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THE STATE PROSECUTOR
1986

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Stephen Montanarelli
State Prosecutor

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TABLE OF CONTENTS

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	<u>PAGE</u>
INTRODUCTION.....	1
I. MAJOR INVESTIGATIONS COMPLETED.....	3
A. Investigations Completed With Charges Filed.....	3
1. Commissioner George R. Aud, St. Mary's County.....	3
2. Department of Traffic and Transit, Baltimore City.....	3
3. Bernard F. Goldberg, Sr., Howard County.....	4
4. Lieutenant Timothy B. Wilton, Baltimore City Jail.....	5
5. Robert J. Bricker, Sr., Baltimore City.....	5
6. George Joseph Santoni and Others, Baltimore County.....	5
7. Chief Clinton E. Mowen, Hagerstown Police Department, Washington County.....	6
8. Lieutenant Clyde Moser, Maryland Correctional Institution, Washington County...	6
9. Anthony Campagna, Montgomery County.....	6
10. Correctional Officer, Maryland House of Correction, Jessup, Anne Arundel County.....	6
11. Jesse Jo Bowen, Treasurer, Calvert County.....	7
12. Joint Investigation "Quartermatch," Multi-Jurisdictional.....	7
Rossville Vending Machine Corporation.....	8
Columbia Vending Service, Inc.....	8
Cadillac Amusements.....	8
Bernie's Vending Services, Inc.....	9
Nick Frank Vending, Inc.....	9

TABLE OF CONTENTS

(Continued)

	<u>PAGE</u>
CEECO Vending Company, Inc.....	9
Watkins Amusements, Inc.....	9
United Automatic Sales, Inc.....	10
Eyler's Vending, Inc.....	10
Tri-State Amusement Machines, Inc.....	10
Summary of Quartermatch.....	10
B. Investigation Completed With No Charges Filed.....	12
1. St. Mary's County.....	12
2. Eastern Shore Slot Machines.....	12
3. Washington County.....	13
4. Baltimore County.....	13
5. Cecil County.....	13
6. Somerset County.....	13
7. Baltimore City.....	13
8. Election Law Complaints.....	14
II. INVESTIGATIONS IN PROCESS.....	14
III. ACTIVITIES IN THE APPELLATE COURTS.....	14
A. Bernard F. Goldberg, Sr. v. State.....	14
B. State v. 149 Slot Machines.....	15
C. In Re: Criminal Investigation, No. 1-162.....	15
D. George R. Aud v. State.....	15
IV. LEGISLATION	
A. Savings and Loan Associations.....	16
B. House Bill 1325, 1986-87 Session.....	16

TABLE OF CONTENTS

(Continued)

	<u>PAGE</u>
V. ORGANIZATION AND PERSONNEL	
Chief Investigator's Position.....	16
Investigative Staff.....	17
Administrative Staff.....	17
Auditors.....	18
Legal Interns.....	18
Prosecutors.....	18
VI. PLANS AND RESOURCES.....	18
Law Library.....	19
Computerization.....	19
VII. CONCLUSION.....	19
APPENDIX A. Organization Chart	
APPENDIX B. Workload Summary	

INTRODUCTION

This is the second report by State Prosecutor Stephen Montanarelli, who took office on May 7, 1984. The first report covered the period May 7, 1984 to November 30, 1985, his first eighteen months in office. This report includes December, 1985 and all of calendar year 1986.

Article 10, Section 33B(j), Annotated Code of Maryland, requires the State Prosecutor to submit an annual report to the Governor, Attorney General and General Assembly on the activities of his office which are not confidential. Most of the work of an investigative agency such as the Office of the State Prosecutor is confidential, except for those matters which result in criminal charges and prosecutions.

Since only a small percentage of the total complaints received by the Office result in full scale investigations, and since such investigations usually take six to eighteen months to complete, it is difficult to compile a report which gives a true picture of the Office's activities.

To resolve this dilemma this report contains a summary of all investigations completed in calendar year 1986 and those in process at the end of the year. Care has been taken not to reveal the subjects of those investigations in which charges have not been filed.

An inventory of office files as of December 31, 1986, showed the following number of files initiated, closed or in process during the reporting period:

Complaints Received.....	153
Complaints Closed With No Investigation Necessary.....	89
Complaints Requiring Preliminary Inquiry.....	50
Complaints Requiring Full Investigation.....	14

The above reflects only work received in 1986. In addition eleven full investigations were carried over into 1986 from 1985 and preceding years. A total of 25 full investigations were in process during 1986. An explanation of the above terms is as follows:

Complaints Received - Allegations which cannot be resolved immediately by telephone or at the initial meeting with the complainant.

Complaints Closed With No Investigation Necessary - The allegation did not amount to a crime or matter within the jurisdiction of the Office. In some cases a complaint will be closed due to lack of sufficient evidence to justify a preliminary inquiry.

Complaints Requiring Preliminary Inquiry - The allegation is sufficient to require inquiries, interviews and/or research of records to determine whether or not a full investigation is required. A preliminary inquiry may take 90 days.

Complaints Requiring Full Investigations - There is sufficient evidence to require an investigative team of at least one prosecutor, one investigator, and when necessary, an auditor to determine whether or not criminal charges can be sustained.

A brief explanation of each full investigation completed in 1986, will give some insight into the nature of the Office's work. It should be noted that the State Prosecutor's jurisdiction is limited. He can investigate on his own initiative only four crimes: bribery, misconduct in office, election law violations and ethics in government violations. If he finds perjury, obstruction of justice, or extortion in these investigations, he may also prosecute those crimes. He can also, if requested by the Governor, General Assembly, Attorney General, or a State's Attorney, investigate crimes occurring in more than one jurisdiction.

I. MAJOR INVESTIGATIONS COMPLETED

A. Investigations Completed With Charges Filed

1. Commissioner George R. Aud, St. Mary's County

This investigation began in early 1985, and concluded with indictments in May, 1986. The President of the Board of County Commissioners, George R. Aud, was charged with bribery, income tax evasion, misconduct in office and perjury. An excavating contractor, who allegedly enabled Mr. Aud to evade his state income tax was also charged with perjury. That charge was dismissed when he became a state witness against Mr. Aud.

On August 6, 1986, the bribery charge against Mr. Aud was dismissed by the court at the conclusion of the State's case. However, he was convicted on August 12, by a jury of perjury. He was sentenced to thirty days in the County Detention Center. This sentence was modified to probation before judgment, after Mr. Aud completed his sentence.

The income tax fraud indictment was dismissed in a pre-trial motion on August 6. Judge Jacob B. Levin held that the State had disclosed to the Grand Jury contents of conversations recorded by an undercover state police officer investigating tax fraud, a crime for which electronic surveillance is not permitted in Maryland. A subsequent Grand Jury reindicted Mr. Aud on the same charges on August 20, 1986. Mr. Aud was convicted of those charges on January 14, 1987 and received a one year sentence in the County Detention Center.

During the seventeen month investigation the undercover agent and state police officers detected a large gambling operation in which certain St. Mary's County officials were involved as players. The operators of the scheme, commonly known as "bookmakers," were prosecuted. Information concerning the above public officials was given to appropriate authorities for administrative action.

2. Department of Traffic and Transit, Baltimore City

This investigation resulted in the arrest of Dwight T. Walker, Jr., a Supervisor in the Department of Transit and Traffic, for bribery. Also arrested with Mr. Walker, in October of 1985, was Edward Marcus, President of E.T.F., Inc., an electronics firm.

On March 6, 1986, the Grand Jury of Baltimore City returned indictments against Walker, Marcus, Joseph Mariella, William Mojica, Michael Lichtenberg and William Serbeck. All defendants were accused of participating in a bribery scheme in which Walker made it possible for companies controlled by Marcus and Mariella to obtain city contracts in return for "kickbacks" to Walker. The scheme dated back to the mid 1970's and was uncovered when a Baltimore City Detective assigned to the State Prosecutor's Office, discovered a bank account in Damascus, Maryland, under Walker's control called REKLAW, which is the reverse spelling of Walker. Prosecutors estimated that the scheme netted Walker over \$200,000 in bribe money before it was detected.

Trial dates scheduled in these cases were postponed in late 1986 due to the illness of Marcus. On January 8, 1987, Walker, Marcus and Mariella pleaded guilty. Charges against Mojica, Serbeck and Lichtenberg were dismissed by the State. Walker received a four year sentence which was suspended, a \$10,000 fine and agreed to assign his retirement benefits of approximately \$74,000 and pay an additional \$16,000 to the City as restitution.

This is the first time in Maryland that a public official convicted of bribery has been made to forfeit his pension rights in order to repay the public for his misdeeds.

Marcus and Mariella received identical suspended sentences of four years, \$10,000 fines and agreed to make restitution of \$40,000 each. Due to the ill health and ages of Walker and Marcus, prosecutors did not seek jail sentences.

3. Bernard F. Goldberg, Sr., Howard County

This case was investigated primarily in 1985 and tried on February 24, 1986. Judge Martin A. Wolff found the defendant guilty of fraudulent misappropriation by a fiduciary. Mr. Goldberg, an attorney, was accused of misappropriating over \$600,000 from his clients.

On April 14, 1986, Mr. Goldberg received five concurrent sentences of seven years, all but two years of which were suspended. He was placed on five years supervised probation and ordered to pay \$613,412.00 in restitution. He has since been disbarred.

Mr. Goldberg contested the indictment alleging that Assistant State Prosecutors were improperly before the Grand Jury as Assistant State's Attorneys. Mr. Goldberg argued that they could not hold two offices simultaneously. The Court of Special Appeals affirmed Goldberg's conviction; certiorari to the Court of Appeals is pending.

4. Lieutenant Timothy B. Wilton, Baltimore City Jail

On April 24, 1986, Lieutenant Wilton, after a three day trial, was found guilty of conspiracy to commit bribery and aiding and abetting escape. Kenneth Davis, the inmate who bribed Lieutenant Wilton for favorable consideration, pleaded guilty to bribery on March 14, 1986, and then testified against Lieutenant Wilton.

Lieutenant Wilton was sentenced to three years all of which was suspended by Judge Joseph I. Pines. Judge Edgar P. Silver sentenced Davis to four years concurrent with a sentence for narcotics violations which he is serving in federal prison. The charges against Chester Wilton, brother of Lieutenant Wilton, who also works at the City Jail, were dismissed by prosecutors as a result of new evidence revealed during the trial.

5. Robert J. Bricker, Sr., Baltimore City

Mr. Bricker was indicted in late 1985 for attempting to bribe a Baltimore City police officer for confidential information. He pleaded guilty to bribery on February 2, 1986, and was sentenced to the City Jail for 18 months, all but 60 days suspended with two years supervised probation ordered by Judge Thomas E. Noel. Mr. Bricker also agreed to forfeit over \$40,000 in proceeds from video poker machine gambling seized in an earlier case.

6. George Joseph Santoni and others, Baltimore County

In late 1984, the office joined the Federal Bureau of Investigation and the United State's Attorney's Office in a joint investigation. Prosecutors and investigators of the Office were intensively involved in the investigation over a two year period. The investigation extended into New Jersey where federal and state authorities were conducting wiretaps of organized crime operators.

On September 24, 1986, the Federal Grand Jury in Baltimore indicted Mr. Santoni for interstate traffic in aid of racketeering, tax fraud and conspiracy to distribute cocaine. Nine other persons were also indicted in conjunction with the investigation. All are awaiting trial in 1987.

7. Chief Clinton E. Mowen, Hagerstown Police Department, Washington County

Chief Mowen was indicted on October 17, 1986, for conducting illegal electronic surveillance. The surveillance was conducted by an eavesdropping device and a telephone line intercept within the police department. A guilty plea to an amended charge of misconduct in office was accepted by Judge Fred A. Thayer of Garrett County on January 12, 1987. On April 8, 1987, he was sentenced to five years, all which was suspended, and he was placed on five years unsupervised probation.

8. Lieutenant Clyde Moser, Maryland Correctional Institution, Hagerstown, Washington County

Lieutenant Moser was indicted for perjury and obstruction of justice concerning his testimony before a Washington County Grand Jury. That body was investigating possible misconduct in the handling of a homicide case at the correctional institution and possible subornation of perjury in connection with the Grand Jury investigation. The indictment was obtained December 5, 1986, and he is awaiting trial.

9. Anthony Campagna, Montgomery County

During the 1986 primary election campaigns, several complaints of election law violations were referred by the State's Attorney of Montgomery County. These dealt with failure to file as a campaign committee and exceeding campaign contribution violations. On December 17, 1986, Mr. Campagna was charged with failing to file a political committee and campaign fund reports, to which he pleaded not guilty on January 23, 1987. He was tried on an agreed statement of facts and found guilty. He was fined \$1,000 on each of two counts, \$500 suspended on each count and placed on twelve months unsupervised probation prior to judgment which the State did not oppose. Additional charges are pending in the investigation involving other persons.

10. Correctional Officers, Maryland House of Correction, Jessup, Anne Arundel County

In May and October 1986, four guards from the House of Correction and another person were indicted for narcotics violations. The indictments resulted from a joint investigation with the State Police and included what is known as a "sting" operation. The com-

plaint was referred by the Baltimore County State's Attorney's Office that certain guards were smuggling drugs into the institution.

An inmate agreed to work with the investigators in order to obtain evidence against the guards. Four guards delivered small quantities of drugs to an undercover state trooper who pretended to be working with the inmate. However, the inmate's cooperation with the State was discovered before the plan could progress to other guards and the "sting" was terminated.

Three of the guards resigned in return for the cases being placed on the "stet" docket. The other was found guilty and received a one year suspended sentence with supervised probation. He was also terminated as a correctional officer.

11. Jesse Jo Bowen, Treasurer, Calvert County

County Treasurer Bowen was indicted on December 19, 1986, for failure to collect a property tax for two years from one of her employees in the Treasurer's Office. The case was tried without a jury on January 28, 1987, before Judge Perry Bowen, no relation, and she was acquitted. Judge Bowen stated that he understood the reason for the prosecution, but he found that the Treasurer lacked the required criminal intent.

12. Joint Investigation "Quartermatch", Multi-Jurisdictional

This was the huge multi-agency investigation begun in the summer of 1984 in order to attack the lucrative illegal video-poker machine gambling industry. It was designed to seize records which would enable the State to bring tax fraud charges against vendors of the machines rather than gambling charges against the tavern owners and their employees. Historically gambling charges have been ineffective deterrents in such cases.

The execution of 84 search warrants in March, 1985, was successful in seizing records from which tax fraud cases could be assembled. Twenty-five persons were charged in addition to eleven vending companies with failure to pay amusement and other State taxes as well as gambling. Two owners of a large restaurant in Baltimore County were also charged. The charges were filed in 1985 after exhaustive analysis of corporate records by auditors from the State Comptroller's Office and the State Prosecutor's Office working under our direction. All of the cases were scheduled for trial in 1986, with the following results:

Rossville Vending Machine Corporation

President Joseph J. Stonik and the Corporation were convicted June 20, 1986, of gambling and ordered to pay \$60,000 in fines. Stonik received a one year suspended sentence and probation by Judge John Rellas, District Court for Baltimore County. Charges against Daniel R. Volz, a corporate officer were dismissed by the State.

The tax fraud case, based on \$1.2 million dollars assessed against the Corporation for failure to pay State taxes, has been postponed pending litigation on the tax deficiency assessment. Rossville is contesting the State's right to collect taxes on its video poker machines.

Columbia Vending Service, Inc.

Raymond and Norbert Paszkiewicz, corporate officers, and the Corporation were found guilty on August 26, 1986, of gambling conspiracy and possession of slot machines (video-poker machines used for gambling). Judge Joseph Ciotola of Baltimore City District Court imposed fines totaling \$75,000 to be paid from monies seized in the May 7, 1985 raids. The Paszkiewiczs received unsupervised probation prior to judgment. The charges against four routemen (collection agents) for the corporation were dismissed by the State.

On the same date Todd Amusements, a subsidiary of Columbia in Washington County, and the Paszkiewiczs were also found guilty of similar charges by Judge Ciotola in consolidated cases. Fines totaling \$47,000 were imposed making the total against Columbia and its subsidiary \$122,000. In addition the State Comptroller has filed tax assessments against Columbia and Todd amounting to \$627,291.

Cadillac Amusements

On April 14, 1986 Raymond Makarovich was found guilty by Judge J. Carol Smith in Baltimore City District Court of filing a false tax report, false admissions and amusement tax reports and possession of slot machines. Fines, penalties and tax liabilities totaling \$208,776 were imposed along with an 18 month suspended sentence and three years probation. Charges against the brother of Makarovich were dismissed.

Bernie's Vending Services, Inc.

On October 21, 1986, the Corporation, Bernard P. Sapperstein, its president, and George J. Kelly, a routeman, were found guilty in Baltimore County District Court, of possession of slot machines and gambling conspiracy. The court imposed fines of \$32,000, suspended sentences and probation. The State Comptroller's Office has also levied a tax assessment of \$147,787.

Nick Frank Vending, Inc.

On September 25, 1986, the Corporation and its president, Nick Frank, were found guilty of possession of slot machines and conspiracy to possess slot machines by Judge John Rellas of Baltimore County District Court. Fines totaling \$35,000 were imposed and Frank was given a one year suspended sentence and 18 months supervised probation. In addition the Corporation was ordered to pay \$300,000 in assessed taxes, penalties and interest to the State Comptroller.

CEECO Vending Company, Inc.

On October 9, 1986, the Corporation, a subsidiary, Jade Vending Company, and three of its officers, C. Bruce Winston, Marvin Glass and John E. Cary were found guilty of possession of slot machines. Judge John Rellas imposed fines totaling \$45,000. Winston and Glass received 18 months probation prior to judgment. Hyman Carpman, another officer, was found not guilty. Tax assessments against CEECO amount to \$339,000 excluding penalties and interest. Jade Vending will be assessed \$69,318 plus penalties and interest pending the full assessment of CEECO.

Watkins Amusements, Inc.

On February 3, 1986, corporate president Irving Watkins was found guilty of filing a false tax report and conspiracy to possess slot machines. Judge Luke K. Burns of Carroll County District Court imposed a one year sentence which was suspended and Mr. Watkins was placed on five years probation. He was also ordered to pay \$245,461 in assessed taxes, penalties and interest to the State Comptroller.

United Automatic Sales, Inc.

On April 30, 1986, the Corporation and its officers Teddy Collier, James Collier and Richard Collier were found guilty of possession of slot machines and conspiracy. Judge Edwin H. W. Harlan, Jr., Harford County District Court, imposed fines totaling \$40,000, probation prior to judgment against the Colliers and three years probation for each.

Eyler's Vending, Inc.

On September 30, 1986, the Corporation and its owner, Joann Eyler were found guilty of possession of slot machines and conspiracy. Judge Herbert Rollins, Frederick County District Court, imposed fines totaling \$20,000 and sentenced Mr. Eyler to probation prior to judgment, three years probation and 200 hours of community service.

Tri-State Amusement Machines, Inc.

On January 29, 1987, the Corporation and its officers, Robert C. and Robert Harbaugh were found guilty of filing false tax reports, possession of slot machines and conspiracy. Fines totaling \$15,000 were imposed and the Corporation and Robert Harbaugh were ordered to pay the State Comptroller \$201,763 in taxes, penalties and interest.

Summary of Quartermatch

Although the Quartermatch investigation has not stopped video poker gambling in Maryland, it has made some inroads into the recent illegal profits of the largest vendors of these machines. As of February 1, 1987, the following court ordered payments and Comptroller assessments have been obtained:

See Chart On Next Page

<u>Vending Company</u>	<u>Gambling Fines</u>	<u>Court Ordered Amusement & Admission Taxes</u>	<u>Comptroller Assessments</u>
Columbia Vending	\$ 75,000	-	\$ 531,275
Todd Amusements	47,000	-	96,016
Cadillac Amusements	20,000	\$188,776	-
Bernie's Vending	32,000	-	174,787
Nick Frank's Vending	35,000	300,000	-
CEECO Vending	30,000	-	339,000
Jade Vending	15,000	-	69,318
Rossville Vending	60,000	-	1,200,000*
Watkins Amusements	-	245,462	-
United Automatic	40,000	-	-
Tri-State Amusements	15,000	201,763	-
Eyler's Vending	20,000	-	-
TOTALS	<u>\$389,000</u>	<u>\$936,000</u>	<u>\$2,410,396</u>
GRAND TOTAL			<u>\$3,735,396</u>

*Pending litigation in Tax Court

In addition to the above more than 300 video-poker machines costing between \$2,000 and \$4,000 each were seized in the March 7, 1985 raids. These have been forfeited to the State and represent major capital losses for the vendors.

Above all, the Quartermatch investigation proved that video-poker machines gambling in Maryland is big business. Analysis of the records seized from eight vendors showed that between January 1, 1982, and March 1, 1985, they grossed \$34,248,220 among them and reported \$13,242,655, equaling unreported income on their machines of \$21,005,565!

An article appeared in the January 1987 edition of Police Chief, a national magazine published by the International Chiefs of

Police Association concerning the Quartermatch operation and the role of the State Prosecutor. This was submitted by State Police Lieutenant John Cook, who worked as case manager of the investigation and Marilyn Peterson Sommers of MAGLOCLLEN (an acronym for Middle Atlantic Great Lakes Organized Crime Enforcement Network). This is a federally funded agency which has been very supportive of our Office.

B. Investigations Completed With No Charges Filed

A large part of the work of the Office results in no criminal action. This is due to a number of reasons among which are:

- (1) The investigation revealed that the person or persons investigated committed no criminal acts;
- (2) The evidence obtained in the investigation was insufficient to warrant criminal charges and further investigation appeared to be unproductive;
- (3) The investigation revealed that the crimes were beyond the statutes of limitations, or represented trivial infractions not warranting criminal action.

Some of these investigations closed in 1986, which represented significant amounts of work were:

1. St. Mary's County

This investigation involved alleged misconduct of a public official unrelated to previously mentioned charges. A Grand Jury heard evidence from a number of witnesses. However, an indictment was not recommended due to a credibility problem with the State's main witness.

2. Eastern Shore Slot Machines

Although criminal charges were not filed in the seizures of slot machines from 24 fraternal and private organizations, this matter continued with forfeiture proceedings. Forfeiture of the 158 slot machines was denied by the Circuit Court of Worcester County. The Court of Appeals has heard arguments and its decision is pending.

3. Washington County

An extensive investigation was conducted into alleged misconduct by a public official. This was referred by the State's Attorney of Washington County. The investigation did not produce evidence to support a criminal charge.

4. Baltimore County

Officers from the Baltimore County Police Department and this Office conducted a lengthy investigation into possible misconduct and violations of the ethics in government law. Two Grand Juries issued subpoenas for documents and heard evidence. However, the evidence developed minor infractions not warranting prosecution.

5. Cecil County

This matter was referred by the State's Attorney for Cecil County. It concerned possible misconduct in office, but was closed without referral to the Grand Jury after extensive interviews of witnesses.

6. Somerset County

Two State Troopers assigned to the office spent considerable time in Somerset County investigating a matter referred by the State's Attorney. They were unable to find sufficient evidence to warrant Grand Jury involvement.

7. Baltimore City

This preliminary inquiry involved allegations of improper activities concerning charitable organizations, public officials and gaming operators. Sufficient evidence to continue the investigation was not developed.

8. Election Law Complaints

During the primary and general election campaigns of 1986 the Office received 30 complaints requiring preliminary inquiries. Fourteen were resolved, one of which resulted in criminal charges. Sixteen were carried over into 1987.

II. INVESTIGATIONS IN PROCESS

Eighteen preliminary inquiries and investigations were carried over into 1987. Four of these have resulted in criminal charges and four others are scheduled for either indictments or criminal informations in 1987.

III. ACTIVITIES IN THE APPELLATE COURTS

The Office was involved in considerable activity in Maryland's Appellate Courts during 1986. Four cases prosecuted in 1985 and 1986 reached appellate level. They are:

A. Bernard F. Goldberg, Sr. v. State, 69 Md. App. 702(1987)

This is the appeal of Mr. Goldberg from his conviction for misappropriation by a fiduciary referred to in Part I of this report. One of Mr. Goldberg's issues is that prosecutors from the State Prosecutor's Office could not prosecute him as Assistant State's Attorney's while they were still holding office as Assistant State Prosecutors. Since misappropriation by a fiduciary is not one of the crimes enforceable by the State Prosecutor, members of the office were sworn as Assistant State's Attorneys for Howard County where the crimes were committed.

The Court of Special Appeals affirmed the conviction, but in dicta stated that holding two offices may be incompatible with the provisions of the State Prosecutor's statute and the State Constitution. Mr. Goldberg is now seeking review at the Court of Appeals. Heeding the words of the Court of Special Appeals, the Office will no longer prosecute cases in which the crime occurs solely in one jurisdiction. These cases had been accepted to assist State's Attorneys who had possible conflicts of interest.

B. State v. 149 Slot Machines

On October 6, 1986, Judge Dale Cathell of the Circuit Court of Worcester County held that a particular section of the State's Gambling statutes exempted certain counties from the total ban on slot machines. This Office had sought forfeiture of the machines seized by State Police in raids on 24 fraternal organizations and private clubs in September 1984. The Office has asked the Attorney General's Office to seek review of Judge Cathell's decision, and the Court of Appeals has heard the case. A decision is pending.

C. In Re: Criminal Investigation No. 1-162, 66 Md. App. 315, 503 A.2d 1363, vacated, 307 Md. 674, 516 A.2d 976 (1986)

During Grand Jury hearings following seizure of corporate records of the video-poker machine vendors, this Office sought to compel witnesses to testify under the gambling immunity statute. Judge Bruce Williams of Anne Arundel County Circuit Court held that the immunity provisions of the gambling statutes would not protect witnesses from prosecutions for other crimes and denied our motions to compel them to testify before a Grand Jury.

The State appealed to the Court of Special Appeals which affirmed the judgment of the lower court on February 6, 1986. On November 10, 1986, the Court of Appeals reversed the judgment of the intermediate court and remanded the case to that court with directions to dismiss the appeal as moot. In doing so Chief Judge Robert Murphy stated in his opinion that it was error not to compel the witnesses' testimony before the Grand Jury.

D. George R. Aud vs. State

Former County Commissioner Aud of St. Mary's County is appealing his conviction of income tax fraud. This Office will represent the State on appeal.

IV. LEGISLATION

A. Savings and Loan Associations

During the 1985-86 session of the General Assembly, legislation was enacted concerning the regulation of the savings and loan industry. Provisions of the legislation mandated that the State Prosecutor compile a list of all depositors who withdrew \$100,000 or more in certificates of deposit between March 12, 1985 and May 4, 1985 with penalties. The legislation, effective July 1, 1986, required that the State Prosecutor conduct an investigation and to present the list to the Attorney General.

The list has been compiled and presented to the Attorney General with recommendations from this Office.

B. House Bill 1325, 1986-87 Session

Following the Court of Special Appeals decision in Goldberg vs. State, discussed in Part III, the Office sought legislation to enable the State Prosecutor to investigate cases occurring in only one jurisdiction. This is believed to be necessary in those cases in which a State's Attorney has a conflict of interest, or needs assistance in extensive investigations requiring accountants. Under the present statute, the State Prosecutor can only conduct such an investigation, if requested, when the alleged crimes are multi-jurisdictional, i.e., occurring in more than one county.

The Maryland State's Attorneys Association endorsed the legislation. The bill was defeated in the Judiciary Committee of the House of Delegates.

V. ORGANIZATION AND PERSONNEL

Chief Investigator's Position

A major change occurred in the investigative arm of the Office in 1986. A Chief Investigator position was provided in the Fiscal Year 1987 budget beginning July 1, 1986. This enabled the hiring of James Cabezas, a Sergeant in the Baltimore City Police Department with 16 years of experience. During the last seven years, Sergeant Cabezas was assigned to the Inspectional Services Division of the

Department and was involved in most of the major investigations conducted by the State Prosecutor's Office. He not only brings a wealth of experience to the staff, but also many close working relationships with federal, state and local law enforcement agencies.

Investigative Staff

At the conclusion of the reporting period, Baltimore City Detective Sergeant John Gavrilis concluded his eighteen month assignment to the office and was replaced by Detective Sergeant Rick Barger, a veteran investigator with the Baltimore City Police Department. In addition, Dennis Torbeck, who spent 17 years with the Baltimore County Police Department, the last twelve of which were in the Intelligence Section, joined the permanent staff as a Special Agent.

The addition of Torbeck to the investigative staff, as well as the assignment of State Police Sergeant R. Lee Caple during the year to Detective Sergeant William L. Jacobs' State Police Unit, brings to eight the number of full-time investigators assigned to the Office. All are seasoned detectives with many years of experience in most of the fields of law enforcement.

One of the three major goals of the incoming State Prosecutor in 1984 was, "To develop the office into a first class investigative agency capable of handling any criminal matter in the State regardless of scope or complexity".¹ It is believed that the Office is well on its way to achieving that capability.

Administrative Staff

Linda Kratz, who had been the Chief Administrative Aide to the State Prosecutor since the inception of the Office, resigned in September in order to move her family to Atlanta, Georgia. Also departing at the end of the year was Denise Rutkowski who left to work for a private firm.

Deborah Constable, who joined the Office in 1982, has been promoted to Linda Kratz's position and oversees the administrative

¹Report of the State Prosecutor, May 7, 1984 - November 30, 1985, Office of the State Prosecutor (Towson, Maryland) p. 1.

staff. In order to fill the vacancies created by the departures of Kratz and Rutkowski, Deborah Amig and Jane Short were hired as legal stenographers. Mrs. Amig was formerly employed by the Office, before leaving to have a child. Mrs. Short worked for the Maryland State Police in Bel Air before transferring to the Office. Mary Anne Donoghue, a student at Villa Julie College, is assisting the administrative staff on a part-time basis.

Auditors

Leslie Volkmar departed in July to accept a position with a financial institution. Her position has been reclassified to a higher grade and applicants are being screened to assist Marcelino Ferrer in the auditing functions of the Office.

Legal Interns

During the year Mark Tilkin from the University of Baltimore Law School and Jeri Lee Ganz from the University of Maryland Law School shared intern duties. Both completed their internship at the end of the year. Tilkin joined the staff of the Baltimore County State's Attorney's Office and Ms. Ganz left to join a private firm. They have been replaced by Mrs. Dolores Ridgell, who is in her second year at the University of Baltimore Law School.

Prosecutors

Gerald Ruter left the Office shortly after the end of the year. He is now in private practice. Interviews are being conducted to fill the vacancy.

VI. PLANS AND RESOURCES

Several major improvements in office management were made during the year. These included the development of a policy and procedures manual, the establishment of a property inventory and control system, an evidence control system and a step by step procedure for processing complaints.

The procedure for processing complaints has been very beneficial in all aspects of office work. It was primarily developed by James Cabezas, Sergeant Jacobs and Deborah Constable.

Law Library

Legal Intern Mark Tilkin was chiefly responsible for locating and obtaining an extensive legal library for Office use. It comprises most of the volumes needed for criminal law research in Maryland and was donated by the Maryland State Law Library. This was an obsolete legal library which has been updated by extending our costs over three budget years.

Computerization

State Police Sergeant Ron Hinkel has been experimenting with his personal computer in tracking and working his caseload. His efforts have largely contributed to a plan which has been developed and will be submitted to the Department of Budget and Fiscal Planning as the Office's five year plan for automation. This will comprise word processing capability for the administrative staff tied to a network of terminals for the investigative staff.

VII. CONCLUSION

Attached are the Office's Organization Chart and the Summary of Workload. They depict the Office personnel structure and its operations as a State-wide investigative unit. Despite the number of personnel changes and the small staff, the Office has maintained a high level of investigative activity throughout the State.

Investigators traveled over 100,000 miles during their investigations in 17 of the State's jurisdictions.

Additionally, the sources of the complaints received by the Office in 1986 were more diversified. An analysis of the sources by categories shows the following:

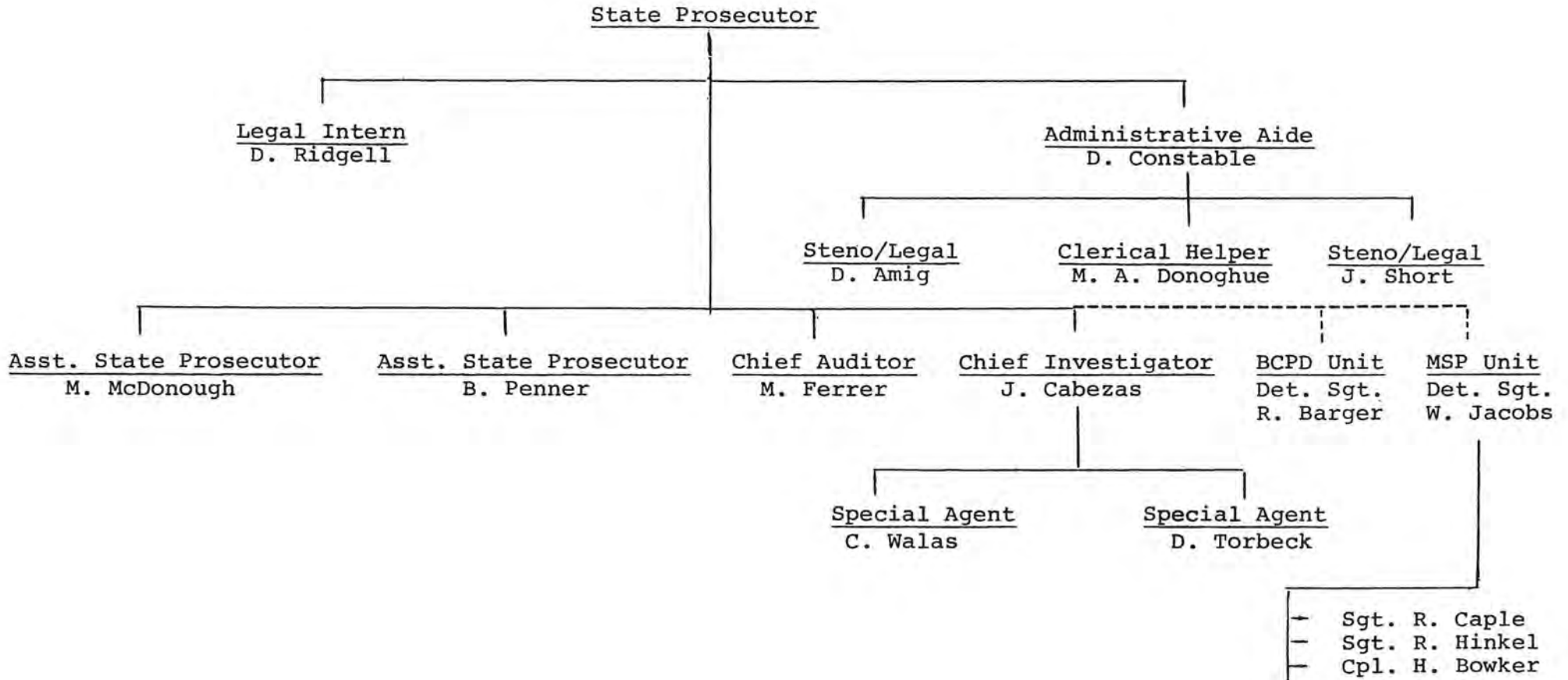
1986 ANALYSIS OF COMPLAINANTS

Citizens	106
State's Attorneys' Offices	19
Law Enforcement Officers	7
State Prosecutor's Office (Self-initiated)	7
Elected Public Officials	6
Anonymous Complaints	6
Maryland General Assembly	1
Baltimore City "Hot Line" (Referral)	1
TOTAL	<hr/> 153

Although most complaints are referred by private citizens, there seems to be an increase in those received from persons working in the public sector. This trend has some merit since they are the sources most likely to have knowledge of official misconduct.

OFFICE OF THE STATE PROSECUTOR

As of February 1, 1987



NOTE: Dotted line indicates
Assigned from another
Agency

OFFICE OF THE STATE PROSECUTOR

SUMMARY OF WORKLOAD

CALENDAR YEAR 1986

PAGE 2

NO	INVESTIGATIONS		INITIATED	PERSONNEL ASSIGNED	MANMONTHS EXPENDED 1986	PERSONS CHARGED	PERSONS CONVICTED	STATUS/RESULTS
	Juris.	Defendants Crimes						
4	Baltimore City	WILTON, Timothy B. (Lieut. City Jail) - Bribery Conspiracy WILTON, Chester - Bribery Conspiracy DAVIS, Kenneth - Bribery Conspiracy File Number 12-84	FY 85	2 Prosecutors 2 Investigators 1 Law Clerk	1.0 1.2 .3	3	2	Lt. Wilton convicted 4-24-86 of Conspiracy to Bribe, Aiding Escape; 3 yrs suspended; C. Wilton Nolle Prossed; K. Davis pled guilty to Bribery - 4 years c/c with prior sentence
5	Baltimore City	BRICKER, Robert J., Sr - Bribery File Number 4-85	FY	1 Prosecutor	.2	1	1	Pled guilty 2-18-86 to bribery, 18 months all but 60 days suspended; forfeited \$40,000 seized on arrest; 2 years supervised probation.
6	Baltimore County	SANTONI, George, et al - Narcotics - Interstate Racketeering - Income Tax Fraud File Number 14-84	FY 85	2 Prosecutors 1 Investigator 1 Law Clerk	1.1 3.0 .5	9		Joint investigation with federal agencies. Prosecutors acting as Asst. U.S. Attorneys. Federal Indictments filed 9-24-86 Awaiting trial

OFFICE OF THE STATE PROSECUTOR

SUMMARY OF WORKLOAD

CALENDAR YEAR 1986

PAGE 3

NO	INVESTIGATIONS			INITIATED	PERSONNEL ASSIGNED	MANMONTHS EXPENDED 1986	PERSONS CHARGED	PERSONS CONVICTED	STATUS/RESULTS
	Juris.	Defendants	Crimes						
7	Washington County	MOWEN, Clinton - Chief Hagerstown Police Department	- Unlawful electronic surveillance	FY 87	2 Prosecutors 3 Investigators	.5 1.1	1	1	Pled guilty 1-12-87 to misconduct. Presentence investigation pending.
		File No. 6-86							
8	Washington County	MOSER, Clyde (Lieut. MCI)	- Perjury Obstruction	FY 87	1 Prosecutor 3 Investigators	.5 1.3	1		Indicted 12-5-86. Awaiting trial.
		File No. 7-86							
9	Montgomery County	CAMPAGNA, Anthony	- Election Law	FY 87	1 Prosecutor 1 Investigator	.3 .2	1	1	Convicted 1-23-87; \$1000 fine each of 2 cts; suspended all but \$500; one year unsupervised probation.
		File No. 86-067							
10	Harford County	CAMPASINO, Edward D High School Principal	- Theft	FY 84	1 Prosecutor	.3	1	1	Sentenced 3-11-86; 1 year all but 15 weekends suspended; restitution \$4,432; 150 hrs. comm. service; 3 yrs. supervised probation.
		File NO. 6-85							

OFFICE OF THE STATE PROSECUTOR

SUMMARY OF WORKLOAD

CALENDAR YEAR 1986

PAGE 5

NO	INVESTIGATIONS			INITIATED	PERSONNEL ASSIGNED	MANMONTHS EXPENDED 1986	PERSONS CHARGED	PERSONS CONVICTED	STATUS/RESULTS
	Juris.	Defendants	Crimes						
	<u>QUARTERMATCH (Con't)</u>								
	Washington County	Todd Amusements - Slot Machines (Columbia Vending Subsidiary)					3	3	Todd pled guilty to 22 cts. 8-26-86; fined \$23,000; forfeited machines. Raymond and Norbert Paszkiewicz each pled guilty to 11 cts. and fined \$12,000 each for total \$24,000. PBJ to each and 1 yr. unsupervised probation.
		PASZKIEWICZ, Raymond - Slot Machines							
		PASZKIEWICZ, Norbert - Slot Machines							
	Baltimore City	MAKAROVICH, Raymond (T/A Cadillac Amusements)					2	1	Pled guilty to false tax returns and 30 cts. of slot machines possession on 4-14-86. 19 mos. suspended sentence. 3 yrs. supervised probation; \$20,000 fine; agreed to pay Comptroller \$188,776 in taxes, penalty and interest. Francis Makarovich charges statted due to poor health
		- Tax Evasion Slot Machines							
		MAKAROVICH, Francis - Slot Machines							

OFFICE OF THE STATE PROSECUTOR

SUMMARY OF WORKLOAD

CALENDAR YEAR 1986

PAGE 6

NO	INVESTIGATIONS			INITIATED	PERSONNEL ASSIGNED	MONTHS EXPENDED 1986	PERSONS CHARGED	PERSONS CONVICTED	STATUS/RESULTS
	Juris.	Defendants	Crimes						
	Baltimore City	Bernie's Vending Services, Inc. - Slot Machines SAPPERSTEIN, Bernard P. - Slot Machines KELLY, George J. - Consp.					3	3	Corporation and Sapperstein pled guilty 10/86 to 30 cts. Sapperstein received \$8,000 fine, 1 yr. suspended and 1 yr. probation. Corporation received \$22,000 fine and forfeited its machines. Kelly pled guilty; received 18 mos. probation; \$2,000 fine and forfeiture of machines
	Baltimore County	Nick Frank Vending, Inc. - Tax Evasion Slot Machines FRANK, Nick Kosta - Tax Evasion Slot Machines					2	2	Corporation and Frank con- victed 9-25-86. Corporation fined \$28,000; forfeited machines and ordered to pay \$300,000 in taxes, penalties and interest as restitution. Frank received 1 yr. suspended, 18 mos. supervised probation and \$7,000 fine.
	NOTE: Christopher's Restaurant and Lounge, a Nick Frank vendee location was prosecuted by the Attorney General's Office on 4-10-86. Mark Loundas and John Bartsocas pled guilty to corporate tax fraud, each re- ceiving 10 years, all but 60 days suspended; 5 years supervised probation. This was part of the Quartermatch investigation.								

OFFICE OF THE STATE PROSECUTOR

SUMMARY OF WORKLOAD

CALENDAR YEAR 1986

PAGE 7

NO	INVESTIGATIONS			INITIATED	PERSONNEL ASSIGNED	MANMONTHS EXPENDED 1986	PERSONS CHARGED	PERSONS CONVICTED	STATUS/RESULTS
	Juris.	Defendants	Crimes						
	<u>QUARTERMATCH (Con't)</u>								
	Baltimore County	Ceeco Vending Company, Inc.	- Slot Machines				5	4	Ceeco found guilty 24 cts. on 10-9-86 fined \$24,000, forfeited machines. Winston found guilty of 3 cts., PBJ, 18 mos. probation and \$3,000 fine. Glass found guilty of 3 cts., PBJ, 18 mos probation and \$3,000 fine. Carpman found not guilty. Cary guilty \$15,000 fine, forfeiture of machines.
	WINSTON, C. Bruce		- Slot Machines						
	GLASS, Marvin		- Slot Machines						
	CARPMAN, Hyman		- Slot Machines						
	CARY, John E.		- Slot Machines						
	<u>Carroll County</u>								
	WATKINS, Irving B.	(Pres. Watkins Amusements Inc.)	- Tax Evasion Conspiracy				1	1	Pled guilty 2-3-86 to both charges; PBJ, 5 yrs. probation, ordered to pay Comptroller \$245,461 in taxes, penalties and interest and forfeiture of machines.

OFFICE OF THE STATE PROSECUTOR

SUMMARY OF WORKLOAD

CALENDAR YEAR 1986

PAGE 8

NO	INVESTIGATIONS			INITIATED	PERSONNEL ASSIGNED	MANMONTHS EXPENDED 1986	PERSONS CHARGED	PERSONS CONVICTED	STATUS/RESULTS
	Juris.	Defendants	Crimes						
	Harford County	United Automatic Sales, Inc.					4	4	All defendants pled guilty 4-30-86. Corporation fined \$29,000 and forfeiture of machines. T. Collier received PBJ, 3 yrs. probation and \$4,000 fine; J. Collier, PBJ, 3 yrs probation and \$3,500 fine; R. Collier - PBJ, 3 yrs probation and \$3,500 fine.
		COLLIER, Teddy P. - Slot Machines							
		COLLIER, James A. - Slot Machines							
		COLLIER, Richard L. - Slot Machines							
	Washington County	Tri-State Amusement Machines, Inc. - Tax Evasion					4	3	Corporation, Robert and Robert Charles Harbaugh pled guilty 1-29-87; Corporation and Robert Harbaugh ordered to pay Comptroller \$201,763 taxes, penalties and interest and \$500 fines. Robert Charles Harbaugh fined \$14,000 and machines forfeited. Charges against Diane Harbaugh Nolle Prossed.
		HARBAUGH, Robert C. - Slot Machines							
		HARBAUGH, Robert - Slot Machines							
		HARBAUGH, Diane M. - Slot Machines							
	Frederick County	Eyler's Vending, Inc. - Slot Machines					2	2	Corporation and Eyler pled guilty to Slot Machine possession 9-30-86. Corporation fined \$15,000. Eyler received PBJ, fined \$5,000, 3 yrs. probation and 200 hours community service.
		EYLER, John - Slot Machines							

OFFICE OF THE STATE PROSECUTOR

SUMMARY OF WORKLOAD

CALENDAR YEAR 1986

PAGE 9

NO	INVESTIGATIONS			INITIATED	PERSONNEL ASSIGNED	MANMONTHS EXPENDED 1986	PERSONS CHARGED	PERSONS CONVICTED	STATUS/RESULTS
	Juris.	Defendants	Crimes						
12	Baltimore County	BROWN, Marvin J. (Correction Officer, MHC)	Crimes - Narcotics	FY 86	1 Prosecutor	.3	5		Charges against Brown, Harris and Wells stetted upon payment of restitution and resignation from Department of Correction with prejudice. Smith also stetted.
		HARRIS, Keith (Correctional Officer, MHC)	- Narcotics						
		WELLS, Derick R. (Correctional Officer, MHC)	- Narcotics						
		SMITH, Isiah	- Narcotics						
	Baltimore City	MERRIWEATHER, Clarence (Correctional Officer, MHC)	- Narcotics						Merriweather awaiting trial on 2-13-87.
		File No. 8-85							
13	Calvert County	BOWEN, Jesse Jo County Treasurer	- Failure to Collect Tax	FY 87	1 Prosecutor 1 Investigator	.3 .3	1		Acquitted 1-28-87.
		File No. 86-132							

OFFICE OF THE STATE PROSECUTOR

SUMMARY OF WORKLOAD

CALENDAR YEAR 1986

PAGE 10

NO	INVESTIGATIONS			INITIATED	PERSONNEL ASSIGNED	MANMONTHS EXPENDED 1986	PERSONS CHARGED	PERSONS CONVICTED	STATUS/RESULTS
	Juris.	Defendants	Crimes						
14	<u>St. Mary's County</u> Confidential - Misconduct File No. 3-85			FY 85	1 Prosecutor 2 Investigators	1.0 2.7			Closed - Insufficient Evidence.
15	<u>Queen Anne's County</u> <u>Talbot County</u> <u>Dorchester County</u> <u>Caroline County</u> <u>Somerset County</u> Forfeiture of 158 slot machines seized by Maryland State Police at fraternal and civic organi- zations. File No. 13-84			FY 85	2 Prosecutors 1 Law Clerk	1.6 .3			Forfeiture denied by Circuit Court for Worcester County in consolidated proceedings on 10-6-85. Court of Appeals has heard arguments, decision pending.
16	<u>Washington County</u> Referred by State's Attorney. Joint Investigation with Hagerstown Police - Misconduct			FY 85	1 Prosecutor	.5			Closed - Insufficient Evidence
17	<u>Baltimore County</u> Joint Investigation with County Police - Ethics Law Misconduct File No. 2-86			FY 86	1 Prosecutor 1 Investigator 1 Auditor	1.7 .5 2.3			Closed - Insufficient Evidence

OFFICE OF THE STATE PROSECUTOR

SUMMARY OF WORKLOAD

CALENDAR YEAR 1986

PAGE 11

NO	INVESTIGATIONS			INITIATED	PERSONNEL ASSIGNED	MANMONTHS EXPENDED 1986	PERSONS CHARGED	PERSONS CONVICTED	STATUS/RESULTS
	Juris.	Defendants	Crimes						
18	Cecil County Referred by State's Attorney - Misconduct File No. 86-034			FY 86	1 Prosecutor 2 Investigators 1 Law Clerk	.2 .5 .3			Closed - Insufficient Evidence.
19	Somerset County Referred by State's Attorney - Misconduct File No. 86-048			FY 87	2 Investigators	.6			Closed - Insufficient Evidence.
	Election Law Complaints Referred by State Administrative Board of Election Laws, County Boards, State's Attorney's, citizens.			1986	1 Prosecutor 1 Investigator 1 Law Clerk	1.9 1.0 1.0			30 Complaints 14 resolved ² 16 Pending as of 12-31-86 NOTE 2: Includes prosecution in Montgomery County (page 3)

OFFICE OF THE STATE PROSECUTOR

SUMMARY OF WORKLOAD

CALENDAR YEAR 1986

PAGE 12

NO	INVESTIGATIONS			INITIATED	PERSONNEL ASSIGNED	MANMONTHS EXPENDED 1986	PERSONS CHARGED	PERSONS CONVICTED	STATUS/RESULTS
	Juris.	Defendants	Crimes						
<u>INVESTIGATIONS IN PROCESS</u>									
20	Calvert County			FY	1 Prosecutor	1.9			Grand Jury
	Referred by State's Attorney			86	1 Investigator	3.8			
	- Bribery Misconduct				2 Auditors	3.2			
	File No. 86-060								
21.	Savings & Loan Associations			FY	2 Prosecutors	1.6			Report submitted to Attorney General
	Compilation of list of redeemed certificates of deposit pursuant to Chapter 282, Laws of 1986, and other matters.			86	1 Investigator	5.1			
					1 Analyst	.3			
	File No. 86-028								
22	Harford County			FY	1 Prosecutor	.1			Active
	Referred by State's Attorney			87	1 Investigator	.1			
	- Theft Bribery								
	File No. 86-149								

OFFICE OF THE STATE PROSECUTOR

SUMMARY OF WORKLOAD

CALENDAR YEAR 1986

PAGE 13

NO	INVESTIGATIONS			INITIATED	PERSONNEL ASSIGNED	MANMONTHS EXPENDED 1986	PERSONS CHARGED	PERSONS CONVICTED	STATUS/RESULTS
	Juris.	Defendants	Crimes						
23	Prince George's County			FY 87	1 Prosecutor 1 Investigator	.05 .05			Active
			- Misconduct						
			File No. 86-141						
24	Harford County			FY 87	1 Prosecutor 1 Investigator	.1 .1			Active
			- Theft Misconduct						
			File No. 86-148						
25	Prince George's County			FY 87	1 Investigator 1 Auditor 1 Prosecutor	.05 .05 .05			Active
			- Theft						
			File No. 86-145						
26	Prince George's County			FY 87	1 Investigator 1 Prosecutor	.05 .1			Active
			- Election Law						
			File No. 86-144						

OFFICE OF THE STATE PROSECUTOR

SUMMARY OF WORKLOAD

CALENDAR YEAR 1986

PAGE 17

NO	<u>INVESTIGATIONS</u>		INITIATED	PERSONNEL ASSIGNED	MANMONTHS EXPENDED 1986	PERSONS CHARGED	PERSONS CONVICTED	STATUS/RESULTS
	Juris.	Defendants						
	Total estimated workload based on investigations completed and in process as of December 31, 1986.			Prosecutors Supervision & Administration	36.0 12.0	68	39	11 Awaiting Trial 11 Dismissed (Nolle Prosequi) 5 Not Prosecuted (Stetted) 2 Acquitted
				Total Prose- cutor Manmonths	48.0 ³			
				Investigators Supervision, Administration & Training	64.6 16.65			
				Total Investigative Manmonths	81.25			
				Auditors	18.5 ³			
				Legal Interns	7.0 ⁴			
				Total Manmonths	154.75 ³			

Note 3: Does not include vacations, personal leave, compensatory time or sick leave.

Note 4: Part-time contractual personnel

