the LEAA sponsored Advanced Organized Crime Seminar in New Orleans, Louisiana. On-the-job training of all personnel is being conducted by the Project Director and the Executive Director of the Governor's Organized Crime Prevention Commission.

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3. Agreements were made with both the New Mexico State Police and the Albuquerque Police Department for complete access to all their personnel and records and for the most cooperative and complete exchange of information.
4. A policy and procedures manual for the unit was prepared and distributed to all personnel.
5. Security provisions for the files were taken in the form of an alarm system, fireproof combination lock file cabinets and several physical changes to the office space. Security and procedures for the files were also developed. These procedures included compartmentation of investigation and limited access to certain files. (Copy of Security and Privacy Procedures attached).
6. An organized crime reference library has been established which presently has over 275 volumes and numerous periodicals.
7. Coverage of the major newspapers in the state and in neighboring states has been initiated.
8. Numerous confidential sources of information have been developed and information from these sources has been of assistance to several state and federal agencies.
9. Forms have been developed, in cooperation with the New Mexico State Police, to include additional data relating to drug abuse in the projected Statewide Uniform Crime Reporting System. This data will consist of type of charge (possession or distribution) by drug and the amount of each seizure by type of drug. (Copy of this form is attached).
10. Arrangements have been made with the State Department of Radio Communications, the New Mexico State Police, the Albuquerque Police Department and several Federal agencies to have joint radio frequencies to permit the Commission to conduct joint operations with these agencies.
11. The analysis of all available information and data relating to all forms of organized crime in New Mexico; the determination of the gaps in that intelligence; the conduct of investigations and studies to supply the missing pieces; and the completion of the first Annual Report assessing organized crime in the State. (Copy of report attached). This report was submitted to the Governor and the Legislature as required by Statute.

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12. The first meeting of the Organized Crime Intelligence Committee took place at which it was decided to concentrate initially on the illicit drug traffic in New Mexico. Forms have been developed, printed and distributed for the submission of drug arrest and intelligence data to the Governor's Organized Crime Prevention Commission. Submission of this data has begun and the information is being collated and analyzed. Participants are also being trained in submission of intelligence data. (Copy of form attached).

C. Establishment of Liaison with Law Enforcement and other Agencies

1. Liaison contacts have been made with nearly all of the New Mexico State Agencies which are connected in any way to the control, prevention or suppression of organized crime, both law enforcement and regulatory. These agencies include the State Police, Attorney General, Bureau of Revenue, Motor Vehicles Department, Securities Commission, State Corporation Commission and numerous others.
2. The members of the Intelligence Unit have visited approximately three-fourths of the cities and counties in the state to brief senior criminal justice system officials on the operation of the Intelligence Unit, and the methods of submitting and withdrawing data. During these visits, intelligence and assessments on the organized crime situation have been obtained and placed in our files.
3. Liaison has been established with law enforcement agencies of Arizona, Utah, Colorado, Oklahoma, Texas, California, Nevada, Illinois, Michigan, New York, New Jersey, Pennsylvania, Washington, Oregon, Louisiana, Florida and several other states.
4. Liaison meetings and exchange of information have been arranged with the FBI, IRS, DEA, SEC, Customs, ATF, Secret Service, Postal Inspectors, Border Patrol, the U. S. Attorney, Department of Justice Organized Crime Strike Force, and several other federal Agencies.
5. Liaison and lines of communication have been established with the Chamber of Commerce, other sectors of the business community, civic and service organizations, the press and other forms of the media, and with the Legislature and its various study and investigative committees.
6. Visits to numerous local and state enforcement agencies have been made to gather intelligence and develop cooperation. Collection, processing, analysis and dissemination of this data is progressing on a continuing basis.

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7. A major Organized Crime Conference was held. This conference was attended by 57 heads and key officials of every major, most small police and sheriffs departments, and all federal law enforcement agencies. The conference was intended to discuss the findings of our Commission relating to organized crime and to establish an organization to serve as a coordinating element to combat organized crime. In addition, an Organized Crime Intelligence Committee was formed which consisted of 15 members representing all the large enforcement agencies, several smaller agencies geographically representative and the head of the New Mexico Office of the U.S. Drug Enforcement Administration.
8. Commission staff participated in a meeting of the Texas Plains - Southeastern New Mexico Peace Officers Association and the Five States Peace Officers Association at which staff lectured and attempted to develop cooperation.
9. Commission staff participated in the operation of the New Mexico Governor's Council on Criminal Justice Planning in the allocation of L.E.A.A. funds.
10. Contact and dialogue have been established with the major universities of the state through their Departments of Criminology and/or Law Enforcement and through their research units.
11. Contact and liaison have been established with the various drug treatment and prevention organizations and agencies in the state.
12. In cooperation with the University of Albuquerque, an intern program in criminal justice has been developed and student interns have been assigned to the Commission.
13. Commission staff serves on the Governor's Council on Criminal Justice study team on Detection, Deterrence and Apprehension. This study team prepares input for the State Comprehensive plan.
14. Commission legal counsel is a member of the New Mexico District Attorney's Association and maintains liaison with that organization.
15. The Commission has a committee of police legal advisors and assistant district attorneys to advise the Organized Crime Committee and to develop needed legislative proposals.
16. Committee staff has instructed the University of Albuquerque, Western New Mexico University, the Albuquerque Police Academy and the New Mexico State Police Academy.
17. Commission staff has participated in New Mexico Conference on Criminal Justice Standards and Goals and a staff member serves as the co-chairman of the Police Committee.

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D. Investigative Accomplishments

1. Analysis of intelligence data has targeted certain major organized crime figures. Investigations of these individuals have been initiated.
2. Several investigations of targeted organized crime figures are continuing. Data from these investigations is being furnished to federal and state agencies which may have prosecutive jurisdiction.
3. An intensive, in-depth study of horse racing and all racetracks in New Mexico has been completed and a report summarizing the results of this study has been prepared for the entire industry and each individual track.
4. A study of all drug arrests made in Santa Fe in 1973 has been made to determine the type of arrests, amount of seizure and the relationship, if any, between drug abuse and other types of crime, particularly property crime.
5. Agents of this unit assisted the U.S. Drug Enforcement Administration in a major marijuana seizure and several arrests.
6. Commission staff has initiated an exchange of information regarding Indian Jewelry thefts between the Commission, the Albuquerque Police Department, the New Mexico State Police and various Arizona law enforcement agencies. The ultimate objective of these discussions is to establish an Indian Jewelry identification system and a Southwest States Intelligence Unit.
7. A major research and investigative project has been initiated with the Albuquerque Police Department to develop information and evidence for use at a hearing into burglary and fencing operations in metropolitan Albuquerque.
8. Information developed by the Intelligence Unit of the Commission resulted in the identification and apprehension of a bank robber.
9. Information developed by the Intelligence Unit of the Commission also resulted in the recovery of over \$100,000 in bonds stolen in a multi-million dollar theft in New York City and the arrest of one individual.
10. The Intelligence Unit has been assisting the Governor's Office and a Special Assistant Attorney General in the conduct of a highly sensitive financial investigation. The results of this investigation should highlight some major weaknesses in the present laws.

The methods and timetables for implementation which were specified in our original application have met, as enumerated above, with the exception of formal training for the personnel of other agencies. This will be discussed subsequently in this report when the various problem areas encountered are mentioned.

Evaluation of the first year's operation of this Intelligence Unit was conducted by an outside evaluator - consultant selected by the Dallas Regional Office of LEAA. An additional evaluation of the operation of this entire Commission, including the Organized Crime Intelligence Unit, was conducted for the New Mexico State Legislature by the staff of the Legislative Finance Committee.

In the course of developing this organized crime intelligence unit by the use of discretionary grant funding, certain problem areas developed. The majority of these problems have been resolved but they have caused delays and in some cases an inordinate and unnecessary expenditure of time. A discussion of these problem areas follows:

1. The accounting and fiscal procedures of the State of New Mexico differ from those established by LEAA, both in methods of classification and operation, and in the accounting information which the system furnishes. This necessitated that an internal accounting system be established in this Commission in addition to that which the Department of Finance and Administration maintains for each agency. For the large agencies, with accounting units, this may not present any problem, but for an agency of ten to twelve employees, none of whom are accountants, it caused a major drain of resources and serious difficulties.

An outgrowth of the fiscal situation was the constant shortage of available funds. In an attempt to avoid excessively large balances of funds on hand, the Commission kept its requests for advances of federal funds at minimum levels. Any delay in receipt of these funds left us unable to pay our invoices because we did not have a large State appropriation from which to temporarily draw funds.

2. The nationwide shortage of experienced and sophisticated organized crime investigators required high salaries in order to compete for the few available. New Mexico does not and cannot compete financially with such states as New York, California, Texas or Illinois. It accordingly became necessary to hire intelligent and motivated investigators who could be trained. This involved delays in the implementation of grant objectives. This problem has not yet been solved regarding a skilled financial investigator and a skilled investigative attorney. We are presently attempting to train current employees to meet these needs. It is not possible to predict how much time will be required to accomplish this training.

3. Plans to conduct formal intelligence training for personnel of local and other state agencies were delayed mainly because of the problems discussed in

2. above. Training of unit personnel had to take priority over outside training. It is anticipated that some formal training for other personnel will be possible in the year 1974-1975.

4. There were some omissions and deficiencies in the Organized Crime Act which established this Commission. To date, we have been able, with the cooperation of the Judiciary and the prosecutors, to overcome these difficulties. However, in order to strengthen our position, we will have legislation introduced at the next Legislature to cure these oversights.

In view of the fact that the Organized Crime Intelligence Unit development was proceeding successfully and on schedule, in spite of the above problem areas encountered, it was decided to add an investigative and prosecutorial component. This is the logical outgrowth and progression if the intelligence product is to be effectively utilized. To accomplish this phase, additional funding for this purpose was included in the application for second year discretionary grant funding of the intelligence unit. This application was approved and funded by LEAA.

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