

## DEPARTMENT OF LAW AND PUBLIC SAFETY

### FY 2012 Assembly Budget Committee Follow-up Questions

#### Assemblyman Greenwald:

The General Assembly sent out questions earlier in the budget season. The Department of Law and Public Safety's answer regarding identifying the department's best practices was identical to a few other departments. Would you please provide the committee with the identifiable "best practices" implemented specifically in Department of Law and Public Safety.

#### Answer:

The Department of Law and Public Safety (Department) has broad and diverse responsibilities arising out of its core missions, which include the preservation of the safety, security, and quality of life of the people of New Jersey through an integrated and coordinated structure of law enforcement and regulatory agencies. The Department employs approximately 8,900 individuals across 9 divisions and offices. As illustrated below, the Department employs best practices in many areas by leveraging, among other things, management review, technology, training, and efficiency initiatives.

The Department utilizes performance-based budgeting, establishing performance indicators across the various divisions for the Department's four core missions -- public safety, emergency management, services to the state, and services to the public. Performance-based budgeting has allowed the Department to examine efficiencies through consolidation, privatization, and reallocation of staff. The Department is constantly examining its performance indicators and adjusting as necessary to meet goals.

The Department frequently offers training opportunities to its employees through, among other venues, the National Association of Attorneys' General (NAAG) and the Department's own Advocacy Institute. For example, Department managers will be attending a two-day Advanced Leadership and Management Training offered by NAAG on May 19 - 20, 2011. Our Advocacy Institute offers a broad range of programs to address the educational and training needs of public sector attorneys, including deputy attorneys general, assistant prosecutors, municipal prosecutors and those who represent other governmental entities. In 2010, the Institute offered 126 programs to more than 6,800 participants. The Advocacy Institute serves as a clearing house for best practices, and is responsible for producing handbooks and practice manuals for use within the Department.

For the Division of State Police, best practices begin with training. Training for recruits as well as in-service training takes place at the State Police Academy in Sea Girt. On July 31, 2010, State Police attained re-accreditation from the

Commission on Accreditation for Law Enforcement Agencies (CALEA). CALEA evaluated the State Police against a set of 462 standards in 38 topic areas. In order to maintain accreditation, the State Police must maintain compliance with these standards for each year and be re-accredited every three years.

The Department also maintains two up-to-date websites - one for employees (intranet site) and another for the public (internet site). The internet site has information about the Department's various divisions. Many divisions also maintain their own public websites. Information on recent events and other relevant information can be found on these websites.

The Department maintains an employee handbook, which is provided to each employee upon his or her hire. The employee handbook discusses important legal and policy issues for our employees. Ethics training is offered to our employees through the State Ethics Commission and the Department's ethics liaison officers. The Department also provides training on policies prohibiting discrimination in the workplace on a regular basis.

Our Department also seeks to control overtime costs, whenever possible. Overtime is based on need and may, in certain instances, be caused by external forces (overtime related to snow, for example). Overtime must be reviewed and approved by a supervisor. As discussed in greater detail below, for FY 2011, the State Police is on course to save approximately \$2 million in overtime costs from the prior year even with the severe weather events that occurred this past winter.

The Department oversees a large number of state vehicles, many of which are within the State Police. The Department looks to Treasury regulations in overseeing the use of these vehicles. The Department keeps track of mileage on a monthly basis through a database and mandates that E-Z Pass devices can only be used for business purposes. Cell phones and Blackberrys are provided to Department employees based on established need and the Department monitors their use. The Department utilizes Treasury regulations in determining reimbursement for cell phone charges.

The Department also makes use of technology in seeking to cut costs. For example, the State Police recently enhanced the "eDaily" electronic time keeping system utilized by enlisted State Police members, to provide a reporting mechanism available to supervisors, which allows them to closely monitor unscheduled hours regularly in order to minimize overtime payments. This initiative was invaluable in helping the State Police reduce overtime costs by approximately \$2 million during this fiscal year. Another example is electronic ticketing (e-ticketing), which should reduce costs and the time Troopers spend at motor vehicle stops.

In January 2011, the Division of Law implemented an electronic billing and matter management system (e-billing system) and issued new outside counsel

guidelines. The e-billing system electronically reviews outside counsel invoices against the Division's guidelines and automatically "flags" questionable line items and adjusts entries that are in clear violation of the guidelines. Division of Law attorneys review invoices using the e-billing system. The system has already identified potential savings of \$66,141.56. It is estimated that the new guidelines and e-billing system will result in savings of approximately \$2.6 million over the next five years.

The Department is also seeking to implement a document management system in the coming months, which will allow certain divisions to move closer towards a paperless system while, at the same time, allow for better management and oversight of our records.

The Division of Law utilizes a comprehensive request for qualifications process in developing lists of approved outside counsel in various subject areas. The Division of Law examines several factors in creating its lists, including the knowledge and experience of the firm and its attorneys in the needed practice area, and the firms' resources. The outside counsel lists cover many practice areas, including: General Litigation, Employment Litigation, Labor Counsel, Medical Malpractice, Municipal Court, Out-of-State Tort Litigation and Wright Litigation.

Recently, OAG Administration was consolidated, which has allowed for better administrative oversight of the various divisions. Consolidation has been very helpful in ensuring that appropriate internal controls are in place throughout the Department. OAG Administration meets with division representatives on a quarterly basis to review each division's spending plans and fiscal goals. The Department is always comparing its current spending with previous fiscal years in order to assist it in finding additional spending efficiencies. The Department also has a Health and Safety Officer who monitors compliance with safety requirements, including all PEOSHA and OSHA requirements.

Division directors have regular meetings with Attorney General Dow, her Executive staff and Administrative staff to discuss relevant administrative issues including critical staffing and other administrative needs.

The Department takes great pride in ensuring that it is complying with best practices guidelines and will continue to do so in the upcoming fiscal year.

**Assemblyman Chiusano:**

**Please provide the committee with the crime rate and the number of law enforcement officers (manpower) in New Jersey's major cities in 1990, 2000, and 2010.**

**Answer:**

Below, please find a chart detailing the crime rate and number of law enforcement officers for the state's six largest urban centers with populations over 80,000.

**Crime Rate and Number of Law Enforcement Officers in Major Cities**

		<b><u>1990</u></b>	<b><u>2000</u></b>	<b><u>2009</u></b>
Camden	Crime Rate	159.9	81.6	75.1
	Law Enforcement Officers	290	403	361
Elizabeth	Crime Rate	101.2	60	51.7
	Law Enforcement Officers	292	355	335
Jersey City	Crime Rate	91.8	52.4	32.8
	Law Enforcement Officers	916	871	885
Newark	Crime Rate	164.1	75.7	44.3
	Law Enforcement Officers	1070	1398	1297
Paterson	Crime Rate	89.8	43.2	35.4
	Law Enforcement Officers	347	430	488
Trenton	Crime Rate	106.7	77.3	47.2
	Law Enforcement Officers	367	360	372

**Notes:**

Source: 1990, 2000 and 2009 Uniform Crime Reports

The 2010 report is not finalized.

Crime rate is the number of Index offenses reported per a population of 1,000.

**Please provide the committee with the percentage of the State Police budget which is used for patrolling the State's urban areas.**

**Answer:**

Approximately 2.85% of the State Police's budget is used for patrolling the State's urban areas, including Metro North and Metro South along with their companion units, Strategic Investigations North and Strategic Investigations South. The total cost, including the salaries and maintenance for staff, and non-salary costs, such as material and supplies, telephone/data lines, vehicle maintenance, fuel and building rental is projected to be approximately \$8 million in FY 2011.

**Assemblyman Schaer:**

**In 2009, the Division of Consumer Fraud settlements were \$31,719,216. In 2010, the settlements were \$6,303,176. Please provide the committee with an explanation of the significant decline in settlements from 2009 to 2010.**

**Answer:**

In Calendar Year 2009, the Division of Law successfully closed 57 consumer fraud matters that resulted in judgments or recoveries for the State in the amount of \$31,719,216.23. Approximately 84% of these judgments and recoveries are attributable to the following matters: (1) the state received a judgment of \$20,072,500 in a predatory lending suit against Barry C. Fautleroy, Neighborhood Properties Group, LLC, and others; (2) the State recovered \$3,075,302.30 in a consumer fraud action involving Celebration Studios; and (3) the State received a judgment of \$3,500,000 in a matter involving Malqui Corporation. Although the Division closed more consumer fraud matters (88) in Calendar Year 2010, the largest individual recovery for that year was \$2,051,253.25 in the matter of Hope Now Financial Services.

**Recently, the Executive authorized NJ Transit to retain Washington, D.C. law firm Patton Boggs to challenge the \$271 million request for payment New Jersey received from the federal government for work done on the canceled Hudson River train tunnel. Please provide the committee with the hourly rate being charged by this law firm. If there is a clause in the contract which notes a dollar amount “not to exceed,” please provide that information to the committee. Additionally, if the firm succeeds, is there an incentive, and conversely, if they do not succeed, is there a “give back” to the State arranged in the contract? Please provide details as needed.**

**Answer:**

On December 2, 2010, the law firm of Patton Boggs, LLP was retained to represent New Jersey Transit in connection with the Federal Transit Administration’s demand for repayment of \$271 million of federal funds expended in connection with the ARC Tunnel Project. The firm was retained due to its special expertise with respect to federal transportation issues. Patton Boggs has a New Jersey office, although the engagement is principally managed out of the firm’s Washington, D.C. office.

The fee structure for this retention is as follows: a blended rate of \$485 per hour for all attorneys; \$125 per hour for clerks and law assistants (i.e., summer associates or law school graduates awaiting bar results); and \$90 per hour for paralegal work. The retainer agreement does not contain an amount “not to

exceed,” as the total cost of the engagement is uncertain and extremely difficult to estimate. However, costs are monitored on a monthly basis and the firm serves only for the period that the State determines necessary. The cost will depend in large measure on how protracted the dispute becomes.

There are no contingency arrangements in this retention agreement. Therefore, Patton Boggs will not receive additional compensation from New Jersey Transit if we ultimately prevail. Similarly, there are no corresponding “give backs” to Patton Boggs if we do not prevail.